PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: July 1, 2015 Issued in Compliance with Order in Case 14-E-0423 dated December 15, 2014

Leaf No. 117.46.7 Revision: 0 Superseding Revision:

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

- J. <u>Reservation Payment Option (Cont'd)</u>
 - 5. Performance Factor
 - a. When a Contingency Event is called, the ratio is:
 - i. the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the first four hours of the Load Relief Period up to the kW of contracted Load Relief.
 - b. When an Immediate Event is called, the ratio is:
 - i. the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the highest consecutive four hours during the first six hours of the Load Relief Period up to the kW of contracted Load Relief.-
 - c. When a Test Event is called, the ratio is:
 - i. the kW of Load Relief provided during the Test Hour by the Direct Participant or Aggregator up to the kW of contracted Load Relief.
 - d. When more than one Contingency Event, Immediate Event and/or Test Event is called during the month, the Performance Factor is the average of the Performance Factors for the Direct Participant or the average of the Performance Factors for the Aggregator during that month. Where service is taken under this Program by an Aggregator, "the kW of contracted Load Relief" is measured on a portfolio basis by CBL Verification Methodology. The Performance Factor is rounded to two decimal places and has an upper limit of 1.00 and a lower limit of zero.
 - i. The Performance Factor for the month is used to calculate Reservation Payments for that month and each month thereafter until the month in which the next Test Event or Load Relief Period is called by the Company during the current or subsequent year's Capability Period.
 - ii. If the Direct Participant or Aggregator did not participate in the program during the prior Capability Period, and no Load Relief Periods or Test Events have been designated since the Direct Participant or Aggregator enrolled in the program, the Performance Factor at the end of the current month is assumed to be 1.00.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York