PSC No: 120 - ElectricityLeaf No. 117.46.5New York State Electric & Gas CorporationRevision: 2Initial Effective Date: June 1, 2016Superseding Revision: 1Issued in Compliance with Order in Case Nos. 14-E-0423 and 15-E-0188, dated May 23, 2016

GENERAL INFORMATION

- 34. Distribution Load Relief Program (Cont'd)
 - I. Voluntary Participation Option (Cont'd)
 - 3. Payment for Direct Participants and Aggregators Participating in Other Programs Performance payments shall not be made under this program if the Direct Participants or Aggregator (on behalf of its customer) receives payment for energy under any other demand response program (e.g., NYISO's Day-ahead Demand Reduction Program, NYISO's Special Case Resources Program or the Company's Commercial System Relief Program) during concurrent Load Relief hours. If a Direct Customer or Aggregator (on behalf of its customer) is enrolled in the Company's Commercial System Relief Program for concurrent Load Relief hours, Performance Payment will be made only through the Commercial System Relief Program.
 - J. <u>Reservation Payment Option</u>
 - 1. Applicability

A Direct Participant or Aggregator shall receive a Reservation Payment if such Direct Participant or Aggregator agrees in writing to provide Load Relief for no less than four consecutive hours during each designated Load Relief Period during the effective Capability Period.

2. Reservation Payments

Reservation Payments per month are equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor for the month. Reservation Payments shall be made under this Program independent of whether payments are made for capacity under any other program.

The Reservation Payment rate is \$2.75 per kW per month during months in which there have been four or fewer cumulative Contingency Events and Immediate Events since the beginning of the effective Capability Period. The Reservation Payment rate is \$3.00 per kW per month during months in which there have been five or greater cumulative Contingency Events and Immediate Events since the beginning of the effective Capability Period.

3. Performance Payments for Load Relief The Company shall make a Performance Payment per kWh for the first four hours of Load Relief provided during the Load Relief Period.

The Performance Payment is \$0.15 per kWh.

 Bonus Payment The Company shall make a Bonus Payment per kWh for the fifth and subsequent hours of Load Relief provided during the Load Relief Period.

The Bonus Payment is \$0.30 per kWh.

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