PSC NO. 220 ELECTRICITY LEAF: 263.23 NIAGARA MOHAWK POWER CORPORATION REVISION: 2 INITIAL EFFECTIVE DATE: JUNE 1, 2016 SUPERSEDING REVISION: 1 STAMPS: Issued in Compliance with order issued May 23, 2016 in Case 15-E-0189.

GENERAL INFORMATION

62. COMMERCIAL SYSTEM RELIEF PROGRAM (Continued)

62.9.1.1.2 The payment rate is calculated in dollars per kW per month commencing in the month in which, as of the last day of such month, the Company asked the Direct Participant or Aggregator to provide Load Relief for five or more cumulative Planned Events since the Capability Period commenced.

62.9.1.1.3 The Reservation Payment per month is equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor.

62.9.1.2 Performance Payments for Participation during Planned Events and Test Events

62.9.1.2.1 Except as specified in Rule 62.8, the Company will make a payment to a Direct Participant or Aggregator who provides Load Relief during the Contracted Hours of a Planned Event or Test Event.

62.9.1.2.2 The Performance Payment amount paid per event is equal to the Performance Payment rate in dollars per kWh multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours in the Planned or Test Event.

62.9.1.3 Performance Payment for Participation during Unplanned Events

62.9.1.3.1 Except as provided in Rule 62.8, a Direct Participant or Aggregator will receive payment for performance during each Unplanned Event, provided the Company can verify that the Direct Participant or Aggregator provided Load Relief.

62.9.1.3.2 The performance payment amount paid is equal to the performance payment rate in dollars per kWh multiplied by the sum of the actual load relief provided for the hours of the Unplanned Event.

62.9.1.3.3 Performance Factor

62.9.1.3.3.1 When more than one Planned Event and/or Test Event is called during the month, the average of the Performance Factors of all events for a Direct Participant or Aggregator is the Performance Factor for that month.

62.9.1.3.3.2 Direct Participants and Aggregators may increase the kW of contracted Load Relief in subsequent Capability Periods above their previously contracted kW of Load Relief, provided their most recent Performance Factor was 1.00. The Performance Factor is rounded to two decimal places.