

NYSEG Goshen System NPA Attachment A - Definitions

Definitions as Applied to Terms used in this RFP:

Benefit Cost Analysis (BCA): A calculation of the benefits and costs of potential projects and investments associated with proposed Non-Pipeline Alternatives to weigh the relative value to the Companies' ratepayers, society and the Company of Non-Pipeline Alternatives proposed by Bidders.

Bidder: A person and/or entity, or a representative thereof, replying to this RFP.

BTU: British Thermal Unit. 1,000,000 BTUs per hour is approximately equivalent to 1 MCFH.

Dekatherm (DTH): A unit of heating value equivalent to 10 Therms or 1,000,000 British Thermal Units (Btus) that is typically used as a measure of the energy content of natural gas and that is also the unit of purchase for most natural gas.

Demand: The level of need for natural gas at a specific location or customer end use.

Design Day: A day where the average temperature equals minus ten degrees Fahrenheit and is used by NYSEG for planning purposes to determine what assets must be acquired to meet the highest expected customer demand.

Dispatchable Resource: A resource that can be called upon and operated on demand to provide system relief during peak periods.

Distribution System: NYSEG's natural gas distribution mains and services.

Energy Service Company (ESCO): A company qualified under NYSEG's Natural Gas Retail Access Program.

Intermittent Resource: A resource that cannot be dispatched on demand (e.g., energy efficiency measures)

Local Distribution Company (LDC): The utility responsible for local gas distribution infrastructure.

MCF (Thousand Cubic Feet): 1,000 Cubic Feet is abbreviated MCF using the M to designate 1,000 as per the Roman numeral system. Assuming natural gas with a BTU content of 1,000 BTU/ft³, 1 MCF is roughly equal to 1 DTH. Note that because natural gas is delivered with varying BTU content/ft³, this approximation is only roughly accurate.

MCFH (Thousand Cubic Feet per Hour): Measurement of the amount of gas flowed or used in a one-hour period, in MCF units.

Measure: Individual Non-Pipeline Alternative units included by a Bidder in a Proposal to this RFP.

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Non-Pipeline Alternative (NPA): A reduction in gas demand or increase in gas or gas equivalent supply (whether a single project or a portfolio of multiple projects) that has the effect of reducing the natural gas demand at a specific point in NYSEG's natural gas Distribution System and thus allowing the deferral of specific distribution system infrastructure construction.

Peak Day: The coldest day to which NYSEG plans its natural gas distribution system to meet the needs of customers in a given winter.

Point of Delivery (POD): A location where gas supply enters the distribution system.

Proposal: A package submitted to NYSEG by a Bidder that explains Bidder's Non-Pipeline Alternative and that complies with all requirements outlined in this RFP.

Reliability: The ability of a resource to contribute to alleviating identified low-pressure situations and maintain system integrity.

Societal Cost Test (SCT): The primary measure of cost-effectiveness in NYSEG's BCA methodology, considering direct costs and benefits as well as externalities such as emissions reductions.

Therm: A unit of heating value equivalent to 100,000 British thermal Units (Btus).