

## GENERAL INFORMATION

### 48. Term and Auto- Dynamic Load Management Programs

#### A. Programs

1. Term Dynamic Load Management Program (“Term DLM” Program)  
A customer that qualifies to participate in the Term DLM Program shall provide load relief of at least 50 kW during the Capability period and as further required herein. The Term DLM Program shall be available throughout the Company’s service territory.
2. Auto-Dynamic Load Management Program (“Auto DLM” Program)  
A customer that qualifies to participate in the Auto DLM Program shall provide load relief on not less than 10 minutes advance notice for the following conditions: (1) as a contingency program to prevent or mitigate critical situations on the utility’s electric grid; or (2) for peak shaving purposes using the same activation criteria as for Term-DLM. The Auto DLM Program shall be offered in locations as specified by the Company.

#### B. Definitions

##### Applicable to Both Programs

“Advisory” refers to the Company’s notice that the Company’s day-ahead forecasted load level reaches a Company specified percent of its forecasted summer system-wide peak. Day-ahead and summer peak forecast information for the system will be posted to the Company’s website.

“Aggregation” means either a Sub-aggregation or all customers represented by an Aggregator within a Network if there are no Sub-aggregations for that Aggregator within that Network.

“Aggregator” refers to a party other than the Company that represents and aggregates the load of Customers who collectively have a Load Relief potential of 50 kW or greater under Term- or Auto-DLM and that is responsible for the actions of the Customers it represents, including performance and, as applicable, repayments to the Company.

“Application” is defined as the set of materials required to enroll eligible resources in the program(s) as detailed in the Program Agreement.

“Capability Period” The period during which the Company can request Load Relief. The Capability Period from May 1 through September 30.

“CBL” Customer baseline load as calculated under the Company’s Customer Baseline Load methodology, using either the weather-sensitive adjustment option (the “weather adjusted CBL”) or the average-day CBL. The Customer Baseline Load methodology shall be described in the Company’s baseline operating procedure, which shall be published on the Company’s website.

“CBL Verification Methodology” The methodology used by the Company to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test.

Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Company may estimate the data pursuant to the Company’s operating procedure if data is not available for all intervals. When the weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of the Company defined ranges (i.e., the Company deems the weather to be atypical on the day of a Load Relief Period or Test when compared to the baseline period), the Company may review and revise a participant’s baseline based on the Customer’s historical load data. When the weather-adjusted CBL methodology is used, the Company, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment in order to accurately reflect the customer’s typical usage.

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B. Definitions (Cont'd)

Applicable to Both Programs

“Company Designated Area” An electrically defined area determined by the Company to be approaching system capacity limits during peak periods.

“Direct Participant” refers to a customer who enrolls under Term- or Auto-DLM directly with the Company for a single account and agrees to provide at least 50 kW of Load Relief.

“Electric Generating Equipment” refers to: (a) electric generating equipment that is served under Service Classification No. 10, Service Classification No. 11, or Wholesale Distribution Service and used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with rules governing Emergency Generating Facilities used for self supply and used to provide Load Relief under this Program.

“Load Relief”: Power (kW) and energy (kWh): (a) ordinarily delivered by the Company that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer’s premises; or (b) produced by use of Electric Generating Equipment by a customer taking service pursuant to Service Classification No. 10 or Wholesale Distribution Service and delivered by that Customer to the Company’s distribution or transmission system during a Load Relief Period.

“Load Relief Period” refers to the hours for which the Company requests Load Relief during: (a) a Term-DLM Event, which can also include Auto-DLM participants; or (b) an Auto-DLM Event, provided, however, that Load Relief shall not be required under Auto-DLM between the hours of 12:00 a.m. and 6:00 a.m.

Portfolio Quantity: For each Aggregation of an Aggregator or Direct Participant, the amount of Load Relief measured in kW that the Aggregator or Direct Participant has agreed to provide based on the Program Agreement and any Early Exit fees paid in association with that Aggregation.

“Program Agreement” refers to the specific terms and conditions that apply to Aggregators and Direct Participants based on signed contracts associated with their Vintage Year.

“Sub-aggregation” means a subset of Customers represented by an Aggregator. An Aggregator may create Sub-Aggregations as specified in the Program Agreement for a given year.

“Test Event” refers to the Company’s request of either Term- or Auto-DLM for Direct Participants and Aggregators to provide Load Relief in order to test participants’ response to a request for Load Relief. The duration of a Test Event is one hour for both Term- and Auto-DLM. If a Test Event is called under Term-DLM, Load Relief shall be requested within the four-hour span of Contracted Hours. If called under Auto-DLM, Load Relief shall be requested at a time determined solely at the Company’s discretion but not between the hours of 12:00 a.m. and 6:00 a.m.

“Vintage Year” refers to the first Capability Period an Aggregator or Direct Participant is contractually obligated to participation in.

Definitions applicable to Term-DLM only

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#### B. Definitions (Cont'd)

“Contracted Hours” refers to the four-hour period within a weekday, Monday through Friday during the Capability Period, excluding federal holidays, during which the Direct Participant or Aggregator contracts to provide Load Relief in a Company Designated Area whenever the Company designates a Term-DLM Event. The Contracted Hours are established by the Company for each Company Designated Area based on individual Company Designated Area needs. The Contracted Hours for any S.C. No. 10 customer who exports power to the Company shall be the Contracted Hours established by the Company unless the Company assigns an alternate four-hour period.

“Network” refers to a distribution network or load area designated by the Company.

Performance Factor: When a Planned Event or Test is called, is the quotient of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested or contracted hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief.

Performance Payments: The Company shall make Performance Payments to a Direct Participant or Aggregator participating in the Voluntary Participation Option for Load Relief provided during a designated Load Relief Period. The Performance Payment amount paid per event is equal to the applicable Payment Rate multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

“Renewable Generation” means behind-the-meter electric generating equipment that is not fossil-fueled and has no emissions associated with it.

#### C. Application and Terms of Service

1. A customer that takes service under one of the following Service Classification Nos. 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13 or 14, whether receiving electricity supply from the Company or an ESCO, including any NYPA Customer (“Direct Participant”), and to any Aggregator that meets the requirements of these Programs.
2. A customer taking service under this Rule shall enter into a Program Agreement with the Company. The ability to complete these Program Agreements is awarded based on an open, pay-as-bid, or a fixed, published price, Request for Proposal (“RFP”) process which considers the price per kW offered, the quantity of proposed load relief, the network the load relief will be provided in, and the program the applicant is applying for. All bids will be for single Aggregations (including sub-Aggregations) and will be considered at the Aggregation level.
3. A Direct Participant must contract to provide at least 50 kW of Load Relief. An Aggregator must contract to provide at least 50 kW of Load Relief.
4. Load Relief of an Aggregator will be measured on a portfolio basis by Aggregation.
5. A single CBL Verification Methodology will be used for each Customer account to assess both energy (kWh) and demand (kW) Load Relief.
6. A Direct Participant or Aggregator may change the CBL Verification Methodology or kW of pledged Load Relief for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period.

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#### C. Application and Terms of Service (Cont'd)

7. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this Program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year vintage 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lb/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lb/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year vintage 2000 or newer, written certification by a professional engineer must be attached to the application attesting to the accuracy of all generation-related information contained in the application, including the NOx emission level.

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#### C. Application and Terms of Service (Cont'd)

8. A customer that participates in Net Energy Metering, as identified in in PSL Section 66-j or PSL Section 66-l, or Phase One NEM (as defined in Rule 40.A) is not eligible to participate in these Programs. However, a customer that is participating in Rule 40.B., Value Stack and qualifies for DRV and/or LSRV of the Value Stack compensation is permitted to participate in these Programs in lieu of receiving the DRV and/or LSRV compensation
9. A Direct Participant/Aggregator that qualifies to participate in the Term DLM Program may be eligible to simultaneously participate in the Dynamic Load Relief Program, however, the Direct Participant/Aggregator shall not participate in the Commercial System Relief Program or the Auto-Dynamic Load Management Program at the same time.
10. A Direct Participant/Aggregator that qualifies to participate in the Auto DLM Program shall not be eligible to participate in the Dynamic Load Relief Program, or the Commercial System Relief Program or the Term DLM Program.
11. A Direct Participant/Aggregator exporting to the NYISO through one of its wholesale DER participation model programs may also participate in the Term and Auto- Dynamic Load Management Programs.
12. Within these geographic areas, no limit or cap shall be placed on the following: natural gas-fired rich burn Electric Generating Equipment that incorporates three-way catalyst emission controls; natural gas lean-burn Electric Generating Equipment with an engine of model year vintage 2000 or newer; or Electric Generating Equipment that has a NOx emissions level of no more than 2.96 lb/MWh. 7. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this Program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year vintage 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lb/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lb/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year vintage 2000 or newer, or a diesel-fired engine of model year vintage 2000 or newer, written certification by a professional engineer must be attached to the application attesting to the accuracy of all generation-related information contained in the application, including the NOx emission level.

#### D. Event Notification by the Company

1. Under Term-DLM:
  - a. The Company shall call a Term-DLM Event or Test Event on not less than two hours' advanced notice.
  - b. A Term-DLM Event or Test Event shall not be called unless an Advisory was issued at least 21 hours in advance.
2. Under Auto-DLM:

The Company shall call an Auto-DLM Event or Test Event on not less than ten minutes' advanced notice.

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#### E. Payment

1. The Company shall make Reservation Payments to a Direct Participant or Aggregator at the conclusion of each Capability Period in which the Direct Participant or Aggregator is enrolled under Term- or Auto-DLM. The Reservation Payment is equal to the applicable Reservation Payment Rate per kW multiplied by the Direct Participant or Aggregator's kW of Portfolio Quantity multiplied by the Performance Factor (as described in the Program Agreement). Reservation Payments to Aggregators or Direct Participants are determined per Aggregation based on the Aggregator's kW of Portfolio Quantity in that Aggregation. Details regarding the calculation of Reservation Payments are specified in the Program Agreement.
2. The Company shall make Performance Payments, as applicable, to a Direct Participant or Aggregator. The payment calculation method is described in the Program Agreement.

#### F. Early Exit Fee

Aggregators and Direct Participants shall have the right to terminate their obligations under their Program Agreement prior to the first Capability Period, before a Company specified deadline, by paying a fee equal to ten percent of the product of the remaining length of the contractual obligation in years, the Aggregator or Direct Participant's applicable reservation rate and the kW of Portfolio Quantity. At its discretion, the Company can offer additional opportunities to exercise such early exit rights or require payment of the Early Exit Fee based on a failure to meet minimum performance standards. These will be specified in Program Agreements.

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G. Cost Recovery

1. The Company shall collect the costs of these Programs from all customers pursuant to Rule 25.I.B.1, Transition Charge (Non-Bypassable Charge [“NBC”]). The collection amount shall be allocated to each service classification based upon the Company’s most recent transmission plant allocator.
2. The costs shall be collected from non-demand billed customers on a per kWh basis and from demand billed customers on a per kW.
3. The costs shall be tracked separately and reconciled with revenues collected for the Programs on an annual basis, inclusive of interest at the effective New York State Public Service Commission’s published customer deposit rate applicable to investor owned utilities.
4. A DLM Statement setting forth the cost values included in the Transition Charge (Non-Bypassable Charge [“NBC”]) by service classification shall be updated annually and filed on not less than one days’ notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

H. Participation in Non-Wires Alternative Solutions

1. A Direct Participant or Aggregator shall provide the contracted load relief for the duration of the contract term as specified in solicitation.
2. If the Direct Participant or Aggregator is able to provide additional load relief that is incremental to the contracted kW amount, the Direct Participant or Aggregator may provide such service to a Non-Wires Alternative Solution, if selected.

I. Metering

1. Participation under these Programs require that each participant’s entire service be measured by interval metering with telecommunications capability used by the Company for monthly billing. If an Aggregator takes service under these Programs, all customers of the Aggregator must meet the metering and telecommunications requirements specified herein.
2. If, at the time of application for service under one of these Programs, the Company does not bill the participant monthly using interval metering, the Direct Participant shall arrange for the furnishing and installation of interval metering with telecommunications capability to be used for billing and arrange for telecommunications service, at the participant’s expense.
3. The Company shall visit the premises at the request of the customer to investigate a disruption of normal communications between the phone line or wireless communication and the meter, or operation of external pulses from the meter to the customer’s energy management equipment. The Company shall charge for its visit based upon the cost to the Company.

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#### J. Restrictions

1. 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 or NYISO's Special Case Resources Program) during concurrent Load Relief hours. If a Direct Customer or Aggregator (on behalf of its customer) is enrolled in the Company's Distribution Load Relief Program for concurrent Load Relief hours, Performance Payment will be made only through the Term Dynamic Load Management Program.
2. Customers who take service pursuant to a Net Metering option are not eligible to participate in this program. However, a customer that is participating in Rule 40.B., Value Stack and qualifies for DRV and/or LSRV of the Value Stack compensation are permitted to participate in this Program in lieu of receiving the DRV and/or LSRV compensation. A customer-generator compensated under Rule 40.B. Value Stack that opts into this Program shall be compensated for their injections using the same load reduction calculation methodology and at the same rate as compensation for load reductions as described in Rules 35.I. and 35.J. This voluntary election is a one-time, irrevocable selection that may be made at any point during the project's Value Stack compensation term, however, shall be made in accordance with Rule 35.D. If such election is made after April 1, the effective date of such election shall be the following year's Capability Period described in Rule 35.D.1.