



# **Distribution Load Relief Program Manual Summer 2010**

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**CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM**

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## CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM

### PROGRAM OVERVIEW

Con Edison's Distribution Load Relief Program (DLRP) is for customers who agree to temporarily reduce their electricity usage to help maintain reliable service on Con Edison's power delivery system. As a benefit for their participation, customers receive financial incentives and free technology to help manage their energy use.

There are two ways to participate in DLRP: Summer Reservation Payments (previously called Mandatory) or Voluntary Load Relief (Voluntary). Customers who guarantee load reduction and/or load delivery can participate in the Summer Reservation Payments and will receive monthly payments for their commitment in addition to payment for energy reductions during a power curtailment event. Customers who participate in Voluntary will receive payments for the energy reductions made during an event.

Con Edison's DLRP can be activated at any time during the year. Summer Reservation Payments are only available during the summer capability period May 1<sup>st</sup> to October 31<sup>st</sup>. Participation in Voluntary is available through out the year. The maximum amount of committed demand reduction for the Summer Reservation Payments is 400 MW. Additional applications will be put on a wait list.

When it becomes necessary for Con Edison to reduce energy use in a distribution network or load area, there are many ways customers participating in the program can respond. For example, participants can turn off unnecessary lighting, appliances, and other equipment, raise the temperature of central air-conditioning systems, or use emergency generation that complies with city, county, state, and federal regulations. Information about emergency generation is available from the [New York State Department of Environmental Conservation](#).

DLRP is governed by the New York State Public Service Commission (NYSPSC) [Rider U Tariff](#).

### ELIGIBILITY REQUIREMENTS

Con Edison electric customers that can reduce their electricity consumption and/or supply delivery by at least 50 kilowatts (kW) are eligible to participate in DLRP. Customers, who cannot meet the minimum demand reduction, can apply through a registered Demand Response Service Provider (aggregator) who must combine load and/or supply delivery of at least 100 kW in a portfolio are eligible to participate.

A list of registered aggregators is available from the [New York Independent System Operator \(NYISO\)](#).

## CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM APPLICATION

Potential DLRP participants can complete the [application online](#) or use the [application form](#) and send completed application(s) for both the Summer Reservation Payments and Voluntary to [dr@conEd.com](mailto:dr@conEd.com). Potential DLRP participants for Voluntary may continue to apply after the Summer Capability Period.

APPLICATION DEADLINE FOR SUMMER	ENROLLMENT MONTH
April 1 <sup>st</sup> by 5:00 pm EDT	May 2010
May 1 <sup>st</sup> by 5:00 pm EDT	June 2010
June 15 <sup>th</sup> by 5:00 pm EDT	July 2010

Applicants will be notified of their status by the first of the enrollment month. Approved participants will receive an e-mail that includes:

- Customer Name
- Customer Network
- Enrollment month (month the customer is approved to begin DLRP participation)

### APPLICATION TEMPLATE

An application for each customer must be completed. The 2010 application template for aggregators and customers who have multiple accounts to enroll is slightly different from 2009 as per enhancements to the Rider U Tariff. Aggregators must sign and complete the Demand Response Program application which will serve as a contract. If applicable, applications must include generator information such as *name plate rated size, manufacturer, date of manufacture and the unit serial number*, additionally, copies of the generator air emissions permit or permit application, metering device ID and telecommunications, such as phone number or IP address for the meter are required. Customers who plan to utilize generation in DLRP and submit an incomplete application will not be accepted. To request the application template, send an email to [dr@conEd.com](mailto:dr@conEd.com).

## CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM METERING

DLRP participants must have a billing interval meter (BIM) for each account application with an appropriate communication line for each meter such as telephone line, mobile phone line, or IP address. A BIM measures and records electrical usage in intervals of 5, 15, 30 and 60 minutes. The data is used to verify load reduction and calculate appropriate payment. Con Edison will install a BIM for customers who do not yet have one and that are applying to participate in DLRP. To obtain a price quote and arrange for installation, complete and return the [Metering Upgrade Application](#) to [NataleP@conEd.com](mailto:NataleP@conEd.com) and [dr@conEd.com](mailto:dr@conEd.com). For assistance with the BIM application call the Con Edison meter shop at 1-718-361-5991, 1-718-361-6952, or 1-718-361-6322.

Incentives are available to cover part or all of the cost of the BIM installations through the New York State Energy Research and Development Authority (NYSERDA). For more information, visit [NYSERDA](#) or call 1-518-862-1090.

### METERING UPGRADE COST FOR DEMAND RESPONSE PROGRAMS

Meter Functionality Requested*	Estimated Price**
Interval Metering without pulse output	\$1,157.84
Interval Metering with pulse output	\$1,278.73

Appropriate telephone line(s) are required and should be within two feet of the BIM. For more information on costs refer to the [Metering Upgrade Application](#).

\* Meter functionality as requested by the customer.

\*\* This is an estimated price. Actual costs will be determined after a consultation is completed.

## PARTICIPATION AND PAYMENTS

### SUMMER RESERVATION PAYMENTS

Summer Reservation Payments will be based on a tier system.

- Tier I capacity payments are \$3 per kW-month for six load events of four hours each in a designated network.
- Tier II capacity payments are \$6 per kW-month for six events of four in a designated network.

Reservation payments will be paid monthly for pledged amount based on CBL methodology as defined by the [NYISO Emergency Demand Response Program \(EDRP\) Manual](#).

A performance factor will be applied to reservation payments after a test or event(s). From that month onward, the customer or aggregator will receive reservation payments based on their performance factor in the month of the test or event(s) for the duration of the contracted terms.

## **CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM VERIFICATION METHODOLOGY**

Performance will be measured using the selected CBL methodology to assess both energy (kWh) and demand (kW) reductions. The CBL baseline methodology will default to “average day” unless the “weather adjusted” baseline is elected. Demand reductions of an aggregator will be measured on a portfolio basis by network using a single CBL methodology for all of its customers subject to the CBL Verification Methodology.

A customer or aggregator, for each of its customers, may not change its CBL methodology during the summer capability period.

### **ENERGY PAYMENTS FOR LOAD RELIEF**

Energy payments equal to the greater of \$.50 for each kWh curtailed, or the real-time zonal locational-based marginal price less the retail rate for an event, but no less than \$.50 per kWh. Energy payments will be paid quarterly for energy reduction during power-reduction events, and will be based on CBL methodology as defined by the [NYISO EDRP Manual](#).

Derating will be assessed if pledged amounts are not met during power-reduction events for a minimum of four hours, based on [Rider U Tariff](#).

### **SUMMER RESERVATION PAYMENTS BONUS PAYMENTS**

Con Edison will pay an incentive in addition to the monthly Reservation Payment if a participant or aggregator responds to more than six load relief periods in a specific network during the summer capability period and/or responds for more than four consecutive hours to a load relief period in any summer capability month. Refer to [Rider U Tariff](#) for more information on bonus payments.

### **VOLUNTARY**

Voluntary is open throughout the year. The monthly reservation payment is not applicable. There is no penalty assessed if load reduction commitment is not met.

### **VERIFICATION METHODOLOGY**

CBL is the verification methodology for Voluntary. Customers and aggregators will be assumed to have selected the average-day CBL methodology unless the weather-adjusted CBL was previously elected in writing. A customer or aggregator may not change its CBL methodology after the onset of the capability period.

### **ENERGY PAYMENTS FOR LOAD RELIEF**

Energy payments equal to the greater of \$.50 for each kWh curtailed, or the real-time zonal locational-based marginal price less the retail rate for an event, but no less than \$.50 per kWh. Energy payments will be paid quarterly for energy reduction during power-reduction events, and will be based on CBL methodology as defined by the [NYISO EDRP Manual](#).

For more information on energy payments for load relief refer to [Rider U Tariff](#).

## CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM

### EVENTS AND EVENT NOTIFICATION

Con Edison will activate a DLRP event to ensure reliability of its power-delivery systems. Refer to [Rider U Tariff](#) for complete information. DLRP participants will be notified of an event or test via an e-mail and by telephone.

### TEST EVENTS AND OUTCOMES

Tests will be conducted at the discretion of Con Edison in a network where an event has not been called once per capability period. Con Edison may test a new customer or customers who increase their level of participation in the program. The customer or aggregator can increase their participation once during the capability period.

A performance factor will be applied after a test or event to the customer's or aggregator's reservation payments. A performance factor less than 100% of "load reduction" pledged will result in lower reservation payments for the remainder of the summer capacity period, or until 100% of pledged "load reduction" is achieved in the next emergency DLRP event which will reinstate original reservation payment in the month administered throughout the remaining contracted terms.

### DEMAND RESPONSE CONTACT INFORMATION

For more information on Con Edison's DLRP, visit [www.conEd.com/dr](http://www.conEd.com/dr), e-mail [dr@conEd.com](mailto:dr@conEd.com) or call 1-800-643-1289.

For information on Demand Response Programs, visit the [NYISO](#).

## CON EDISON DISTRIBUTION LOAD RELIEF PROGRAM

### GLOSSARY OF TERMS\*

**Aggregator/s:** A party other than Con Edison that aggregates the load of customers who collectively have a load reduction potential of 100 kW or greater and is responsible for the actions of the customers it represents, including performance and, as applicable, performance adjustments and repayments to Con Edison.

**Capability Period:** Refers either to the Summer Capability Period (May 1 through October 31) or the Winter Capability Period (November 1 through April 30).

**CBL:** Customer baseline load as calculated under the NYISO Customer Baseline Load methodology, using either the average-day CBL or the weather-sensitive adjustment option (the “weather adjusted CBL”). The CBL methodology is the verification methodology used by Con Edison to assess energy reductions (kWh). It is also the verification methodology used by Con Edison to assess demand (kW) reductions under the Summer Reservation Payments unless interval metering requirements are waived pursuant to paragraph (E) (2) of [Rider U](#).

**Electric Generating Equipment:** Refers to electric generating equipment that is served under Service Classification No. 14-RA of the Retail Access Rate Schedule or Rider R and used to provide load reduction or load delivery under this rider; emergency electric generating equipment that is interconnected and operated in compliance with General Rule III-13(E) and used to provide load reduction under this rider; or electric generating equipment that is interconnected and operated in compliance with General Rule III-13(F) and used to provide load delivery under [Rider U](#).

**Load Delivery:** The power (kW) and energy (kWh) produced by use of electric generating equipment and delivered to Con Edison’s distribution system during a load relief period. Load reduction means power (kW) and energy (kWh) ordinarily supplied by Con Edison that is displaced by use of electric generating equipment and/or reduced by the customer or aggregator during a load relief period.

**Load Relief:** Refers to limiting demand on Con Edison’s power delivery system through load reduction or delivering demand to Con Edison’s system through load delivery, as specified in the customer or aggregator’s contract with Con Edison and for the time period directed by Con Edison.

**Performance Factor:** The ratio of the lowest kW actually reduced or delivered in any hour to the kW of contracted load relief.

**Verification Methodology:** The methodology used by Con Edison to verify the contracted load reduction and/or load delivery (kW and kWh) for each hour of each designated load relief period under either the Voluntary or the Summer Reservation Payments, as applicable, as well as the methodology used by Con Edison to verify the entire contracted load reduction and/or load delivery (kW and kWh) during a test under the Summer Reservation Payments.

\*Glossary of terms source [Rider U](#).