# Table of Contents

1. Acronyms and Definitions........................................................................................................3
   1.1 Program Summaries...........................................................................................................4
2. Summary of Changes Since 2019 Season.............................................................................5
3. Enrollment .............................................................................................................................5
   3.1 Eligibility Requirements....................................................................................................5
   3.2 Deadlines................................................................................................................................5
   3.3 Con Edison-Approved Aggregator List.............................................................................6
   3.4 Public Service Commission DER Oversight....................................................................6
   3.5 DR Portal................................................................................................................................6
   3.6 Required Documents.........................................................................................................7
   3.7 Generator Permits.............................................................................................................8
   3.8 Inactive Accounts.............................................................................................................9
   3.9 Accounts with Shiftable Load Serving One Facility......................................................9
4. Meter Data and Communications........................................................................................9
   4.1 Meter Communications.....................................................................................................9
   4.2 AMI Meter.......................................................................................................................10
5. Events.....................................................................................................................................11
   5.1 System Load Forecast.....................................................................................................11
   5.2 Event Notification...........................................................................................................11
6. Settlements..........................................................................................................................12
   6.1 Settlement Timeline........................................................................................................12
   6.2 Test Events.....................................................................................................................12
   6.3 Aggregation Level Payments.........................................................................................13
   6.4 Mandatory and Voluntary Events................................................................................14
   6.5 Overlapping Events and Same-Day Events.................................................................15
   6.6 Rider R Customers..........................................................................................................16
   6.7 True-up................................................................................................................................16
   6.8 Weather Adjustment Factor Modifications (DLRP Only) .............................................18
   6.9 Reimbursement to Con Edison for Overpayment......................................................18
Disclaimer: This document contains only guidelines for the Con Edison Demand Response (DR) programs. The Con Edison Electric Tariff prevails in any conflict. Con Edison reserves the right to change any of the guidelines without notice if necessary for operational purposes.

Purpose: This document is intended to provide additional clarification to the Con Edison Rider T Tariff programs. It is not meant to give an overview of DR and Con Edison’s programs to new participants.

To learn more about Con Edison’s programs in general, please visit our DR website.

For more definitions, please see Rider T of the tariff.

1. Acronyms and Definitions

- **AMI** – Advanced Meter Infrastructure. Also known as smart meters.
- **Aggregator** – Also known as Curtailment Service Provider or CSP. A third-party that aggregates and represents load and is responsible for the actions of its customers with respect to the Con Edison’s DR programs. Assists customers and property owners/managers with DR program participation.
- **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.
- **Capability Period** – May 1 through September 30.
- **CBL** – Customer Baseline Load. Average hourly energy consumption used to determine the level of load relief that is provided. The CBL specification is located here.
- **Contracted Hours** – Also known as call windows. Assigned energy use reduction time period for CSRP customers. Aligns with network-level peak energy demand. The CSRP call windows are:
  - 11 AM – 3 PM
  - 2 PM – 6 PM
  - 4 PM – 8 PM
  - 7 PM – 11 PM
  The list of networks assigned to each call window is located here.
- **CSRP** – Commercial System Relief Program (21-hour Notification Program)
  - **CSRP-R** — Reservation Option of CSRP
  - **CSRP-V** — Voluntary Option of CSRP
- **DLRP** – Distribution Load Relief Program (2-hour Notification Program)
  - **DLRP-R** – Reservation Option of DLRP
  - **DLRP-V** – Voluntary Option of DLRP
- **DR** – Demand Response – load relief upon request. Also known as Smart Usage Rewards.
- **DRMS** – Demand Response Management System. System used to administer the DR programs.
- **DR Portal** – Demand Response Portal. Con Edison’s software used to manage DR customer enrollment, event calling, account lookups, and performance calculations.
- **Interval Meter** – An electric meter capable of measuring electric usage in intervals of 60 minutes or less. Required for Con Edison Rider T DR participation.
- **kW** – Kilowatt
- **kWh** – Kilowatt-hour
Load Relief – Refers to power (kW) and energy (kWh): (a) ordinarily supplied 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 an SC 11 Customer or a Rider R Customer taking service under the Value Stack Tariff at the time of enrollment in Rider T, and delivered by that Customer to the Company’s distribution system during a Load Relief Period.

MHP – Mandatory Hourly Pricing. A rate structure for large customers (typically >500 kW demand), where interval metering and communications are Con Edison’s responsibility.

NYS DEC – New York State Department of Environmental Conservation

Network – A distribution network or load area designated by Con Edison.

PSC – Public Service Commission

SC 11 Accounts – Service Class 11 accounts export electricity onto the Con Edison system.

Sub-aggregation – A declared subset of customers represented by an aggregator within a network. An aggregator may have up to three sub-aggregations per network as long as each sub-aggregation contains Customers who collectively have a load relief potential of 50 kW or greater in the network.

1.1 Program Summaries

The Commercial System Relief Program (CSRP) aims to reduce peak demand at the network level by calling on customers to reduce energy use during their respective assigned call window.

Load relief for a Planned CSRP Event can be requested during the capability period, Monday-Friday during designated call windows, excluding federal holidays. For a Planned CSRP Event, a day-ahead advisory notice (21 hours or more prior to call window) is triggered when the day-ahead system peak demand forecast reaches 92% of the overall summer peak demand forecast. The forecast must remain at 92% or higher on the day of the event or the event can be cancelled. A day-of notification is sent at least two hours ahead of each respective customer’s call window. Less than 21 hours of notice may be provided for an Unplanned CSRP Event, and participation is voluntary.

Aggregators are responsible for communicating event notices to their respective customers; direct participants receive event notices directly from Con Edison. This program is typically called system-wide (i.e., all enrolled customers are called for an event).

The Distribution Load Relief Program (DLRP) provides network-level support through load relief if the next contingency on the Con Edison system would result in a Condition Yellow or a voltage reduction of five percent or greater has been ordered. A Condition Yellow is declared when the next contingency (excluding substation breaker failure) either will result in an outage to more than 15,000 customers or will result in electric distribution equipment being loaded above emergency ratings. Load Relief for DLRP can be requested any time during the capability period, except between the hours of 12 AM and 6 AM. DLRP can be called on weekends and holidays throughout the capability period. An event notice is sent at least two hours ahead of a DLRP Contingency Event, and less than two hours prior to a DLRP Immediate Event. This program is typically called at the network level (i.e., only customers enrolled in a specific network are called for an event).
2. Summary of Changes Since 2019 Season

Below is a list of substantial changes to this guide since the 2019 season. Each item is elaborated on throughout this document.

- Con Edison has implemented a new DRMS and DR Portal website to administer the CSRP and DLRP DR programs for the 2020 capability period. Additional documentation will be provided in a separate guide illustrating how to use the new system.
- The enrollment of Customers in Rider T Programs that are also taking service under the Rider R - Value Stack Tariff represents a one-time, irreversible decision on behalf of those Customers to forgo DRV or LSRV compensation for remainder of Customers’ term under the Value Stack Tariff. Aggregators should have explicit confirmation from Customers about this decision.
- References to the new DR Portal User Guide are tentative. This guideline will be updated with a link to the new document when the guide has been finalized.

3. Enrollment

There are many factors to consider prior to enrolling in Con Edison’s Demand Response programs. End-use customers or facility owner/managers should consider enrolling through a Con Edison-approved aggregator for assistance.

Customers can concurrently participate in CSRP and DLRP. Each customer can only participate in the Reservation or Voluntary option for each program, but not both (i.e., each customer can only participate in either CSRP-R or CSRP-V). Customers that enroll in both the CSRP and DLRP programs must use the same aggregator. The sections below describe important enrollment requirements, deadlines, and processes.

3.1 Eligibility Requirements

A communicating interval meter is required for all Rider T participants. Aggregators must enroll a minimum of 50 total kW (in aggregate) of load reduction to participate in any Con Edison Commercial DR program. A direct participant enrolling a single account must provide a minimum of 50 kW of load reduction. A direct participant may self-aggregate multiple individual accounts as long as the organization is not acting as a third-party aggregator. If a direct participant self-aggregates, then the performance factors and payments will be handled as they are for third-party aggregators. All customers enrolled in the Reservation programs must provide load relief during non-voluntary events.

Aggregators must provide customer contact information to Con Edison, if requested. Con Edison may request contact information for various reasons, including: an account being enrolled by multiple aggregators, or for an administrative review (see Section G of Rider T).

3.2 Deadlines

The 2020 enrollment deadlines for CSRP and DLRP Reservation Option participants are 4/1/2020 11:59 PM EDT for a May 1 start, and 5/1/2020 11:59 PM EDT for a June 1 start.
Interval meters must be installed 30 days prior to any account’s respective program start date, and communications must be established a day before respective program start. The final meter installation date for Reservation Option customers is June 1, and the final meter communications date for Reservation Option customers is June 30. In this scenario, the account will commence participation on July 1 (assuming all other enrollment requirements are met by the May 1 deadline). If these metering requirements are not met for non-MHP customers, the associated account’s application will be rejected under the Reservation Option.

Voluntary participants may enroll at any time after enrollments open through the end of the capability period. Voluntary customer interval meter(s) must be installed 30 days prior to the requested start date, with communications established by the requested start date.

3.3 Con Edison-Approved Aggregator List
Con Edison publishes a list of approved DR aggregators on our DR website. If you are a new aggregator that wishes to be added to the list or an existing aggregator that wishes to update your information, please email DR@coned.com for a questionnaire form to fill out.

Prior to becoming an aggregator, the organization must sign a data security agreement (DSA) and go through a vendor risk assessment process (VRA).

- Aggregators that are in good standing may be on the aggregator list.
- New aggregators that have submitted the required documents and information will be listed on the website for two seasons, even if they do not enroll customers and establish a record. After two seasons without enrollments, the aggregator listing may be removed.

3.4 Public Service Commission DER Oversight
On October 19, 2017, the PSC published Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS). Aggregators are considered DER suppliers and these rules apply to those aggregating in Con Edison’s DR programs. Further, DR payments are considered ongoing transactions. The following categories are addressed and elaborated on in the UBP-DERS starting on page 182.

- Sales agreements
- General marketing standards
- Customer data authorization
- Responsibility for contractors and other third party agents
- Customer inquiries and complaints
- Consequences for violations
- Oversight requirements

It is the responsibility of aggregators to be familiar with DER Oversight and ongoing changes.

3.5 DR Portal
The Con Edison DR Portal is an online interface that is used for account lookup, enrollment processing, event notification, aggregator and customer contact management, creation of sub-aggregations, near real-time and after the fact event performance, and viewing of settlement calculations.
Con Edison DR aggregators and direct participants must enroll via Con Edison’s DR Portal. Aggregators and direct participants may begin enrolling accounts:

- From opening of enrollments in March until the April 1, 2020 deadline for a May 1, 2020 start.
- From April 2, 2020 until the May 1, 2020 deadline for a June 1, 2020 start.

The final date to enroll in the Reservation Option programs is May 1, 2020. Voluntary Option program enrollments are permitted after enrollments open in March through the last day of September.

For detailed instructions on how to use the DR Portal, please refer to the DR Portal User Guide (coming soon).

### 3.6 Required Documents

The first enrollment process step for any potential aggregator or direct participant is to fill out and submit the [Demand Response Program Application](#). This document is required every year, regardless of past participation.

Con Edison pays DR participants via ACH bank wire transfer, mailed check, or electric on-bill credit. New aggregators or direct participants must select a payment method and submit the associated required documents listed below prior to the start of the DR capability period. Con Edison may periodically request updated documents. Any information that is repeated in the below documents (address on W-9 and Remittance Letter) must match exactly across documents.

If you would like to change your payment method or payment details, please email updated documentation to DR@coned.com before the end of enrollments. Failure to do so may result in a delay of incentive payments. If your financial information needs to be changed after the capability period has already started, you must notify Con Edison immediately. Any change to payment information after the capability period has started may result in a delay of incentive payments.

To receive payments via check, the aggregator or direct participant must submit:
- W-9
- Remittance Letter

To receive payments via wire transfer, the aggregator or direct participant must submit:
- W-9
- Remittance Letter
- ACH Form
- Bank letter or copy of a voided check

Aggregators are required to have sales agreements with customers they enroll in CSRP or DLRP. These agreements should explicitly name the Con Edison CSRP and/or DLRP program(s) as applicable and be agreed to by an authorized representative of the customer. The agreements must be dated. Aggregators should reconfirm participation with customers annually to avoid enrolling a customer who has switched to a different aggregator.
All DR aggregators are required to sign the Data Security Agreement (DSA) and pass Con Edison’s Vendor Risk Assessment (VRA). These documents are required to receive customer data from Con Edison in accordance with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP DERS) in case 15-M-0180 (starting on page 182).

### 3.7 Generator Permits

Any direct participant or aggregator that is providing DR via generation in either the CSRP or DLRP DR programs must ensure that all generators meet local, state, and federal requirements, including, but not limited to, all permitting requirements.

The following is required for each account with a generator:

1. For all generating equipment that is used to provide load relief in the CSRP DR program:
   - New York State Department of Environmental Conservation (NYS DEC) permits or registrations.

2. For diesel-fired and natural gas lean-burn generating equipment with a model year older than 2000 that is used to provide load relief in the CSRP DR program:
   - Written certification by a professional engineer (PE) attesting to the accuracy of all generation-related information contained in the application, including the NOx emission level. The NOx emission level for these engines must be no more than 2.96 lb/MWh.¹

City (or other) permits will not be accepted in lieu of NYS DEC permits/registrations. Generator permit submission is not required for DLRP.

The deadlines for submitting NYS DEC permits and PE letters are:

1. If a NYS DEC permit or registration has already been issued by the enrollment deadline (see Section 3.2), the relevant documents must be submitted with the CSRP enrollment, or within 7 days of the enrollment deadline.

2. If the NYS DEC permit has not yet been issued by the enrollment deadline (see Section 3.2), a copy of the NYS DEC permit/registration application must be submitted with the CSRP enrollment or within 7 days of the enrollment deadline. The NYS DEC permit and PE letter (if applicable) must be submitted before commencing service under CSRP. The latest a permit can be submitted in this scenario is May 31st.

If the relevant documents are not all submitted by the above deadlines, the enrollment will be rejected. Please submit all permits and PE letters as early as possible so that Con Edison can review them before the deadline. This will allow adequate time for mistakes to be corrected.

If enrolling a battery in the program, please email the interconnection number and enrollment ID to DR@coned.com.

For more information on generator permitting, please visit this NYS DEC website and direct all clarifying questions to NYS DEC staff.

¹ Rider T, Leaf 274, Section D. 7.
NYS DEC generator permits and the PE letter (if applicable), should be uploaded to the DR Portal for review and approval by Con Edison DR team. Please see the DR Portal User Guide for further information (coming soon).

3.8 Inactive Accounts
Enrollments that are accepted into the program, but are associated with accounts that go inactive during the course of the Capability Period can stay in the program if the account holder and aggregator still have an agreement to provide Load Relief. The process for updating an account number for an enrollment is:

1. Con Edison notifies the aggregator of an account going inactive.
2. The aggregator has five business days to provide the new account number to Con Edison.
3. Con Edison will re-enroll the new account number and create a new enrollment ID.

If an aggregator does not provide Con Edison with the new account number, the enrollment ID will be terminated with a termination date matching the date the account went inactive. Any previous payments for the terminated account would be subject to administrative review by Con Edison.

3.9 Accounts with Shiftable Load Serving One Facility
Certain facilities are served by multiple accounts. If the strategy for providing load relief for a facility is to shift load to a different account at the facility, then both accounts must be enrolled in the program. If this is the case, you must alert the DR team. The interval data of the two (or more) accounts will be added together creating a virtual account for DR purposes. Load relief will be measured with the combined data.

Shifting load from one account enrolled in DR to a different account not enrolled in DR is not an acceptable method of providing load relief. If such activity is suspected, the enrollment will be subject to administrative review by Con Edison.

4. Meter Data and Communications

4.1 Meter Communications
A communicating interval meter is required for each Con Edison DR program participant. If a customer is not billed at the time of enrollment with interval data, the customer is responsible for interval meter purchase and communications. Communications can be established via a phone line or wireless cellular modem. Please see the Meter Upgrade Manual for more detailed instructions. If a customer is billed using interval data, Con Edison is responsible for interval meter purchase and communications upkeep.

If an account is billed using interval data and there is missing data impacting the CBL calculation or event performance calculation, then a 100% performance factor is applied. If the account is not billed using an interval meter and there is missing data, then a 0% performance factor is applied. Con Edison is not responsible for notifying an aggregator or direct participant when a meter is not communicating. Aggregators and Direct Participant customers can review
meter communications for legacy interval meters (non-AMI) via Con Edison’s Customer Care system.

4.2 AMI Meter
AMI-equipped meters fulfill the meter requirements. By the end of Con Edison’s AMI rollout, the AMI meters will be offered to all Con Edison customers at no cost to the customer. AMI meters are being installed according to a schedule and may not be requested in advance of that schedule by a customer or aggregator. Learn more about AMI by visiting the AMI smart meters website.

If a customer would like to participate in DR but does not have an interval meter or an AMI meter, they must request and pay applicable charges for an upgraded meter as per the Meter Upgrade Manual.

When AMI meters replace existing interval meters with pulse outputs, the AMI meters will also have pulse outputs. KYZ connections and pulse outputs should remain the same before and after an AMI meter swap.

Learn more about the AMI meter installation schedule here.
5. Events

5.1 System Load Forecast
The day-ahead system load forecast is posted daily, once per day, on the DR Portal for informational purposes only. The value is generally updated by 8:00 AM each day, and is not the final value used for CSRP advisory notices. The most updated forecast at the time of advisory notice is used, since multiple day-ahead and same-day forecasts may be made internally by Con Edison each day, depending on operational conditions. Additional forecasts beyond the first day-ahead forecast are not posted. The same-day forecast which is used for final dispatch is not publicly posted.

The forecasted system load value can still be used for guidance; however, a forecasted system load value exceeding 92% of overall forecasted summer peak load can be posted day-ahead, and an advisory may not be issued or CSRP event called. Conversely, a value below 92% of overall forecasted summer peak load can be posted and an advisory may be issued or a CSRP event called.

5.2 Event Notification
Notifications for Con Edison DR events are sent via phone and/or email. Notifications are sent automatically and rely on aggregators and direct participants to enter at least two contacts in the DR Portal for notification during events. Entering at least two event notification contacts in the DR Portal is required for participation.

See the DR Portal User Guide on how to enter in event contacts (coming soon).

To confirm proper event notification setup, Con Edison will issue one or more communications tests before or during the capability period.

Event notifications are issued as follows:

- **CSRP Planned**
  - Advisory notice 21 or more hours in advance of the event.
  - A second notice, confirming or cancelling the event is sent two or more hours before the start of the event.
  - When this event type is called, a separate day-ahead advisory and day-of notification will be sent for each call window (i.e., an aggregator will receive from two to eight messages for this event type, and a direct participant with an account in one call window will receive two messages for this event type). If an aggregator or direct participant has enrollments across multiple call windows, day-ahead advisories can be sent out in close succession, or several hours apart, and day-of notifications will be sent out a minimum of two hours preceding each respective customer’s call window.

- **CSRP Unplanned**
  - Advisory notice may be 21 or fewer hours before the event, and/or a confirming or cancelling notification is sent two hours or less before the event.
  - When this event type is called, a separate day-ahead advisory might not be issued, but a day-of notification will be sent.

- **CSRP Voluntary**
This event type can have the notification scenarios of CSRP Planned or CSRP Unplanned.

- **DLRP Contingency**
  - Event notification two or more hours before the event.
- **DLRP Immediate**
  - Event notification two or less hours before the event.
- **DLRP Voluntary**
  - This event type can have the notification scenarios of DLRP Contingency or DLRP Immediate.

### 6. Settlements

#### 6.1 Settlement Timeline
Payments will be made for Reservation Option payment customers for each capability period month, within 75 days after the end of the month (to coincide with billing cycle corrections), unless there are operational constraints. For example, the payment for May 2020 participation will be on or before 8/14/2020.

Voluntary Option customers receive one payment by the end of the calendar year.

Direct participants and aggregators in the Reservation Option programs may ask to receive settlements monthly starting the first month a performance factor is established for the season. To request to only receive payments after a performance factor is established, please email DR@coned.com.

There are three payment method options:
- **ACH** – Payments can be wired.
- **Check** – Payments can be mailed as a check.
- **On-Bill Credit** – Payments can be made as a bill credit to the account of a direct participant.

If you would like to change your payment method or payment details, please email updated documentation to DR@coned.com before the end of enrollments. Failure to do so may result in a delay of incentive payments. If your financial information needs to be changed after the capability period has already started, you must notify Con Edison immediately. Any change to payment information after the capability period has started may result in a delay of incentive payments.

#### 6.2 Test Events
If DR resources are called for a test event, performance (kWh) payments are capped at pledged amount by aggregation for CSRP and DLRP. Performance payments cannot be less than zero. However, negative kWh performance values at the account level will net against positive kWh performance values in the same aggregation event. See below example, where negative kWh are netted against other accounts in the same aggregation at the account level, but kWh performance is capped at the total aggregation kW pledge amount for a test event. The
The following example is of one of many aggregations in the Network performing during a CSRP test event.

<table>
<thead>
<tr>
<th>Aggregator-Customer-Network</th>
<th>Aggregation</th>
<th>kW Pledge</th>
<th>Uncapped kWh Reduction (Actual Event)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agg 1 – Cust 1 – Ntwk 1</td>
<td>1</td>
<td>100</td>
<td>300</td>
</tr>
<tr>
<td>Agg 1 – Cust 2 – Ntwk 1</td>
<td>1</td>
<td>75</td>
<td>70</td>
</tr>
<tr>
<td>Agg 1 – Cust 3 – Ntwk 1</td>
<td>1</td>
<td>50</td>
<td>-60</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td><strong>225</strong></td>
<td><strong>310</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Aggregator- Network</th>
<th>Aggregation</th>
<th>Total kW Pledge</th>
<th>Capped kWh Reduction (Test Event)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agg 1 – Ntwk 1</td>
<td>1</td>
<td>225</td>
<td>225</td>
</tr>
</tbody>
</table>

### 6.3 Aggregation Level Payments

Aggregators are paid based on the performance of an aggregation within a network. Below is an example of how performance factor would be calculated for one event in a network that has three sub-aggregations. For purposes of the example, assume the following example is a four-hour CSRP Planned Event in a Manhattan network and it is the only event of the month. This means performance factors used for payments are measured at the sub-aggregation level for the four hours of the event.

<table>
<thead>
<tr>
<th>Aggregator-Customer-Network</th>
<th>Sub-aggregation</th>
<th>kW Pledge</th>
<th>Average kW Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agg 1 – Cust 1 – Ntwk 1</td>
<td>1</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Agg 1 – Cust 2 – Ntwk 1</td>
<td>1</td>
<td>5</td>
<td>-2</td>
</tr>
<tr>
<td>Agg 1 – Cust 3 – Ntwk 1</td>
<td>1</td>
<td>40</td>
<td>48</td>
</tr>
<tr>
<td>Agg 1 – Cust 4 – Ntwk 1</td>
<td>2</td>
<td>800</td>
<td>600</td>
</tr>
<tr>
<td>Agg 1 – Cust 5 – Ntwk 1</td>
<td>3</td>
<td>500</td>
<td>-100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Aggregator- Network</th>
<th>Sub-aggregation</th>
<th>Total kW Pledge</th>
<th>Average kW Reduction</th>
<th>Raw Performance Factor</th>
<th>Capped Performance Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agg 1 – Ntwk 1</td>
<td>1</td>
<td>55</td>
<td>58</td>
<td>1.05</td>
<td>1.00</td>
</tr>
<tr>
<td>Agg 1 – Ntwk 1</td>
<td>2</td>
<td>800</td>
<td>600</td>
<td>0.75</td>
<td>0.75</td>
</tr>
<tr>
<td>Agg 1 – Ntwk 1</td>
<td>3</td>
<td>500</td>
<td>-100</td>
<td>-0.20</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Reservation payments for the aggregator will be made as follows:

<table>
<thead>
<tr>
<th>Aggregator</th>
<th>Sub-aggregation</th>
<th>Capped Performance Factor</th>
<th>kW Pledge</th>
<th>Reservation Rate</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agg 1</td>
<td>1</td>
<td>1.00</td>
<td>55</td>
<td>$18</td>
<td>$18 * 55 * $18 = $990</td>
</tr>
<tr>
<td>Agg 1</td>
<td>2</td>
<td>0.75</td>
<td>800</td>
<td>$18</td>
<td>0.75 * 800 * $18 = $10,800</td>
</tr>
<tr>
<td>Agg 1</td>
<td>3</td>
<td>0.00</td>
<td>500</td>
<td>$18</td>
<td>0.00 * 500 * $18 = $0</td>
</tr>
</tbody>
</table>

In this example, the aggregator would receive a total reservation payment of $11,790 for the performance of this network and the three sub-aggregations contained within.
Please note the following items regarding this scenario.

- Each sub-aggregation has at least 50 kW of pledged load relief
- The poor performance of sub-aggregation 3 was not netted against sub-aggregations 1 and 2.

### 6.4 Mandatory and Voluntary Events

Mandatory participation means that load relief will be measured to determine performance factor and reservation payments. Performance factors and reservation payments are determined based on average hourly load relief across mandatory load relief hours.

Voluntary participation means that performance payments (kWh) will be made, but that load relief will not impact performance factor or reservation payments, as there are no reservation payments and thus no performance factor for voluntary participants.

- **CSRP Planned**
  - Mandatory four-hour participation.

- **CSRP Unplanned**
  - Voluntary participation across all event hours. Does not impact performance factor.

- **CSRP Voluntary**
  - Voluntary participation across all event hours. Performance factor does not apply to these customers.

- **DLRP Contingency**
  - Mandatory four-hour participation. Performance factor calculated using first four hours if event is longer than four hours.

- **DLRP Immediate**
  - Mandatory four-hour participation. Performance factor calculated using highest four consecutive hour performance of the first six hours for each aggregation within a network.

- **DLRP Voluntary**
  - Voluntary participation across all event hours. Performance factor does not apply to these customers.

In the case of a six-hour (or longer) Immediate DLRP event, the best four of the first six event hours (highest average consecutive four-hour load reduction) will be used for performance factor and reservation payment calculations. The maximum average consecutive four-hour reduction window, at the aggregation level, will be used for performance factor and reservation payment.² The below table shows potential performance factor (PF) hour considerations for a six-hour DLRP event for event hours (EH) 15:00 to 21:00. The highest average PF from options 1, 2, and 3 will be used.

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² Rider T, Leaf 281, Section I.6.c.
6.5 Overlapping Events and Same-Day Events

When Con Edison calls overlapping DR program event hours and a customer is enrolled in both overlapping programs, performance payments (kWh) are only paid for one program. The below tables show which program and associated performance payment rate takes precedence during overlapping event hours. A customer is not dispatched for a voluntary event (i.e., an event that does not impact the performance factor) during the same hours as a mandatory event (i.e., an event that does impact the performance factor).

<table>
<thead>
<tr>
<th>Program</th>
<th>CSRP Planned</th>
<th>CSRP Unplanned</th>
<th>CSRP Voluntary</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLRP Contingency</td>
<td>CSRP</td>
<td>DLRP</td>
<td>DLRP</td>
</tr>
<tr>
<td>DLRP Immediate</td>
<td>CSRP</td>
<td>DLRP</td>
<td>DLRP</td>
</tr>
<tr>
<td>DLRP Voluntary</td>
<td>CSRP</td>
<td>CSRP</td>
<td>CSRP</td>
</tr>
</tbody>
</table>

If there are overlapping Con Edison and NYISO DR events, a customer who is enrolled in both NYISO and Con Edison programs, and is using Con Edison as their aggregator for the NYISO programs will not receive performance payments for the Con Edison event. All other customers that are enrolled in both programs (i.e., not using Con Edison as an aggregator for the NYISO program) are eligible for performance payments from Con Edison.

When Con Edison DR events are called on the same day and a customer is enrolled in any two of the called programs, load relief provided by that customer for the earlier-called event can impact the weather adjustment factor in the CBL calculation for the later-called event. This scenario also applies to customers enrolled concurrently in NYISO DR programs and Con Edison DR programs. When this occurs, the two-hour weather adjustment window for any impacted event is moved to hours three and four prior to the first event called on that event day (including NYISO events for customers enrolled in NYISO programs). This is done so that any load relief provided by that customer for an earlier event does not impact the weather adjustment factor for the later event.

In the below example, a customer is enrolled in both DLRP and CSRP. An event is called in each program, but during different event hours (EH). A CSRP event is called from 11:00 through 14:00, and a DLRP event is called from 17:00 through 20:00. Due to the CSRP event being called from 11:00 through 14:00, the DLRP weather adjustment (WA) window is moved to hours 07:00 and 08:00.

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3 Rider T, Leaf 281, Section J.
6.6 Rider R Customers
Export for Rider R customers is not eligible for CSRP and DLRP. Rider R customers (net energy metered (NEM) and value of distributed energy resources (VDER)) do not receive performance (kWh) payments under CSRP and DLRP regardless of whether their eligible resource is generating power during the event.¹

Rider R customers are not eligible for the Voluntary Option programs.

The enrollment of Customers in Rider T Programs that are also taking service under the Rider R - Value Stack Tariff represents a one-time, irreversible decision on behalf of those Customers to forgo DRV or LSRV compensation for remainder of Customers’ term under the Value Stack Tariff. Aggregators should have explicit confirmation from Customers about this decision.

6.7 True-up
For the capability period months preceding a test or actual DR event, Con Edison carries forward or assumes performance factors at the aggregation level.

If a direct participant or aggregator prefers to eliminate the true-up process and only receive payments once an actual performance factor for the capability period has been established, they can email DR@coned.com before June 1 to not receive estimated payments.

For new aggregations or new direct participants:
- 50% performance factor is assumed for the capability period months preceding a test or actual DR event. Once an actual or test event occurs, payment for that month will include a positive or negative “true-up” to account for any change in actual performance factor when compared to previous non-event months in the same capability period (see the example at the end of this section).

For existing aggregations or direct participants:
- The previous year’s final aggregation or direct participant performance factor is assumed for the current capability period months preceding a test or actual DR event. Once an actual or test event occurs, payment for that month will include a positive or negative “true-up” to account for any change in performance factor when compared to previous non-event months in the same capability period.
- If an aggregator creates multiple sub-aggregations, the performance factor of the sub-aggregation from the preceding year will be applied to the same sub-aggregation during the current capability period as described above.
- If an aggregator creates multiple sub-aggregations in a network that had a performance factor the previous year, but not all sub-aggregations have a performance factor for the

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¹ Rider T, Leaf 281, Section J.
preceding year, then the new sub-aggregations will receive a performance factor of 0.50 until a performance factor for the sub-aggregation is established (see below example).

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Network 1</td>
<td>0.89</td>
<td>Network 1</td>
<td>1</td>
<td>0.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Network 1</td>
<td>2</td>
<td>0.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Network 1</td>
<td>3</td>
<td>0.50</td>
</tr>
</tbody>
</table>

In the example above, all sub-aggregations receive an estimated performance factor of 0.50 because there were no sub-aggregations the previous year.

- If an aggregator creates sub-aggregations in a network in one year, but does not create sub-aggregations the next year, then the performance factor will be set to 0.50 until a performance factor is established. Below is an example of this:

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Network 1</td>
<td>1</td>
<td>0.89</td>
<td>Network 1</td>
<td>0</td>
<td>0.50</td>
</tr>
<tr>
<td>Network 1</td>
<td>2</td>
<td>0.98</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network 1</td>
<td>3</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In the example above, the 2020 aggregation receives an estimated performance factor of 0.50 because the previous year had sub-aggregations. Please note that networks with no sub-aggregations will be assigned an aggregation number of 0.

If an overpayment occurs (i.e., a new customer receives payments based on 50% performance factor, and actual performance is below 50%), the overpayment from previous months will be netted against the actual or test event month, and future months, if necessary. If at the end of the capability period there remains a net-negative balance, the aggregator or direct participant must reimburse Con Edison for the outstanding amount, as per section 6.9.

Small-scale example:

- New direct participant customer enrolls 100 kW in a DLRP Tier 1 network
- No events in May and June, so 50% reservation payment (50% * 100 kW * $18/kW-month * 2 months = $1,800)
- July DLRP test event (2-hours), customer performance factor is 40%
- July payment is “trued up” based on actual performance factor
  - Reservation Payment = 40% PF * 100 kW * $18/kW-month = $720
  - Performance Payment = 2 hour * $1/kWh * 40 kW = $80
  - Total unadjusted payment = $800
  - Less $360 overpayment from previous months (40% actual PF * 100 kW * $18/kW-month * 2 months = $1,440, and $1,800 - $1,440 = $360)
  - Total July Payment = Trued up reservation payment + performance payment
  - Total July payment = $800 - $360 = $440
- If there are no future events for this customer in this capability period, the customer will receive $720 reservation payment (based off the established 40% test event performance) for remaining capability period months.
6.8 Weather Adjustment Factor Modifications (DLRP Only)

For customers choosing to use the weather adjusted CBL, the weather adjustment ceiling is limited to a factor of 1.2 and the floor to a factor of 0.8. In circumstances where at least 25% of all DR event participants have weather adjustment factors that exceed the normal ceiling of 1.2, the weather adjustment factor ceiling may be raised to 1.8. Con Edison will provide notice of whether this rule has been applied before settlements are issued to aggregators and direct participants. Please note that this rule is highly dependent on the situation surrounding a particular DLRP event and will only be applied at Con Edison’s discretion.

6.9 Reimbursement to Con Edison for Overpayment

If an aggregator or direct participant owes Con Edison funds for DR underperformance true-up, Con Edison will notify the aggregator or direct participant after the end of the capability period. A formal invoice will be issued by Con Edison with instructions on how to reimburse the outstanding balance.

Failure to refund overpayments to Con Edison in a timely manner will result in the aggregator or direct participant being deemed ineligible to participate in the Commercial DR programs until the issue is satisfactorily rectified.