PSC NO: 15 ELECTRICITYLEAF:163.5.40COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION:6INITIAL EFFECTIVE DATE: 12/01/20SUPERSEDING REVISION:5Issued in Compliance with Order in Case 18-E-0130 dated September 17, 20205

44. COMMERCIAL SYSTEM RELIEF PROGRAM

Applicability:

Applicable to any Full Service or Retail Access Customer taking service under Service Classification Nos. 2, 3 and 13, including customers taking Standby Service under Service Classification No. 14 whose parents service classification is Service Classification No. 2, 3 or 13; and to any Aggregator that meets the requirements of this General Information Section. This program is not offered to customers participating in the Company's Targeted Demand Response program and the Auto-Dynamic Load Management program.

Contracting for Commercial System Relief Program Service:

There are two options under this Commercial System Relief Program (CSRP) through which a Direct Participant or Aggregator may contract to provide Load Relief during Load Relief Periods designated by the Company; the Voluntary Participation Option and the Reservation Payment Option. This CSRP is applicable to Direct Participants and Aggregators who agree in writing to provide Load Relief, under either the Voluntary Participation or Reservation Payment Option, during all Contracted Hours whenever the Company designates Planned Events during the Capability Period. Direct Participants and Aggregators may also agree to voluntarily provide Load Relief if an Unplanned Event is called.

A Direct Participant must contract to provide at least 50kW of Load Relief per enrolled account and may aggregate multiple accounts in the Company Designated Area. An Aggregator must contract to provide at least 50 kW of Load Relief.

If other requirements for service under this CSRP are met, Electric Generating Equipment may be used to participate under this CSRP subject to the provisions set forth in section A below. The participating Direct Participant or Aggregator is responsible for determining that the operation of the generating equipment under this CSRP will be in conformance with any governmental limitations on operation.

Definitions:

The following terms are defined for purposes of this CSRP only:

"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 in a Company Designated Area and is responsible for the actions of the Customers it represents, including performance and, as applicable, performance adjustments, penalties, and repayments to the Company.

"Capability Period" under this CSRP refers to the period during which the Company can request Load Relief. The Capability Period shall be from June 1 through September 30.

"CBL" means the 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, which addresses both load reductions and generating resources, will be described in the Company's baseline operating procedure, which will be published on the Company's website.

"CBL Verification Methodology" means 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 Event. 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 Company defined ranges (i.e., the Company deems the weather to be atypical on the day of a Load Relief Period or Test Event when compared to the baseline period), the Company may review and revise a participant's baseline based on the Customer's historical load data.

REVISION:

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PSC NO: 15 ELECTRICITY COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION INITIAL EFFECTIVE DATE: 05/01/18 SUPERSEDING REVISION: Issued in Compliance with Order C. 15-E-0186 dated April 23, 2018

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

Definitions (Cont'd)

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 factor in order to accurately reflect the customer's typical usage.

"Contracted Hours" refers to the 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 whenever the Company designates a Planned Event.

"Direct Participant" refers to a Customer who enrolls under this CSRP directly with the Company for a single Central Hudson account and agrees to provide at least 50 kW of Load Relief.

"Electric Generating Equipment" refers to: (a) electric generating equipment at the premises of a Customer that can be used to provide Load Relief under this CSRP; or (b) emergency electric generating equipment that is interconnected and can operated to provide Load Relief under this CSRP.

"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 a Customer and delivered by that Customer to the Company's distribution system during a Load Relief Period.

"Load Relief Period" refers to the hours for which the Company requests Load Relief when it designates a Planned Event or an Unplanned Event.

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

"Planned Event" refers to the Company's request for Load Relief during the Contracted Hours, with an advisory notice provided not less than 21 hours in advance, and a confirmation notice provided not less than two hours in advance. Planned Events may be called when the Company's day-ahead forecasted load level is at least 97 percent of the forecasted summer system-wide peak.

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

"Reservation Payment Option" Direct Participants and Aggregators will receive Reservation Payment for each Capability Period month in which they are enrolled.

"Test Event" refers to the Company's request under the Reservation Payment Option for Direct Participants and Aggregators to provide one hour of Load Relief, within the span of weekday Contracted Hours, on not less than 21 hours' advance notice.

"Unplanned Event" refers to the Company's request for Load Relief: (a) with less than 21 hours' advanced advisory notice; (b) with less than 2 hours advanced confirmation notice; or (c) for hours outside of the Contracted Hours.

"Voluntary Participation Option" Direct Participants and Aggregators will not receive Reservation Payment for each Capability Period month in which they are enrolled.

Received:04/26/2021EPSC NO:15 ELECTRICITYCOMPANY:CENTRAL HUDSON GAS & ELECTRIC CORPORATIONINITIAL EFFECTIVE DATE:05/01/2021Issued in Compliance with Order C.14-E-0423 dated April 16, 2021

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

A. Applications and Term of Service:

Applications for service under this CSRP must be made electronically. Direct Participants and Aggregators may participate after the Company's receipt and approval of a completed application.

For the Reservation Payment Option, starting the summer Capability Period of 2021, customers must submit a completed application on or before May 1 for a June 1 commencement date or June 1 for a July 1 commencement date. Interval metering is required prior to the application deadline. If the application is received by May 1, but the above conditions for installation of interval metering are not met, participation will commence on July 1, provided the interval metering is installed by June 1. Applications will not be accepted under the Reservation Payment Option after the specified date for participation during the current Capability Period. For participants with interval metering, but without metering communications, enrollment will be allowed, however, incentive payments will be withheld until communication services are established and the necessary data downloaded. If communications have not been established by the end of the capability period, the customer's performance will be zero and the customer will not receive any credit for performance during the capability period.

The Company will accept applications for participation in the Voluntary Participation Option of this CSRP at any time provided the metering and communications requirements specified in section C are satisfied.

The desired commencement month must be specified in the application.

- 1. Applications will not be accepted after the specified date for participation during the current Capability Period. Where the first of the month falls on a weekend or holiday, applications will be accepted until the first business day after.
- 2. A Direct Participant or Aggregator may apply in writing to change the CBL Verification Methodology, to change the kW of pledged Load Relief, or to terminate service under this CSRP for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period. In order for a Direct Participant or Aggregator to increase its kW of contracted Load Relief for its existing customer(s), the Direct Participant or Aggregator's most recent Performance Factor must be no less than 1.00.

An Aggregator may increase its kW of pledged Load Relief in a Network during a Capability Period only if it enrolls Customers whose aggregator either exits the program or is suspended from enrollment in the program for noncompliance with Aggregator eligibility requirements or the Company's operating procedures. In such case, the Aggregator may increase its kW of pledged Load Relief up to the amount of the transferred Customers' existing kW of pledged Load Relief.

For the 2021 Capability Period only, the Company will allow revisions to the kW of contracted Load Relief of previously enrolled customers up until June 1, 2021. In cases where these revisions result in a lower kW of contracted Load Relief, the new kW of contracted Load Relief will apply for Event Performance Factor and Reservation Payment calculation purposes for the entire Capability Period. Otherwise, the new kW of contracted Load Relief will be applied beginning the next month.

3. Each application must state the kW of Load Relief that the Direct Participant or Aggregator contracts to provide for the Contracted Hours required. The weather-adjusted CBL will be used as the CBL Verification Methodology for each account number enrolled, unless the application specifies that the average-day CBL be used for verification of performance. A single CBL Verification Methodology will be used for each customer to assess both energy (kWh) and demand (kW) Load Relief.

Status: EFFECTIVE
Received: 05/22/2019PSC NO: 15 ELECTRICITYLEAF: 163.5.42.1COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION: 1INITIAL EFFECTIVE DATE: 06/01/19SUPERSEDING REVISION: 0Issued in Compliance with Order Case 15-E-0751 dated April 18, 2019

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

A. <u>Applications and Term of Service (Cont'd):</u>

- 4. Participation by diesel-fired Electric Generating Equipment will be permitted only if the engine for the equipment is model year 2000 or newer. Participation by these diesel-fired Electric Generating Equipment will be limited to 20% of the total kW enrolled under this Program for the Capability Period. Enrollment by such generators will be accepted on a first come, first served basis. No limit or cap will 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.
- 5. Direct Participants and Aggregators with electric generating equipment are not eligible to receive the Demand Reduction Value ("DRV") or Locational System Relief Value ("LSRV") components of Value Stack compensation as described in General Information Section 48. Enrollment in the CSRP subsequent to commencing Value Stack compensation constitutes a project owner's one-time, irrevocable election to participate in the CSRP as an alternative to DRV and LSRV compensation as described in General Information Section 48. B. Participants enrolled in the CSRP for a Capability Period who subsequently interconnect electric generating equipment eligible for Value Stack compensation must make such election prior to commencing Value Stack compensation, pursuant to the provisions for terminating service under this CSRP as described herein.
- 6. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this CSRP, the application must state generator information, including copies of all New York State Department of Environmental Conservation ("DEC") permits. By applying for service under this CSRP, Direct Participants and Aggregators (on behalf of their customers) agree to permit the Company to provide information regarding the Electric Generating Equipment to the DEC for its review, subject to the DEC's agreement to keep this information confidential.
- 7. Participation under this CSRP is not permitted to customers participating in the Company's Targeted Demand Response Program.
- 8. Direct Participants and Aggregators must meet the metering requirements specified in section C.

PSC NO: 15 ELECTRICITY COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION INITIAL EFFECTIVE DATE: 05/01/2021 Issued in Compliance with Order C. 14-E-0423 dated April 16, 2021

LEAF: 163.5.43 REVISION: SUPERSEDING REVISION:

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44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

B. Notification by the Company and Required Response:

- 1. The Company will notify Direct Participants and Aggregators by phone, e-mail, text, or other machinereadable electronic signal, or a combination thereof, in advance of the commencement of a Load Relief Period or Test Event. The Direct Participant or Aggregator shall designate in writing an authorized representative and an alternate representative, and include an electronic address if applicable, to receive the notice. If an Aggregator is served under this CSRP, only the Aggregator will be notified of the Load Relief Period or Test Event. The Aggregator is responsible for notifying all of the customers within its respective aggregation group.
- 2. The Company will provide a 21-hour Advisory Notice when the day-ahead forecast is at or above the event threshold, with an event confirmation or cancellation notice no less than 2 hours in advance of the beginning of a Planned Event based on intra-day forecast peak load.
- 3. If the Company designates an Unplanned Event, notice will be given as soon as practicable. Participants are requested to provide Load Relief as soon as they are able.
- 4. Participants in the Reservation Payment Option are required to participate during:
 - a. All Contracted Hours for all Planned Events called by the Company during the Capability Period, and
 - b. Test Events called by the Company. The Test Event period will not exceed one hour. Participants in the Voluntary Participation Option will not be tested.
 - Should a Test Event occur during the 2021 Capability Period, it will be scheduled to take place no earlier c. than July 1. Planned events and Unplanned events may be called at any time during the 2021 Capability Period.

C. Metering:

- 1. The Direct Customer shall arrange for the furnishing and installation of interval metering with telecommunications capability. If an Aggregator takes service under this CSRP, all customers of the Aggregator must meet the metering and telecommunications requirements specified hereunder.
- 2. The Company will install interval metering, pending equipment availability, within 21 business days of the later of the Company's receipt of an applicant's payment for an upgrade to interval metering and the following: (i) evidence that a request has been made to the telephone carrier (e.g., receipt of a job number) to secure a dedicated phone line for a meter with landline telecommunications capability; or (ii) the active Internet Protocol ("IP") address that the wireless carrier has assigned to the modem's Electronic Serial Number ("ESN") for a meter with wireless capability. If the Company misses the installation time frame for the Reservation Payment Option, it will make a "Lost Reservation Payment" to the Direct Participant or Aggregator, unless the meter delay was caused by a reason outside the Company's control, such as the telephone company's failure to install a landline or, if, at the Company's request, the Commission grants the Company an exception due to a condition such as a major outage or storm. A Lost Reservation Payment will be calculated by determining the number of months between the earliest month in which the customer could have begun participation had the meter been installed within the required timeframe (assuming the Company's acceptance of a completed application and receipt of payment for the meter upgrade) and the first month following the completed installation, and multiplying that number by the pledged kW and associated per-kW Reservation Payment Rate. For the summer capability period of 2021 only, for participants with interval metering, but without metering communications, enrollment will be allowed, however, incentive payments will be withheld until communication services are established and the necessary data downloaded. If communications have not been established by the end of the capability period, the customer's performance will be zero and the customer will not receive any credit for performance during the capability period.
- 3. Participation under this CSRP will commence the first day of the first Capability Period month that occurs after the Company's acceptance of a completed application and at least 30 days after the interval metering becomes operational, but no later than July 1.

Issued by: Christopher M. Capone, Executive Vice President & CFO, Poughkeepsie, New York

REVISION:

PSC NO: 15 ELECTRICITY COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION INITIAL EFFECTIVE DATE: 06/01/16 SUPERSEDING REVISION: Issued in Compliance with Order C. 15-E-0186 dated June 18, 2015

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

D. Administrative Review:

The Company reserves the right to review records and/or operations of any Direct Participant, Aggregator, or customer of an Aggregator to verify enrollment information and performance associated with any designated Load Relief Period or Test Event called by the Company. Once the Company initiates an administrative review, all payments will be suspended pending the outcome of the review. The Company will complete its review within 30 days of receipt of all requested data, but no later than December 31 of the calendar year of the Capability Period under review. Any suspended payments will be reinstated if the Company's review of the data results in a finding that the enrollment and performance information are correct.

If the Company determines that a Direct Participant, Aggregator, or customer of an Aggregator failed to cooperate fully and promptly with the review and/or did not fully comply with the provisions of this CSRP and/or provided inaccurate data, the Direct Participant or the customer of the Aggregator will be deemed ineligible to participate in the program until the issue is rectified. In addition, the Direct Participant or Aggregator will be required to make prompt repayment to the Company of any overpayments that were made to such Direct Participant or Aggregator, on behalf of its customer, for the Capability Period that was reviewed as well as the current Capability Period, if different.

E. Aggregation:

- 1. All customers of an Aggregator must meet the metering and telecommunications requirements of this CSRP.
- 2. An Aggregator is responsible for the compliance of all customers it enrolls and will be liable for performance, including, as applicable, repayments to the Company.

F. Payments Made Under Both Options:

Payments will be made pursuant to sections G and H of this CSRP.

G. Reservation Payment Option:

- 1. Payments
 - a. Reservation Payments

Direct Participants and Aggregators will receive Reservation Payment for each Capability Period month in which they are enrolled. The Reservation Payment rate per kW is based on the number of cumulative Planned Events for which the Direct Participant or Aggregator was asked to provide Load Relief during the Capability Period, as follows:

PSC NO: 15 ELECTRICITYLEAF:163.5.45COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION:3INITIAL EFFECTIVE DATE: 05/01/19SUPERSEDING REVISION:2Issued in Compliance with Order C. 15-E-0186 dated March 18, 201921

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

G. Reservation Payment Option (Cont'd)

The payment rate is \$1.23 per kW per month in months in which, as of the last day of such month, the company asked the Direct Participant or Aggregator to provide Load Relief for four or fewer cumulative Planned Events since the current Capability Period commenced.

The payment rate is \$1.54 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 current Capability Period commenced.

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.

b. Payment for Participation during Unplanned Events

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.

The payment rate is equal to \$0.21 per kWh for a Load Relief Period in which Load Relief was provided for each hour during the Load Relief Period.

c. Performance Payments for Load Relief

Except as specified in section I, the Company will make a payment to a Direct Participant or Aggregator who provides Load Relief during a Planned Event or Test Event.

The Performance Payment amount paid per event is equal to the Performance Payment rate of \$0.11 per kWh multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

PSC NO: 15 ELECTRICITYLEAF:163.5.46COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION:1INITIAL EFFECTIVE DATE:06/01/16SUPERSEDING REVISION:0Issued in Compliance with Order C. 15-E-0186 dated May 23, 20160

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

G. Reservation Payment Option (Cont'd)

2. Performance Factor

If, during the prior Capability Period, an Aggregator did not participate in the program or if a Direct Participant either did not participate in the program or participated in the program through an Aggregator, the Performance Factor will be set to 0.5 in the current Capability Period and will remain at that level until the first month in which a Load Relief Period or Test Event is called. The Performance Factor determined for that month will be applied retroactively, starting with the enrollment month, to true-up the Reservation Payments for the prior month(s).

An Aggregator's Performance Factor will carry forward to the start of the next Capability Period even if there is a change in the Aggregator's portfolio. For Aggregators that enrolled participants in 2015, the Aggregator's Performance Factor at the start of the 2016 Capability Period will be based on the cumulative performance and cumulative contracted Load Relief of its entire portfolio enrolled in the Reservation Payment Option during the 2015 Capability Period.

PSC NO: 15 ELECTRICITYLEAF:163.5.47COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION:4INITIAL EFFECTIVE DATE:05/01/19SUPERSEDING REVISION:3Issued in Compliance with Order C. 15-E-0186 dated March 18, 20193

44. COMMERCIAL SYSTEM RELIEF PROGRAM (Cont'd)

G. Reservation Payment Option (Cont'd)

3. Application of Payments

Reservation Payments will be calculated on a monthly basis. Payments will be made by bill credit, check, or wire transfer.

4. Testing

The Company may require a Direct Participant or Aggregator to participate in one or more Test Events, each for a period not to exceed one hour, commencing at a time determined solely at the Company's discretion, but within the Contracted Hours.

The Company will make a payment for one hour of energy for the Load Relief achieved up to the contracted amount, as specified above in section G.1.

H. Voluntary Participation Option:

1. Payments

Except as specified in section G, the Company will 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 payment rate for Load Relief is as follows:

\$ 0.11 per kWh for Load Relief provided during a four-hour Planned Event; and \$ 0.35 per kWh for Load Relief provided during an Unplanned Event.

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.

2. Application of Payments

The Company will make payment to a Direct Participant or Aggregator, after the end of the capability period but no later than the end of the calendar year, for the sum of the payments due for all Load Relief Periods in the Capability Period. Payments will be made by bill credit, check, or wire transfer.