

LOAD RESPONSE PROGRAM

APPLICABILITY

The Company, as a New England Power Pool (“NEPOOL”) participant, is administering the Independent System Operator New England Inc.’s (“ISO-NE”) Load Response Program under this Tariff. The terms, definitions, and Program requirements in this Tariff, unless otherwise specified in this Tariff, shall be interpreted in accordance with the terms, definitions and Program requirements in ISO-NE’s Load Response Program Manual. The current version of the Load Response Program Manual is available on the ISO-NE website (www.iso-ne.com). ISO-NE can amend the Manual from time to time.

This Tariff is available to Customers capable of reducing a minimum of 100 kilowatts (kW) of demand pursuant to the ISO-NE’s Load Response Programs. ISO-NE will consider a demand reduction of 5 megawatts (MW) or higher on a case-by-case basis. The Company will make the determination if load aggregation is permitted under the Program market rules in order to reach the 100 kW minimum.

The Real-Time Demand Response Programs requires an electronic meter capable of recording 5-minute interval data, a 120 volt power source in close proximity to the meter, and an Internet Based Communications System (“IBCS”) provided through an ISO-approved provider. The Company has the option to require telemetering.

The Real-Time Price Response Program offers the Customer three, interval metering options: 1.) An Internet Based Communications System (IBCS), 2.) A Low Tech Option which requires the Enrolling Participant to provide meter data to ISO-NE within 36 hours for every day, and 3.) A Super Low Tech Option which allows the Enrolling Participant to use its normal meter reading schedule to obtained meter data for submission to ISO-NE. The Low Tech and the Super Low Tech Options notification process utilizes communications through e-mail in conjunction with notice on the ISO-NE’s web site. The Company reserves the right to require telemetering for both the IBCS Option and the Low Tech Option.

The ISO-NE holidays are New Year’s Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day.

Real-Time Demand Response Program is made up of two sub-programs based on either a 30-Minute or a 2-Hour response time to interrupt the contracted load amount. This program requires the Customer to commit to a mandatory load reduction and to be able to interrupt load within the selected 30-minutes or 2-hours following notification from ISO-NE during non-holiday, weekdays, between 7 AM and 6 PM, prevailing time. The duration of an interruption during times of capacity deficiency or system emergency may exceed the two-hour minimum guarantee payment period. Participants are eligible to qualify as an ICAP Resource Credit and to receive payment for the actual energy they interrupt. The resulting payments to Customers will reflect the ISO-NE program settlement payments to the Company reduced by 20 % to cover the Company’s administrative costs. The penalties for failure to respond, or for a partial response to

Issued by: Craig A. Hallstrom
President

Filed: January 16, 2018
Effective: February 1, 2018

LOAD RESPONSE PROGRAM

a notification to reduce demand are defined in the ISO-NE Load Response Manual and will result in a corresponding reduction in payment or no payment.

The Real-Time Price Response Program allows Customers to utilize price signals to decide when to voluntarily reduce energy consumption during an “Interruption Period” as determined by ISO-NE. When the forecasted hourly Real-Time Zonal Price is greater than or equal to \$100/MWh, ISO-NE will initiate a notification opening the Interruption Period using IBCS Option or the Low Tech Option / Super Low Tech Option which utilizes e-mail notification in conjunction with a notice on the ISO-NE web site. The Customer may voluntarily curtail at their choosing during the Interruption Period for the specified date and time. The Interruption Period remains open beginning from the hour ISO-NE opens the Interruption Period until 6 PM, prevailing time. The Company as the Enrolling Participant will receive the higher of the applicable Real-Time Zonal Price for the interrupted consumption (measured against a base line) or a guaranteed minimum payment of \$100/MWh when the Interruption Period is open for participation. The resulting payments to Customers will reflect the ISO-NE program settlement payments to the Company reduced by 20 % to cover the Company’s administrative costs. A participating Customer that does not participate during the Interruption Period is not subject to any penalties.

LOAD RESPONSE MEASUREMENT

ISO-NE determines the need for load interruption and the amount of Demand Response or Price Response by the Customer. A Customer Baseline (“CB”) is used to determine load reduction performance and is determined on the basis of load levels during the non-interruption periods of non-holiday (as defined by ISO-NE) weekdays. ISO-NE’s IBCS provider is responsible for the calculation of the CB on a daily basis for Real-Time Demand Response Customers. For Price Response Program Customers, ISO-NE’s Settlement Department calculates the CB. The CB is adjusted to align the CB with the actual metered usage for two hours preceding the interruption for the Load Response Program event. Load reduction performance is then determined by comparing the CB (adjusted) and the actual metered usage by hour during the Load Response event.

CUSTOMER COST

Customer is responsible for all costs with the exception of a one-time licensing fee per NEPOOL Participant. The Company will request from ISO-NE, and pass through to the Customer all financial incentives made available or fees waived by the ISO-NE or NEPOOL to defray the Customer’s participation costs.

Issued by: Craig A. Hallstrom
President

Filed: January 16, 2018
Effective: February 1, 2018

LOAD RESPONSE PROGRAM

CUSTOMER COMPENSATION

ISO-NE will submit to the Company, on a monthly basis, a NEPOOL Settlement Statement, reflecting the load response of each Customer the Company has registered in the ISO-NE's Load Response Programs. Based on that information, the Company will pass through to participating Customers the credited amounts received as described below:

Real-Time Demand Response Program:

Energy Curtailment Performance Payment: The ISO-NE's Settlement payment to the Company for the actual energy curtailed times the greater of the real-time Wholesale Energy Zonal Price or the guaranteed minimum price in dollars per megawatt-hour (\$/MWh) as approved by FERC, times 80%.

Installed Capacity Credit ("ICAP"): The ICAP Credit for the Customers Demand Resource will be equal to its Adjusted Capability multiplied by the sum of 1+ the ICAP Reserve Margin, times 80%. The ICAP Reserve Margin is established by the ISO-NE System Planning Department on an annual basis. The Adjusted Capability is the lesser of the Demand Resource's registered amount or the lowest actual amount interrupted during the calendar month. The Adjusted Capability is used to establish the following month's ICAP Credit.

Real-Time Price Response Program:

Energy Curtailment Performance Payment: The ISO-NE's Settlement payment to the Company for the actual energy curtailed times the greater of the real-time Wholesale Energy Zonal Price or the guaranteed minimum price in dollars per megawatt-hour (\$100/MWh as approved by FERC), times 80%.

The Company shall credit the Performance Payment to the Customer's electric service account within 45 days of the date of the Company's receipt of the NEPOOL Participants Market Settlement Statement associated with such payments. The Super Low Tech Option can add 90 days to the Market Settlement process. Demand Resources in the Price Response Program do not qualify as an ICAP Resource.

CUSTOMER AGREEMENT

A Customer Agreement is required for registration in the ISO-NE's Load Response Programs and to receive payment under the terms of this Tariff. The Customer Agreement shall specify all information and responsibilities necessary to administer the selected Load Response Program. The Company is not required to contract for a level of energy reductions greater than the Company reasonably believes the Customer is capable of interrupting.

Issued by: Craig A. Hallstrom
President

Filed: January 16, 2018
Effective: February 1, 2018
