

output, and purchase Energy in the LBMP Markets, or by an entity engaged in a Bilateral Wheel Through Transaction to indicate the Congestion Component cost below which that entity is willing to accept Transmission Service.

### **2.38a Demand Reduction**

A quantity of reduced electricity demand from a Demand Side Resource that is bid, produced, purchased and sold over a period of time and measured or calculated in Megawatt hours.

### **2.38b Demand Reduction Aggregator**

A Demand Reduction Provider, qualified pursuant to ISO Procedures, that bids Demand Side Resources of at least 1 MW through contracts with Demand Side Resources and is not a Load Serving Entity.

### **2.38c Demand Reduction Incentive Payment**

A payment to Demand Reduction Providers that are scheduled to make Day-Ahead Demand Reductions that are not supplied by a Local Generator. The payment shall be equal to the product of: (a) the Day-Ahead hourly LBMP at the applicable Demand Reduction bus; and (b) the lesser of the actual hourly Demand Reduction or the Day-Ahead scheduled hourly Demand Reduction in MW. ~~Demand Reduction Incentive Payments shall not be made after October 31, 2005.~~