

I. Alternative Performance Measures

The NYISO will allow a limited amount of program participation by aggregations of smaller customers the curtailed usage of which will be determined by using an alternative to the basic provisions regarding the metering and measurement of performance. DG and self-generation resources are not eligible. Direct serve customers are also prohibited from operating under alternative performance measures.

1. Aggregations must be at least 1 MW. The NYISO will establish an up-front means of certifying that the aggregation has an expectation of meeting this requirement. This will be established as part of the approval of the verification methodology; the sampling plan or other pseudo-measurement methodology will assign an initial (a priori deemed) estimate of the response per site in order to drive the sample size. A one (1) MW aggregation can be comprised of two or more different sampling methods, provided that such a super aggregation was allowed by the NYISO. The one MW limit can also be met by combing participants enrolled by different brokers (CSP or LSE) provided that the brokers agree to submit all participants under a single program entity.

2. Aggregations receive an initial settlement of 75% of the deemed response. For any event that results in payments to participants of an aggregation, the NYISO will pay out 75% of the amount determined by applying the curtailment payment rates to the a priori deemed performance level as defined in (1) above in the normal course of settlements for PRL program participants. At the end of the contract term under which the aggregation was approved, and after all required analyses have been conducted, the NYISO will perform a final settlement assessment and pay out or demand payment of the amount determined by that settlement assessment process.

3. Aggregators must accept full responsibility for payments to and penalties levied against the members of the aggregation. The NYISO will require that each member of the aggregation execute an agreement to participate indicating that it accepts the provisions of the ISO program and authorizes the LSE/CSP to act as its broker for the purposes of participation

4. Proposals for measuring aggregation performance can involve one of several methods:

- a. The deployment of approved whole-premise kW metering devices on a sample of participants
- b. The deployment of approved end-use device or process kW metering devices on a sample of participants that elect to limit PRL program participation to specified end-use devices or processes.
- c. Provision for supplying verifiable behavioral actions, equipment operating logs, or other data that is deemed to be sufficiently indicate the load level the customer otherwise would have consumed, but for the PRL program event participation
- d. other measurement systems that indicate the load level the customer otherwise would have consumed, but for the PRL program event participation

5. Promulgate provisions that govern applications. A process and procedures will be drawn to govern how applications are made, processed and ruled upon, and to set limits to aggregation projects by zone, provider, program, or any other category. The number of aggregations allowed needs to accommodate all of the utilities plus a reasonable number of CSPs and LSEs.

6. Aggregations may be declared as UCAP. For the purposes of UCAP, the amount of load available will as established in (2) above, the amount upon which 75% initial settlement payment are made.

7. The Aggregation broker is responsible for all costs associated with developing and administering the alternative performance methodology. Applications for approval of alternative methodologies must include a explicit description of the methodology and how it would be tracked and administered, accompanied by the specific administration processes required and their. The NYISO in approving an application will specify the costs associated with administration that the applicant must bear. The aggregation applicant must agree to be responsible for all such costs, including costs incurred by the ISO for developing and administering the alternative methodology. The ISO may, at its discretion, require that some or all of such cost be reimbursed by the applicant upon approval of the methodology, or deduct all costs from payments for curtailments by participants, or a combination of the two methods of cost recovery.

8. One method per end-use premise. End-use electricity customers may subscribe load at a given premise to PRL programs only under a single performance methodology, either the standard method or an approved alternative methodology.

9. Failure to comply with aggregation procedures. The NYISO may, at any time, terminate its agreement with an aggregation broker if it determines that the broker is not fulfilling its obligation under the aggregation agreement. Customers belonging to such aggregation may henceforth participate by signing up under any approved means of participation.