



Laura S. Olton
General Counsel

May 5, 2005

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: Implementation of the ISO-NE's 2005 Load Response Program and Narragansett Electric's Proposed Summer Load Curtailment Program

Dear Ms. Massaro:

Enclosed please find ten copies of The Narragansett Electric Company's ("Narragansett Electric" or the "Company") Report on Implementation of the Independent System Operator of New England's ("ISO-NE") 2005 Load Response Program and the Company's Proposed Summer Load Curtailment Program, a targeted demand response program for the southern Rhode Island area.

The Company is not requesting any action from the Commission in order to implement the ISO-NE's Load Response Program, as the program is essentially the same as was implemented last year.

The Company kindly seeks approval, however, of its proposed Summer Load Curtailment Program contained in this filing. The Company describes the program in detail in the attached Report.

Narragansett Electric looks forward to working with customers in implementing these load response programs. Thank you very much for your time and attention to the filing. Please do not hesitate to contact me with any questions concerning these programs.

Very truly yours,

Laura S. Olton

Enclosures

cc: Paul Roberti
Steve Scialabba

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The Narragansett Electric Company

Implementation of:

ISO-NE's 2005 Load Response
Program
and
Narragansett Electric's Proposed
Summer Load Curtailment Program

May 2005

Submitted to:
Rhode Island Public Utilities Commission

Submitted by:

Narragansett Electric

A **National Grid** Company



ISO-NE 2005 Load Response Program

The Narragansett Electric Company (“Narragansett Electric” or “Company”) is preparing to implement the Independent System Operator of New England’s (“ISO-NE”) load response program for 2005 (“2005 LRP”). This program is available to all of the Company’s eligible customers, including those who are served by competitive suppliers. The Company again will focus on the programs that were available in 2004 and 2003. Specifically, the Company will be facilitating (1) the Real-Time Demand Response Program, which has two options; and (2) the Real-Time Price Response Program, which has three options. Customers that are capable of reducing their load by a minimum of 100 kilowatts (“kW”) of demand are eligible. A customer can fulfill this eligibility through participating with a single account or through participation of a group of no more than five accounts (for the same customer) in the same ISO-NE reliability region. The program options and changes are summarized below.

Real-Time Demand Response Program

The Real-Time Demand Response Program (“DRP”) is designed for customers that have the ability to reduce their demand upon notice from ISO-NE that certain emergency conditions exist on the system. As with the ISO-NE’s 2004 DRP, customers may choose to have thirty minute advance notice or a two hour advance notice of an interruption. ISO-NE will notify participants in the DRP of a mandatory interruption when a specific action of NEPOOL Operating Procedure No. 4 – Action during a Capacity Deficiency (“OP4”) is called, either for their reliability region or for New England as a whole. Customers participating in the thirty minute option who have back-up or emergency generation will be activated at Action 12 of OP4. Customers participating in the thirty minute option who will be reducing load and not using back-up or emergency generation will be activated at Action 9 of OP4. Customers enrolled in the two hour option will be activated at Action 3 of OP4.

DRP customers will be compensated through (1) an installed capability (“ICAP”) credit and (2) an energy payment based on actual reductions when called. The monthly ICAP credit is based on the customer’s committed kW reduction amount and the level of ICAP credit revenue received by the Company in the month. The energy payment is calculated based the customer’s performance amount and the Locational Marginal Price (“LMP”) for the reliability region. Customers participating in the thirty minute option will receive the higher of the actual LMP or \$500 per megawatt-hour (“MWh”). Customers participating in the two hour option will receive the higher of the actual LMP or \$350 per MWh.

If the customer does not fully comply with a request for interruption, the customer forfeits the monthly ICAP credit and the Company will calculate future monthly ICAP credits based on the actual load reduction achieved on the day of non-compliance. For example, if a customer’s performance is only half of what was promised, the monthly credit will be reduced by half going forward. Similarly, if the customer fails to perform at all, the customer will not be eligible for any more monthly credits.

Under the DRP, participating customers must use special hardware and software. The Company will require all DRP customers to use the equipment, software, and

services of Power Measurement, Inc., Narragansett Electric's Internet-Based Communication System vendor. Customers must also subscribe to Energy Profiler On-Line service offered by the Company through its Optional Interval Data Service Provision, R.I.P.U.C. No. 1156. In addition, there will be a monthly software fee that will be communicated to interested customers before their enrollment in the DRP.

ISO-NE will continue to subsidize the equipment and installation cost (up to \$2,200, which is ISO-NE's estimate of the average equipment and installation cost for this program) for the first 1,000 participants enrolled in the program since its inception date of June 2000. As of April 2005, approximately 500 customers have participated in the programs. In addition, ISO-NE will also contribute \$100 per month towards the monthly software fee for the first 1,000 participants since program inception in June 2000 who commit to reduce 300 kW or more.

Real-Time Price Response Program

Unlike the DRP described above, which is targeted to hours when certain emergency conditions exist on the system, the Real-Time Price Response Program ("PRP") is purely a voluntary economic program that provides the opportunity for participating customers to take advantage of high energy market prices when ISO-NE forecasts a LMP of \$100 per MWh or more. ISO-NE is offering the same three options under the PRP as it offered last year -- the "high tech" option, "low tech" option, and the "super low tech" option. Participating customers can choose the appropriate option for their needs, as each option requires different metering equipment and software arrangements.

The 2005 "high-tech" option will operate the same way that it did in 2004. Customers participating in the high-tech option must use the same special hardware and software as the DRP. ISO-NE will subsidize 50% of the cost of the equipment and installation for the first 1,000 customers enrolled in the program since its inception date of June 2000, up to \$1,100. Unlike the DRP, however, customers participating in the "high tech" option of the PRP must pay the associated monthly software fee. These customers can monitor the hourly LMP of electricity on the applicable days and make a voluntary decision to reduce their load and earn the LMP for the interruption.

The "low tech" option will also operate the same in 2005 as in 2004. Participating customers must have telemetering, which will allow for the customer's fifteen (15) minute load interval data to be read and forwarded daily to ISO-NE.

The "super low-tech" option will allow customers that currently have hourly metering in place to participate. The Company will continue to read the meter on its normal cycle and report the load data to ISO-NE on a monthly basis. Because the cost of monthly reporting to ISO-NE is minimal, the Company is not proposing to charge customers for this service.

Under all three PRP options, ISO-NE will calculate a daily baseline load for each participating customer, compare the baseline load to the customer's actual load during the curtailment period, and give the customer a credit based on the difference between the baseline load and the actual load times the greater of the actual hourly LMP for his

reliability region of \$100/MWh for every hour of curtailed load. From 2002 to the present, the period Narragansett Electric has offered ISO-NE's load response program, 37 customers have enrolled in the price response programs, representing 4,950 kW of possible interruptible load.

Customer Outreach

Narragansett Electric intends to provide information on the 2005 LRP to all of its commercial and industrial customers with loads of 200 kW or greater, as well as to several targeted accounts under 200 kW (i.e. national accounts). The Company will first approach customers that participated in the 2004 load response programs. In the meantime, customers that were enrolled in the 2004 load response programs will be asked to sign a new customer agreement for the 2005 programs, as there have been slight changes to the terms of the agreements.

Program Implementation

Narragansett Electric will implement these programs by executing agreements with customers, as the Company has done in prior program years. The customer agreements that will be executed for the DRP and the "high tech" option of the PRP will remain in effect until December 31, 2005 (consistent with the Company's arrangement with Power Measurement). The customer agreements that will be executed for the "low tech" option and "super low tech" option of the PRP will remain in effect until February 28, 2006 (ISO-NE's program termination date).

According to ISO-NE's program rules, customers may participate in one program only, as long as they meet the eligibility criteria. However, under special metering configurations, ISO-NE may waive this rule and allow specific customers the ability to participate in more than one of its programs.

Attachment 1 to this filing contains the DRP customer agreement for the thirty minute option. Attachment 2 contains the DRP customer agreement for the two hour option. Attachment 3 contains the customer agreement for the PRP high tech option. Attachment 4 contains the customer agreement for the PRP low tech option. Attachment 5 contains the customer agreement for the super low tech option.

Summer Load Curtailment Program

As part of this filing Narragansett Electric is proposing to implement a Summer Load Curtailment Program (“Load Curtailment Program” or “Program”) in the Southern Rhode Island (“Southern RI”) area of the Company’s service territory. Similar to the 2004 Summer Load Relief program, this year’s Load Curtailment Program is a temporary program that would use load curtailment as a means to reduce distribution and transmission capacity requirements during peak periods and thereby provide load relief. For 2005, the Company has selected the Southern RI area. The Company believes that this Program will provide valuable information on the feasibility of using a demand response program in a localized area to reduce load during peak periods, thereby preventing a potential overload condition if the load in the area is substantially higher than estimated during peak hours this summer. Little useful information was gathered as a result of the 2004 program. As reported in the Company’s report to the Commission in September 2004, the 2004 program was not utilized due to the Kilvert St. substation being energized in late June 2004, as well as the cooler than normal temperatures seen during the 2004 summer.

As we have seen over the past several years, load has continued to grow in Rhode Island. Load growth not only has an impact on generation and local distribution capacity, but also on the capacity of the transmission system. Because load growth rates throughout Narragansett Electric’s service territory vary, the Company continually assesses the capacity of its transmission and distribution system to ensure that expected load growth can be satisfied. Based upon this assessment, the Company determines whether existing transmission and distribution capacity will be sufficient or whether local capital investment will be required to serve the increased load in the area. Narragansett Electric has proposed interim improvements in the transmission system in Southern RI, as well as reviewing the need for longer term permanent improvements in the next few years. As part of an overall plan, the Load Curtailment Program will assist Narragansett Electric in meeting customer delivery needs in the area in the unlikely event that unforeseen delays prevent the Company from finishing these improvements in a timely manner. By providing the means for customers in the area to actively manage their loads, the Company is utilizing another tool to meet unexpected peak loads in this area.

1. Description of the Load Curtailment Program

The Company has identified the area that is fed from the Ashaway, Hope Valley, Wakefield, Bonnet, Westerly, Kenyon, LaFayette, Wood River and Peacedale distribution substations for this Load Curtailment Program. This is an area in its service territory where there is a sufficient number of large customers that have the ability to shed load in a manner that may help the Company meet unexpected peak load in the area prior to completion of the transmission upgrade or resulting from delays during construction. Specifically, the Program is designed for retail delivery service customers that:

- a. are served by either the Ashaway, Hope Valley, Wakefield, Bonnet, Westerly, Kenyon, LaFayette, Woodriver and Peacedale distribution substations;

- b. have a minimum monthly billing demand of 200 kilowatts; and
- c. can curtail load by at least 50 kilowatts.

Eligible customers would sign a service agreement agreeing to curtail their load for a specified number of interruption hours during the day after being notified by Narragansett Electric of the need for interruption.¹ In return, Narragansett Electric will pay these customers based upon the amount of load curtailed in each hour of the interruption multiplied by a credit per kWh curtailment of \$0.50 per kWh plus a retainer credit of \$3.00 per enrolled kW for the months of June, July, and August. The Company has attached the Service Agreement to this Program as Attachment 6.

2. Why this Area Was Selected for the Program

As mentioned above, proposed interim improvements in the transmission system in Southern RI, as well as reviewing the need for longer term permanent improvements in the next few years are underway due to the load growth in the area.

There are a number of design elements that facilitate the development of a load curtailment program in a specific area that explain why the Company selected the Southern RI area. The first element is a capacity shortfall on the transmission system over the course of the project. Due to the nature of transmission system planning and the lead time for construction projects to be planned and completed, the Company believes it is appropriate to select an area which is not in imminent danger of insufficient capacity even without the transmission upgrade for the summer of 2005, but in the event of delays or extraordinary weather, could become overloaded.

A second element in designing the Program is the amount of time the estimated capacity shortfall would exist. If the capacity shortfall requires many hours of interruption to manage properly, customers may not participate enough to provide the needed load relief. However, if the shortfall can be identified to a limited number of days and a limited number of peak load hours during those days, then a load curtailment program may provide the necessary load relief if needed, and typically in New England, heat waves are limited to just a few days and occur infrequently.

The third component is to determine if the existing population of large accounts could provide the necessary load relief. Based on the results of Narragansett Electric's sister company, Massachusetts Electric Company, in its Targeted Demand Response Program (also known as the Brockton Pilot), Narragansett Electric anticipates enrolling approximately forty percent (40%) of the eligible customers in the area, and who could shed 8% of their total load when called upon. In this selected area, there are 51 large customers that represent approximately 34,000 kW's of load. Using the percentages above, the Company anticipates enrolling 20-25 customers, and targeting 2,000 to 2,700 kW's of load relief, if necessary.

¹ Properly permitted customer-owned generation would be allowed to qualify for pilot program credits, provided that the customer verifies they are in compliance with all local air quality permits.

Finally, the fourth component is the willingness of customers to modify their electrical loads and to evaluate the amount of financial incentive required to induce this modification. According to a recent E-Source report 'Making Peak Load Management Work for the Mid-market Industrial' and the results of the Brockton Pilot noted above, a payment of at least \$0.50 per kWh appears to be the minimum value for successful projects.

3. Details of the Program

The following describes the details of the Load Curtailment Program.

(i) Measurement of Participating Customer's Load Curtailment

The customer's load curtailment will be based on 15 minute metered kilowatt data as measured by the Company's metering equipment. The Company will compare actual kilowatt metered load data during each hour of interruption against an expected level of kilowatt load during those same hours, assuming no interruption. The difference between these two values would equal the customer's load curtailment.

(ii) Determination of Expected Level of Kilowatt Load

This calculation is provided as Appendix B in the attached Service Agreement (Attachment 6 to this Report). In Step 1, for each hour of the interruption and the hour that is two hours prior to the interruption, the Company will obtain the customer's kilowatt metered data occurring during the five business days (excluding holidays, shutdowns, and days on which interruptions were called) prior to the day of the interruption. This is the customer's baseline load for these hours. Step 2 entails obtaining kilowatt metered data for the customer during the two hours prior to the interruption. This is the customer's actual load requirement immediately prior to the interruption.

The baseline load in Step 1 for the hours of interruption, which reflects a five-day average, must be adjusted for the customer's actual load on the day of interruption. This is done in Step 3 by comparing the baseline load for two hours prior to the interruption against the actual load for this same time period. This comparison will show if the baseline load is representative of the customer's current actual load. The difference between these two values, if it is a positive value, represents the adjustment value. If the difference is zero or negative, there will be no adjustment to the baseline load. Step 4 adds this adjustment value to the baseline load for each hour during the interruption becoming the adjusted baseline for the event or expected load.

Step 5 requires obtaining kilowatt metered data for the customer during the each hour of the interruption. This is the customer's actual load requirement during the interruption. The final calculation, performed in Step 6, takes the difference between the expected load calculated in Step 4 and the actual load in Step 5. This calculation results in the customer's reduction in load during the interruption.

(iii) Calculation of Credit

a) Retainer Credit

The Company will credit customers' accounts no later than November 30 of each year a monthly retainer of \$3 per enrolled kW for each of the months of June, July, and August. The monthly retainer may be adjusted up or down based on a customer's actual performance during each of the months after a call(s) for interruption by the Company. In addition to operational calls for curtailment, the Company will conduct tests of the load shed capability of enrolled customers once a month. During tests and calls for curtailment, the customer will be required to curtail an average of at least 50% of the enrolled kW in each month in order to continue to receive the full retainer for the current month. In the event the customer is able to consistently curtail additional kW that is at least 50% above the enrolled kW, the Company may adjust the retainer to reflect the higher kW.

b) Performance Credit

An additional performance credit will be calculated for each hour of Interruption and will be determined by the following formula:

$$\text{Performance Credit} = \$0.50 \times \text{each hour's Curtailed Load}$$

The Credit will be calculated individually for each hour of each Interruption called by the Company and will appear as a credit on the customer's monthly retail delivery service bill issued by the Company.

(iv) Calling for a Curtailment

The Company asks the customer to provide a primary and secondary contact person and his/her contact information so that the Company has two individuals to reach at the customer's location. The Company will send a message to an e-mail addressable pager, wireless telephone, or a standard phone call along with follow-up notification via e-mail at least 30 minutes prior to the requested interruption start time. The Company is also requesting that the customer provide a return notification either through a telephone call or e-mail to identify to the Company that the customer will be participating in the upcoming interruption.

(v) Term of the Program

The Company is planning the term of the Program to be for the period June 1, 2005 through October 1, 2008. The term will consist of Program years that cover the period June 1 through September 30.

(vi) Equipment Replacement

In areas where there is sufficient Skytel paging network coverage, Narragansett Electric may replace the existing revenue meter with one that has real-time capabilities. This will provide both the Company and the customer with real-time load data to

determine compliance with a load shed event, if called. The Company will cover the costs for this metering for the term of the agreement.

(vii) Assistance to Participating Customers

The Company will provide a load shed audit to help educate customers in managing their electrical loads. In the past, load shedding or demand response was discussed in reference to the existing ISO-NE programs with customers, but few would enroll in these programs due to the uncertainty of understanding the impact of shedding load on their internal processes. It has become clear that customers need to understand the costs and benefits of demand response as they relate to their own operations. The load shed audit is a new concept the Company believes will provide the customer with clear directions about how much load to shed as well as at what price point they could power down various pieces of equipment within their facility that could result in the best economic advantage.

(viii) Relation to ISO-NE Programs

When a customer signs up for the Load Curtailment Program, the Company will enroll the customer in the ISO-NE Price Response Program via the High Tech option (or real time meter feed) to allow the customer to take advantage of the metering opportunities and credits available in that program as well.

4. Narragansett Electric Tariff Page

Narragansett Electric is submitting a proposed tariff page to provide for the Load Curtailment Program as Attachment 7. Narragansett Electric respectfully requests approval of this Load Curtailment Program and associated tariff page.

Attachment 1

ISO-NE Demand Response Program

30 Minute Option



Load Response Program Agreement Real-Time Demand Response Program – 30 Minute Notice

This Agreement, dated _____, 2005 (“*Effective Date*”), is entered into between The Narragansett Electric Company (“*Company*”), with a principal address at 280 Melrose Street, Providence, RI 02907 and _____ (“*Customer*”) who has an electric account(s) with Company at the address(es) and account(s) specified below:

Account #(s): _____

Customer’s total “*Committed kW Reduction*” (kW available for interruption at above account(s)) under this Agreement is:

_____ kW

1. Program Summary

Through the Company, the Independent System Operator – New England (“*ISO-NE*”) is offering a Real-Time Demand Response Program (“*Demand Response Program*” or “*Program*”) in order to ensure reliability when capacity is tight on the electric grid, particularly during the summer months.

During the term of this Agreement, Customer commits to mandatory energy use reductions on a 30-minute notice from ISO-NE. Customer receives payments for participating in the Program and receives additional payments for the energy actually saved when requested by ISO-NE to curtail.

2. Customer Eligibility

The Demand Response Program is available only to customers who meet all of the following criteria:

- (1) have a demand of 10 kW or greater;
- (2) are capable of curtailing a minimum of :
 - i. 100 kW for an individual account, or
 - ii. a minimum of 100 kW for a group of no more than five accounts of the same customer in the same ISO-NE load zone;
- (3) are available for interruption between 7 am and 6 pm on all non-holiday weekdays;
- (4) have hourly load metering in place; and
- (5) are not operating under a load curtailment program of a supplier or other party as of May 1, 2005.

By executing this Agreement, Customer acknowledges that it meets the above eligibility criteria and will continue to meet the criteria throughout the term of the Agreement.

3. Equipment and Software

(a) Installation Requirements

In order to participate in the Demand Response Program, Customer agrees to become connected to an Internet Based Communication System (IBCS). To become connected, Customer will provide and pay for the following (as outlined in Appendix A):

- (1) 120 volt power source at the meter site;
- (2) Access to the Internet at the meter site– either via access to a Local Area Network (LAN), through a dedicated phone line and ISP account or through a wireless device approved by the Company; and
- (3) Access to meter pulses – via the installation of a Pulse Interface Device by Company (through the Company’s Optional Enhanced Metering Service Option 2 – R.I.P.U.C. No. 1155.) (Appendix C)

In addition to the above, Customer must permit the Company to install a data recorder box (“*the Equipment*”) at the meter site.

Customer must provide facility and installation information as required in Appendix A in order for Equipment to be installed.

(b) Ownership of Metering Equipment / Risk of Loss / Cost of Metering Equipment

At the time the Equipment is installed at Customer’s premises, Company transfers to Customer all of its right, title and interest in the Equipment. Title and risk of loss to the Equipment furnished hereunder shall pass to Customer upon installation at Customer’s premises. After installation, Customer assumes and shall bear all risk of loss or damage to or caused by the Equipment. During the Agreement Term, Customer agrees it is responsible for replacing any Equipment lost or damaged due to casualty.

The ISO-NE has agreed to fund the cost of the Equipment for the first 1,000 Customers enrolled in the Program from its inception date of June 1, 2000 (currently at approximately 500 customers as of April 2005), up to a maximum of \$2,500 per meter installation. Customer agrees to pay any costs (based on time and material) that exceed that amount. In the event Customer does not participate in the Real-Time Demand Response Program through February 28, 2006 (the "Agreement Term"), Customer is responsible for repayment to Company of any installation costs originally funded by ISO-NE.

(c) **Equipment Terms and Conditions**

(i) **Relocation and Protection of Equipment.**

During the Agreement Term, Customer will not relocate the Equipment within the premises or to another location without Company's prior written consent, which shall not be unreasonably withheld.

(ii) **Use of Equipment.**

During the Agreement Term, Customer shall use the Equipment in accordance with ISO-NE requirements for the purpose of participation in load response programs in which they are enrolled and for energy usage information purposes. Customer will notify the Company if installed Equipment is reconfigured, changed or altered from its original configuration. This includes any unforeseen changes in network configuration on the Customer's internal network that conflicts with the existing installed metering equipment settings (i.e. IP Address, default gateway IP Address, SMTP Address, and Subnet Mask) that will thus render the metering equipment inoperable. In cases where dial-up accounts are being utilized, any changes to ISP infrastructure (i.e. IP Address, default gateway IP Address, SMTP Address, and Subnet Mask) will also cause the Equipment to become inoperable. The Company will not be responsible for loss of data or any subsequent losses from non-performance during ISO-NE sponsored load response events if the installed Equipment is reconfigured, changed or altered from its original configuration without notifying the Company of such changes.

(iii) **Maintenance and Repair.**

During the Agreement Term, Customer shall not permit anyone to deface, injure, or remove any plate, date, number, or other inscription now or hereafter attached to or imprinted on the Equipment by the Company. Customer shall maintain the Equipment in their possession in good operating condition. Customer shall promptly notify Company of any operating deficiencies involving the Equipment and the Company will use commercially reasonable efforts to repair or replace promptly any defective Equipment. The Company has no obligation to repair or maintain any Equipment if (a) Customer has used the Equipment for any purpose other than in accordance with the terms of this Agreement, including, without limitation, by or for any person other than Customer; and/or (b) Customer has altered any of the Equipment or Network configuration or ISP infrastructure without the Company's prior written consent.

(iv) **Access.**

Customer shall provide Company and/or its system support contractors with full, safe, and free access to the Customer's premises and the Equipment during normal business hours for the installation, adjustment, maintenance, or repair of the Equipment, at mutually acceptable times subject to acceptable insurance as maintained by the Company, or its subcontractors or agents, for such installation work according to state and local regulations.

(d) **Software Usage and Fee**

Customers enrolled in the Demand Response Program must subscribe to the Energy Profiler Online (EPO) system through the Company's Optional Interval Data Service – R.I.P.U.C. No. 1156. Through the EPO system, Customer will receive access to their electrical load data and have their data sent to the ISO-NE for participation in the Program. If not already enrolled, Customers must enroll by completing and signing the "Energy Profiler Online Enrollment Form" found in Appendix D.

Any Customer utilizing the EPO system for the Program is also responsible for paying a "*Software Services Fee*" which enables Customer to use the EPO system to monitor and track its electrical load, on both days that the ISO-NE issues notification of an event and non-event days as well. Upon enrollment, the Company will bill the Software Services Fee to Customer on a monthly basis on its electric bill.

Through the Company, the ISO-NE has agreed to fund the cost of the Software Services Fee for the first 1,000 customers enrolled in the Program from its inception date of June 2000 (currently at approximately 500 customers as of April 2005), that have a Committed kW Reduction amount of greater than or equal to 300 kW. Any Customer that meets this eligibility for the entire term of the Agreement will not be billed by the Company for the Software Services Fee. In the event Customer does not continue to meet the eligibility criteria or participate in the Real-Time Demand Response Program through the Agreement Term, Customer is responsible for repayment to Company for the Software Services Fee from that point forward, through February 28, 2006.

4. Procedure for Requests to Reduce Load

As a participant in the Demand Response Program, Customer will be notified of a mandatory interruption when a specific Action of NEPOOL Operating Procedure No. 4 - Action During A Capacity Deficiency (OP4) is called for either their load zone, or system wide. Customers who will be utilizing backup or emergency generation will be activated at Action 12. Customers will be reducing load, and not utilizing backup or emergency generation will be activated at Action 9. In either case, Customer is required to reduce its electric load within 30-minutes after being notified by the ISO-NE.

Customer shall provide a primary and secondary contact person's name and information for notification by the ISO-NE of a mandatory load reduction on Appendix A. The RETX system will send a text message to an e-mail address and/or an e-mail addressable device (ie.

pager or cell phone), notifying Customer when a Curtailment Event, as defined in the Program, is called. The notification message will be in substantially the same form as the following:

“This is ISO-NE. Curtail Demand Response loads in (**ZONE) or (**BLOCK) at (**TIME) on (**DATE). Estimated restore time is (**TIME) on (**DATE). Do not reconnect loads without official notice from ISO-NE.”

When the emergency conditions that existed on the system have been restored, Customer will be notified via a text message to an e-mail address and/or an e-mail addressable device (ie. pager or cell phone), notifying Customer to restore loads to normal levels. That notification message will be in substantially the same form as the following:

“This is ISO-NE. Restore Demand Response loads in (**ZONE) or (**BLOCK) at (**TIME) on (**DATE).”

The schedule for load reductions and the cessation of load reductions will be coordinated by the procedures of the ISO-NE. Company does not have control over the timing of a load reduction request and the length of each load reduction period.

5. Customer Baseline, Performance Measurement and Compliance

The Customer Baseline (“CB”), as defined by ISO-NE, is the average hourly load, rounded to the nearest kWh, for each of the 24 hours in a day. The CB process does not begin until the registration process and meter data reporting requirements are complete. The CB used for computing performance for the Program shall consist of eligible weekdays (weekdays that are non-holidays and non-interruption days).

To calculate the Customer Baseline, the IBCS software will take the previous 5 weekdays, except for exclusion days, ending the midnight prior to the Program event day to compute the simple average for each hour. The CB will be adjusted (up or down) to reflect actual usage for the two hours preceding the interruption. (See example in Appendix B.)

Performance for metering configurations that include load reduction is measured as the difference between the CB (adjusted) and the actual metered usage by hour during the event. The CB shall be shifted (adjusted) to align the CB with the actual metered usage for two hours preceding the interruption for the event. However, if there are consecutive event days, the Baseline Adjustment used on the first day will be applied to the CB for the second and subsequent consecutive days. For On-Site Generation, either the generator output as metered or a combined measurement of the site load and on-site generation as metered will be used for performance as defined below.

For Customer’s committing only the Load, performance for each shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing for On-Site Generation and metered at the generator, performance for each hour shall be calculated as:

$$Ph = OGh$$

Where: Ph = performance for the hour
OGh = Metered on-site generation output for the hour

For Customer's subscribing for only On-Site Generation and metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing both On-Site Generation and the Load and participating in the same Program, performance for each hour shall be the net of On-Site Generation and Load as defined below:

Where On-Site Generation and Load are measured separately:

$$Ph = OGh = [CBh - AL]$$

Where On-Site Generation and Load are metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = Performance for the hour
OGh = Metered on-site generator output for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

6. Payments to Customer for Committed kW Reduction

Company will pay Customer the revenues it receives for the available capacity of generation resources of "ICAP" for the days and hours in which it is available and willing to interrupt. This credit initially will be based upon the Committed kW Reduction amount provided by the Customer in this Agreement and submitted to ISO-NE. The initial ICAP credit will remain in effect until the ISO-NE calls for a curtailment of the load. Following the curtailment, the ICAP credit will be adjusted to reflect the amount of load actually curtailed. The Adjusted Capability is the lesser of the Committed kW Reduction amount or the lowest actual amount interrupted during the calendar month. The Adjusted Capability will be used to establish the following month's ICAP credit. In the scenario where there are two or more events in the same month, the lowest actual amount interrupted will be used in the subsequent ICAP month, and the last actual amount interrupted in the month will be used to establish the Adjusted Capability for the month following the subsequent month if an event is not initiated in the subsequent month. If an event is initiated in the subsequent month, the lowest actual amount interrupted in that month will be used to establish the Adjusted Capability in the month following the subsequent month.

Customer will receive a monthly amount equal to:

$$[(A/B) * C = \$ICAP]$$

Where:

\$ICAP = the ICAP credit revenues to be paid to Customer in one month

A = Customer's ICAP credit for the month expressed in kW (based on Customer's Committed kW Reduction amount) which shall equal the ICAP credit value accepted by ISO-NE for Customer.

B = Sum of ICAP credits, expressed in kW for all customer's enrolled in Company's program during the month.

C = Total ICAP credit revenues received by Company in the month, expressed in \$

The total amount of Committed kW Reduction will be provided by Customer and may only be changed with a 7-day notice to Company.

Customer will receive these monthly payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

7. Payments to Customer for Actual Interruptions

Customer also will receive compensation for any performed interruptions when requested by the ISO-NE. The "*Calculated Reduction*" will be determined by the Company, by comparing the CB to the Customer's actual load consumption during the interruption period.

For any requested and performed interruptions, Customer will receive an amount equal to the following for each hour of the interruption period:

$$[["\text{Calculated Reduction (kWh)}" * (\text{Zonal Price})/1000]$$

Payments made to Customer for actual interruptions will be for the minimum of \$500/MWh or the actual zonal price, whichever is greater.

A minimum two hour call period will also apply for curtailment events with an Interruption Period less than two hours. Customer is guaranteed a payment for a minimum duration of 2 hours if it curtails its load by its Committed kW Reduction amount for that entire period.

Customer will receive their load reduction payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

If there is any disagreement regarding the Calculated Reduction, the ISO-NE's final determination of how much load reduction from Customer's facility was actually achieved for payments under its Load Curtailment Rules shall control, even if Customer or Company disagrees with such determination. In no case will Company credit Customer with more or less Calculated Reduction than what is recognized by ISO-NE for payments under its rules.

8. Penalty for Non-Performance

If Customer does not fully comply when an interruption request is made, Customer will be assessed a penalty for non-performance. In order to fully comply, Customer must reduce its electrical load within 30-minutes of being requested by the ISO-NE by their Committed kW reduction amount.

ISO-NE will assess a penalty for non-performance according to the following conditions:

Failure to Reduce Load: If Customer fails to reduce demand during a Load Response event it will lose its capability rating beginning with the start of the month during which the event was called or to the last actual interruption as defined by Adjusted Capability. In addition, going forward, Customer capability rating will remain at zero and they will no longer receive a monthly ICAP payment. However, if the Customer is able to fully comply with a subsequent event called by the ISO-NE for demand reduction, the Adjusted Capability will be reinstated in the following month and the payments will be reinstated as in the following month and is determined in accordance with the performance measurement criteria included in Section 5 of this Agreement.

Partial Reduction in Load: A Customer that is partially reduces demand during a Load Response event, but is unable to reduce by the full amount they agreed upon, will receive a reduced Adjusted Capability and a therefore a reduced ICAP monthly payment going forward. Those payments will now be based on the actual amount of kW load reduction they performed in that interruption. The Customer can return its capability rating and return its monthly payment back to being calculated with the original "Committed Reduction" amount by actually performing that total reduction when the next interruption is requested.

Customer shall not be penalized for exceeding its Committed Reduction amount when requested to interrupt by the ISO-NE.

9. Agreement Term

- (a) This Agreement shall remain in effect from the Effective Date through February 28, 2006.
- (b) Any obligation by Company to make payments to Customer for past performance as of the termination date shall survive termination of the Agreement.
- (c) Customer must provide Company five (5) business days prior written notice of its intent to terminate this Agreement.
- (d) Customer must remain in the selected ISO-NE program for the period of one year.

10. Notices

All notices and other communications required hereunder shall be made in writing and shall be deemed given as of the time of delivery or, in the case of a telecopied communication as of the time of confirmation, if delivered personally, telecopied (and confirmed), or sent by overnight courier (with proof of delivery) to the parties at the following addresses, or at such other address as a party shall specify by like notice:

If to the Company, to: Lisa M. Morgera
The Narragansett Electric Company
55 Bearfoot Road
Northboro, MA 01532
Phone: 508-421-7236
Fax: 508-421-7246

If to Customer, to: _____

11. Limitation of Liability

IN NO EVENT SHALL COMPANY, ITS AFFILIATES, OR ITS (OR ITS AFFILIATES') OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SERVANTS, AND SHAREHOLDERS, BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR ANY DIRECT, INDIRECT, RELIANCE, MULTIPLE, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR REVENUES, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, OR LOSS OF GOODWILL), CONNECTED WITH OR ARISING FROM THIS AGREEMENT, WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES OR COSTS RESULTING FROM THE USE OF OR INABILITY TO USE THE DATA RECORDING EQUIPMENT, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, TORT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE; PROVIDED HOWEVER, NOTHING SHALL LIMIT COMPANY'S OBLIGATION TO PAY FOR DEMAND REDUCTION AS PROVIDED HEREIN. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES RELATING TO PHYSICAL INJURY OR PROPERTY DAMAGE.

12. Force Majeure

Any delay or failure of either party in the performance of its required obligations hereunder shall be excused if and to the extent caused by fire, flood, unusually severe weather, explosion, riot, war, sabotage, or other similar causes as long as: 1) such events are beyond the party's reasonable efforts to prevent, avoid or mitigate; 2) said party uses every reasonable effort

to mitigate; and 3) prompt written notice of such delay or suspension is given by such affected party to the other.

13. Miscellaneous Provisions

- (a) This Agreement constitutes the entire Agreement between the Parties and supersedes all previous understandings, commitments or representations concerning the subject matter. No amendments or modifications to this Agreement may be made except in writing signed by both parties. If a final decision of a court of competent jurisdiction holds invalid any part or portion of this Agreement, such part or portion shall be modified to the extent strictly necessary (including, if necessary, deletion) to make such part or portion valid and enforceable, and such modified part or portion, together with the balance of the Agreement shall be valid and binding on the parties.
- (b) Company is under no obligation to call upon Customer to reduce its load. The decision to call upon Customer is solely within the discretion of the ISO-NE.
- (c) If Customer has been a participant in Company's Load Response Program in 2001, 2002, 2003 and/or 2004, such participation shall be terminated upon execution of this Agreement.
- (d) If any of the provisions of this Agreement are inconsistent with obligations that Customer has under an electric power supply contract with a supplier, Customer has the obligation to notify Company of such inconsistencies.
- (e) Customer authorizes Company to release Customer's load shape data or any other Customer information reasonably necessary for the administration of this Program to the ISO-NE or any other party involved in the estimation of Customer's kWh reduction.
- (f) Company reserves the right to credit Customer's electric bill rather than send a check for payments under this Agreement.
- (g) In the event of a conflict between this Agreement and the Company's Terms and Conditions on file with the Commission from time to time, this Agreement shall control.
- (h) This Agreement shall be governed by the laws of the State of Rhode Island, without regard to the conflict of laws principles contained therein.

Each Party has had its authorized representative execute this Agreement below.

Customer Name

The Narragansett Electric Company

By: _____
(please sign)

By: _____
(please sign)

By: _____
(please print)

By: _____
(please print)

Title: _____

Title: _____

Date: _____

Date: _____



Appendix A Customer Facility Survey and Device Requirements

Company / Facility Name: _____

Facility Address: _____

Hours of Operation: _____

Hours of Occupation: _____

NECO Account Manager/Rep: _____

ISO-NE Load Zone (found on NECO electric bill): _____

For NECO use only – Name/number of substation that load connects to: _____

Contact Information:

Facility Contact Name:		Phone #:	
IT Contact (if different):		Phone #:	

Curtailment Contacts:

Primary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Secondary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Additional Name:		email address*:	
		Pager/Device*:	
		Phone #:	

* Email addressable pagers and devices are acceptable
(Note: System allows for more than 3 contacts if needed)

Meter Information:

Meter Number:	Pulse Value

(Please circle and link meters above which will be combined to meet the contracted load requirements)

Facility Survey:

Location of existing revenue meter:	
Location for Data Recorder:	
Requirements for all Installations:	
(**) Plywood mounting surface (with 2ft x 2ft of free space, if different, please specify below in Notes field):	Date Verified by the Company: ____/____/____
(**) Standard 3-prong 120V power supply on Site within 8 ft of data recorder box:	Date Verified by the Company: ____/____/____
(**) KYZ Pulses brought from revenue meter to within 10 ft. of data recorder:	Date Verified by Company: ____/____/____
Device Preference: LAN; Dial-up ISP; or Wireless (choose one):	
If Dial-up: RJ-11 jack within 10 ft:	Date Verified: ____/____/____
If LAN: RJ-45 jack within 10 ft:	Date Verified: ____/____/____
If wireless: Verizon Signal present	Date Verified: ____/____/____
Environment: Indoor or Outdoor	

(**) – Mandatory Fields – must be completed.

If preference is using the customer’s network, please provide the following:

Is DHCP Server Available	
IP Address for Data Recorder	
Subnet for Data Recorder	
SMTP Server Address	
Network Admin. Contact Name	
Contact’s Phone # and email address	

If preference is using 3rd party ISP (dial-up), please provide the following:

Name of ISP (Internet Service Provider)	
Phone Number for Customer Service	
Dial-up number for internet access	
User name/password	
Do we dial “9” or another number to get out of your phone system?	

Notes:

--



Interruptible Capacity Questions:

How is the load reduction going to occur at your facility?

- ___ Reduce/Cut Electric load
- ___ Start Generation
- ___ Reduce Load and Start Generation

****NOTE: If Customer indicates that it will start generation or use a combination of generation and load reduction for a Load Reduction event, Customer must present to the Company an air permit or written waiver issued by the state environmental regulator for the generating unit.**

If a generator is going to be started, please provide the following information:

- Fuel Type to be used:
- | | |
|-----------------------------------|---------------------------------|
| ___ No. 2 Fuel Oil (Diesel) | ___ No. 1 Fuel Oil |
| ___ No. 3 Fuel Oil (Diesel) | ___ No. 4 Fuel Oil |
| ___ No. 5 Fuel Oil | ___ No. 6 Fuel Oil |
| ___ Natural Gas | ___ Liquefied Propane Gas |
| ___ Multifuel | ___ Propane |
| ___ Jet Fuel – Naphtha Type | ___ Motor Gasoline-Conventional |
| ___ Motor Gasoline-Reformulated | ___ Motor Gasoline-Fuel Ethanol |
| ___ Motor Gasoline-Oxygenated | ___ Gasoline |
| ___ Other (please provide: _____) | |

Fuel Characteristics (Sulfur Content percentage): _____%

How will fuel be measured and recorded?

Type of generation unit: Make: _____
 Model: _____
 In Service Years: _____

Size of the generation unit (Rating capacity of the unit): _____ kWh

Is the generating unit registered or permitted through State Department? Yes or No

DISCLAIMER: It is the responsibility of the Customer to comply with all Local, State, and Federal Air Emissions Regulations permits and/or regulations. Questions concerning compliance should be forwarded to the respective regulating authority.

Emission rates of the generating unit - in Lbs/kWh: (please use either from emissions testing or manufacturer documents if emissions test data not available)

- Emissions rate lbs/kW of Nitrogen Oxide (NOX): _____ lbs/kWh
- Emissions rate lbs/kW of Sulfur Dioxide (SO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Dioxide (CO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Monoxide (CO): _____ lbs/kWh
- If other emissions, please specify: _____



APPENDIX B

**ISO-NE Price Response Program
Example Calculations**

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Assumed Energy Clearing Prices at ISO-NE (\$/MWH)				\$150.00	\$400.00	\$200.00
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned for Hour 1				\$12.75		
Credit earned for Hour 2				\$54.00		
Credit earned for Hour 3				\$29.00		
Total ISO-NE Credit				\$95.75		

All loads are in kW.

Load Response Program Agreement Appendix C

R.I.P.U.C. No. 1155

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL ENHANCED METERING SERVICE

Availability of Service

Enhanced metering service under this provision is available to nonresidential customers receiving metered retail delivery service from Narragansett Electric Company (“Narragansett” or “the Company”). The availability of these services will be subject to the Company’s ability to render such service.

Service Option 1: Complete Service

Under this service option, the Company will provide equipment at the customer's facility which will allow for periodic readings of the customer's load through telephone lines. The Company will install, own and maintain the equipment in service. The customer, or its authorized representative, may receive the data through the optical port on the equipment or electronically. Narragansett will store load information on the meter for a period of 35 days and will read the meters daily.

Fees for Service Option 1:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$12.45	\$267.86

Service Option 2: Pulse Service

Customers who wish to connect their own load recording equipment or equipment provided by their authorized representative to the Company's meter may elect this option. Narragansett will provide a pulse interface device through which the customer can access meter data. The customer, or its representative, must purchase, own and maintain a modem-equipped recording device in order to access meter pulses.

Fees for Service Option 2:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$6.31	\$135.77

Additional Services

Customers who elect Service Option 1, Complete Service, may request additional services as described below. The fees for these services are in addition to the fees described below. The availability of these services will be subject to the Company's ability to render such service.

Power Outage Reporting

The Company will notify the customer's designee within one hour after the occurrence that the customer's power is out and provide confirmation that the customer outage has been logged into the Company outage reporting network. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$22.00

Peak Consumption Notification (Demand Overload)

Under this service, the customer will select a threshold of kW or kVA demand. The Company will notify the customer or its designee within one hour after the threshold is exceeded. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$26.00

Read on Appointment (Autoread)

Under this service, the customer may request specific dates and times for the Company to read its meter and the Company may bill the customer based on these readings.

Monthly Fee: \$33.00
Per occurrence: \$85.00

Read on Request

The Company will obtain meter readings within one hour of receiving a request from a participating customer. The Company may provide the meter reading to the customer’s designee by phone, fax, or e-mail.

Monthly Fee: \$33.00
Per Occurrence: \$85.00

Advanced Meter Information Read on Demand

The Company will provide power quality data to the customer or its authorized designee by fax or e-mail attachment.

Monthly Fee: \$33.00
Per Occurrence: \$85.00

Effective: January 1, 2001

Appendix D

R.I.P.U.C. No. 1156

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL INTERVAL DATA SERVICE

Availability of Service

Service is available under this tariff for nonresidential customers receiving service under Narragansett Electric Company's ("Narragansett" or "the Company") Optional Enhanced Metering Service, and customers receiving metered retail delivery service from Narragansett who have a Company-owned interval data recorder ("IDR") installed at their facilities.

Fees:

Under this provision, the fees for this service will vary depending upon the number of accounts and frequency of requests for interval data. Access is available to the customer or its authorized agent.

One-Time Request for Interval Data:

Initial request covering a single calendar year	No Charge
Subsequent request within same calendar year	
Single retail delivery service account	\$69.00
Additional retail delivery service account requested at same time	\$23.00 per account

Fees will be prorated for customer requests which include interval data which has been provided previously in response to an earlier request for data service.

Subscription Service for Interval Data over the Internet:

The Company may offer subscriptions to eligible customers for access to interval data through an Internet account which is available for the customer's use. Fees for this service are provided below. The minimum contract length is one year. The availability of this service will be subject to the Company's ability to render such service.

Single retail delivery service account	\$321.00
Additional retail delivery service account requested at the same time	\$275.00 per account

Effective: January 1, 2001

Narragansett Electric Energy Profiler Online™ Enrollment Form

Customer Name: _____

Account Number: _____

Customer Contact: _____

Contact Telephone Number: _____

Contact Email Address: _____

Service Address: _____

Billing Name: _____

Billing Address: _____

City/State/Zip: _____

Business Services Contact: _____ Extension: _____

Energy Profiler Online™ Service:

Single retail delivery service account \$321.00

Additional retail delivery service account – requested at same time. *(Please attach list of accounts)*

\$275.00 Per Account x Number of Accounts (_____)..... _____

RI– Gross Receipt Tax: _____

Total Charges:..... \$ _____

Notes:

___ Customer also requesting Enhanced Metering Service. *(Complete separate form)*

___ Other: _____

Account Manager: _____

Email Address: _____

Phone Number: _____

Customer Signature: _____

Date: _____

Attachment 2

ISO-NE Demand Response Program

2 Hour Option



Load Response Program Agreement Real-Time Demand Response Program – 2 Hour Notice

This Agreement, dated _____, 2005 (“Effective Date”), is entered into between The Narragansett Electric Company (“Company”), with a principal address at 280 Melrose Street, Providence, RI 02907 and _____ (“Customer”) who has an electric account(s) with Company at the address(es) and account(s) specified below:

Account #(s): _____

Customer’s total “Committed kW Reduction” (kW available for interruption at above account(s)) under this Agreement is:

_____ kW

1. Program Summary

Through the Company, the Independent System Operator – New England (“ISO-NE”) is offering a Real-Time Demand Response Program (“Demand Response Program” or “Program”) in order to ensure reliability when capacity is tight on the electric grid, particularly during the summer months.

During the term of this Agreement, Customer commits to mandatory energy use reductions on a 2 hour notice from ISO-NE. Customer receives payments for participating in the Program and receives additional payments for the energy actually saved when requested by ISO-NE to curtail.

2. **Customer Eligibility**

The Demand Response Program is available only to customers who meet all of the following criteria:

- (1) have a demand of 10 kW or greater;
- (2) are capable of curtailing a minimum of :
 - i. 100 kW for an individual account, or
 - ii. a minimum of 100 kW for a group of no more than five accounts of the same customer in the same ISO-NE load zone;
- (3) are available for interruption between 7 am and 6 pm on all non-holiday weekdays;
- (4) have hourly load metering in place; and
- (5) are not operating under a load curtailment program of a supplier or other party as of May 1, 2005.

By executing this Agreement, Customer acknowledges that it meets the above eligibility criteria and will continue to meet the criteria throughout the term of the Agreement.

3. **Equipment and Software**

(a) **Installation Requirements**

In order to participate in the Demand Response Program, Customer agrees to become connected to an Internet Based Communication System (IBCS). To become connected, Customer will provide and pay for the following (as outlined in Appendix A):

- (1) 120 volt power source at the meter site;
- (2) Access to the Internet at the meter site– either via access to a Local Area Network (LAN), through a dedicated phone line and ISP account, or through a wireless device approved by the Company; and
- (3) Access to meter pulses – via the installation of a Pulse Interface Device by Company (through the Company’s Optional Enhanced Metering Service Option 2 – R.I.P.U.C. No. 1155.)(Appendix C)

In addition to the above, Customer must permit the Company to install a data recorder box (“*the Equipment*”) at the meter site.

Customer must provide facility and installation information as required in Appendix A in order for Equipment to be installed.

(b) **Ownership of Metering Equipment / Risk of Loss / Cost of Metering Equipment**

At the time the Equipment is installed at Customer’s premises, Company transfers to Customer all of its right, title and interest in the Equipment. Title and risk of loss to the Equipment furnished hereunder shall pass to Customer upon installation at Customer’s premises. After installation, Customer assumes and shall bear all risk of loss or damage to or

caused by the Equipment. During the Agreement Term, Customer agrees it is responsible for replacing any Equipment lost or damaged due to casualty.

The ISO-NE has agreed to fund the cost of the Equipment for the first 1,000 Customers enrolled in the Program from its inception date of June 1, 2000 (currently at approximately 500 customers as of April 2005), up to a maximum of \$2,500 per meter installation. Customer agrees to pay any costs (based on time and material) that exceed that amount. In the event Customer does not participate in the Real-Time Demand Response Program through February 28, 2006 (the "Agreement Term"), Customer is responsible for repayment to Company of any installation costs originally funded by ISO-NE.

(c) **Equipment Terms and Conditions**

(i) **Relocation and Protection of Equipment.**

During the Agreement Term, Customer will not relocate the Equipment within the premises or to another location without Company's prior written consent, which shall not be unreasonably withheld.

(ii) **Use of Equipment.**

During the Agreement Term, Customer shall use the Equipment in accordance with ISO-NE requirements for the purpose of participation in load response programs in which they are enrolled and for energy usage information purposes. Customer will notify the Company if installed Equipment is reconfigured, changed or altered from its original configuration. This includes any unforeseen changes in network configuration on the Customer's internal network that conflicts with the existing installed metering equipment settings (i.e. IP Address, default gateway IP Address, SMTP Address, and Subnet Mask) that will thus render the metering equipment inoperable. In cases where dial-up accounts are being utilized, any changes to ISP infrastructure (i.e. IP Address, default gateway IP Address, SMTP Address, and Subnet Mask) will also cause the Equipment to become inoperable. The Company will not be responsible for loss of data or any subsequent losses from non-performance during ISO-NE sponsored load response events if the installed Equipment is reconfigured, change or altered from its original configuration without notifying the Company of such changes.

(iii) **Maintenance and Repair.**

During the Agreement Term, Customer shall not permit anyone to deface, injure, or remove any plate, date, number, or other inscription now or hereafter attached to or imprinted on the Equipment by the Company. Customer shall maintain the Equipment in their possession in good operating condition. Customer shall promptly notify Company of any operating deficiencies involving the Equipment and the Company will use commercially reasonable efforts to repair or replace promptly any defective Equipment. The Company has no obligation to repair or maintain any Equipment if (a) Customer has used the Equipment for any purpose other than in accordance with the terms of this Agreement, including, without limitation, by or for any person other than Customer; and/or (b) Customer has altered any of the Equipment or Network configuration or ISP infrastructure without the Company's prior written consent.

(iv) **Access.**

Customer shall provide the Company and/or its system support contractors with full, safe, and free access to the Customer's premises and the Equipment during normal business hours for the installation, adjustment, maintenance, or repair of the Equipment, at mutually acceptable times subject to acceptable insurance as maintained by the Company, or its subcontractors or agents, for such installation work according to state and local regulations.

(d) **Software Usage and Fee**

Customers enrolled in the Demand Response Program must subscribe to the Energy Profiler Online (EPO) system through the Company's Optional Interval Data Service – R.I.P.U.C. No. 1156. Through the EPO system, Customer will receive access to their electrical load data and have their data sent to the ISO-NE for participation in the Program. If not already enrolled, Customers must enroll by completing and signing the "Energy Profiler Online Enrollment Form" found in Appendix D.

Any Customer utilizing the EPO system for the Program is also responsible for paying a "*Software Services Fee*" which enables Customer to use the EPO system to monitor and track its electrical load, on both days that the ISO-NE issues notification of an event and non-event days as well. Upon enrollment, the Company will bill the Software Services Fee to Customer on a monthly basis on its electric bill.

Through the Company, the ISO-NE has agreed to fund the cost of the Software Services Fee for the first 1,000 customers enrolled in the Program from its inception date of June 2000 (currently at approximately 500 customers as of April 2005), that have a Committed kW Reduction amount of greater than or equal to 300 kW. Any Customer that meets this eligibility for the entire term of the Agreement will not be billed by the Company for the Software Services Fee. In the event Customer does not continue to meet the eligibility criteria or participate in the Real-Time Demand Response Program through the Agreement Term, Customer is responsible for repayment to Company for the Software Services Fee from that point forward, through February 28, 2006.

4. Procedure for Requests to Reduce Load

As a participant in the Demand Response Program, Customer will be notified of a mandatory interruption after Action 3 of NEPOOL Operating Procedure No. 4 - Action During a Capacity Deficiency (OP4) is implemented for either their load zone, or system wide. Customer is required to reduce its electric load within 2 hours after being notified by the ISO-NE.

Customer shall provide a primary and secondary contact person's name and information for notification by the ISO-NE of a mandatory load reduction on Appendix A. The IBCS system will send a text message to an e-mail address and/or an e-mail addressable

device (i.e. pager or cell phone), notifying Customer when a Curtailment Event, as defined in the Program, is called. The notification message will be in substantially the same form as the following:

“This is ISO-NE. Curtail Demand Response loads in (**ZONE) or (**BLOCK) at (**TIME) on (**DATE). Estimated restore time is (**TIME) on (**DATE). Do not reconnect loads without official notice from ISO-NE.”

When the emergency conditions that existed on the system have been restored, Customer will be notified via a text message to an e-mail address and/or an e-mail addressable device (i.e. pager or cell phone), notifying Customer to restore loads to normal levels. That notification message will be in substantially the same form as the following:

“This is ISO-NE. Restore Demand Response loads in (**ZONE) or (**BLOCK) at (**TIME) on (**DATE).”

The schedule for load reductions and the cessation of load reductions will be coordinated by the procedures of the ISO-NE. Company does not have control over the timing of a load reduction request and the length of each load reduction period.

5. Customer Baseline, Performance Measurement and Compliance

The Customer Baseline (“CB”), as defined by ISO-NE, is the average hourly load, rounded to the nearest kWh, for each of the 24 hours in a day. The CB process does not begin until the registration process and meter data reporting requirements are complete. The CB used for computing performance for the Program shall consist of eligible weekdays (weekdays that are non-holidays and non-interruption days).

To calculate the Customer Baseline, the IBCS software will take the previous 5 weekdays, except for exclusion days, ending the midnight prior to the Program event day to compute the simple average for each hour. The CB will be adjusted (up or down) to reflect actual usage for the two hours preceding the interruption. (See example in Appendix B.)

Performance for metering configurations that include load reduction is measured as the difference between the CB (adjusted) and the actual metered usage by hour during the event. The CB shall be shifted (adjusted) to align the CB with the actual metered usage for two hours preceding the interruption for the event. However, if there are consecutive event days, the Baseline Adjustment used on the first day will be applied to the CB for the second and subsequent consecutive days. For On-Site Generation, either the generator output as metered or a combined measurement of the site load and on-site generation as metered will be used for performance as defined below.

For Customer’s committing only the Load, performance for each shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing for On-Site Generation and metered at the generator, performance for each hour shall be calculated as:

$$Ph = OGh$$

Where: Ph = performance for the hour
OGh = Metered on-site generation output for the hour

For Customer's subscribing for only On-Site Generation and metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing both On-Site Generation and the Load and participating in the same Program, performance for each hour shall be the net of On-Site Generation and Load as defined below:

Where On-Site Generation and Load are measured separately:

$$Ph = OGh = [CBh - AL]$$

Where On-Site Generation and Load are metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = Performance for the hour
OGh = Metered on-site generator output for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

6. Payments to Customer for Committed kW Reduction

Company will pay Customer the revenues it receives for the available capacity of generation resources of "ICAP" for the days and hours in which it is available and willing to interrupt. This credit initially will be based upon the Committed kW Reduction amount provided by the Customer in this Agreement and submitted to ISO-NE. The initial ICAP credit will remain in effect until the ISO-NE calls for a curtailment of the load. Following the curtailment, the ICAP credit will be adjusted to reflect the amount of load actually curtailed. The Adjusted Capability is the lesser of the Committed kW Reduction amount or the lowest actual amount interrupted during the calendar month. The Adjusted Capability will be used to establish the following month's ICAP credit. In the scenario where there are two or more events in the same month, the lowest actual amount interrupted will be used in the subsequent ICAP month, and the last actual amount interrupted in the month will be used to establish the Adjusted Capability for the month following the subsequent month if an event is not initiated

in the subsequent month. If an event is initiated in the subsequent month, the lowest actual amount interrupted in that month will be used to establish the Adjusted Capability in the month following the subsequent month.

Customer will receive a monthly amount equal to:

$$[(A/B) * C = \$ICAP]$$

Where:

\$ICAP = the ICAP credit revenues to be paid to Customer in one month

A = Customer's ICAP credit for the month expressed in kW (based on Customer's Committed kW Reduction amount) which shall equal the ICAP credit value accepted by ISO-NE for Customer.

B = Sum of ICAP credits, expressed in kW for all customer's enrolled in Company's program during the month.

C = Total ICAP credit revenues received by Company in the month, expressed in \$

The total amount of Committed kW Reduction will be provided by Customer and may only be changed with a 7-day notice to Company.

Customer will receive these monthly payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

7. Payments to Customer for Actual Interruptions

Customer also will receive compensation for any performed interruptions when requested by the ISO-NE. The "*Calculated Reduction*" will be determined by the Company, by comparing the CB to the Customer's actual load consumption during the interruption period.

For any requested and performed interruptions, Customer will receive an amount equal to the following for each hour of the interruption period:

$$[“\text{Calculated Reduction (kWh)}” * (\text{Zonal Price})/1000]$$

Payments made to Customer for actual interruptions will be for the minimum of \$350/MWh or the actual zonal price, whichever is greater.

A minimum two hour call period will also apply for curtailment events with an Interruption Period less than two hours. Customer is guaranteed a payment for a minimum duration of 2 hours if it curtails its load by its Committed kW Reduction amount for that entire period.

Customer will receive their load reduction payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

If there is any disagreement regarding the Calculated Reduction, the ISO-NE's final determination of how much load reduction from Customer's facility was actually achieved for payments under its Load Curtailment Rules shall control, even if Customer or Company

disagrees with such determination. In no case will Company credit Customer with more or less Calculated Reduction than what is recognized by ISO-NE for payments under its rules.

8. Penalty for Non-Performance

If Customer does not fully comply when an interruption request is made, Customer will be assessed a penalty for non-performance. In order to fully comply, Customer must reduce its electrical load within 2 hours of being requested by the ISO-NE by their Committed kW reduction amount.

ISO-NE will assess a penalty for non-performance according to the following conditions:

Failure to Reduce Load: If Customer fails to reduce demand during a Load Response event it will lose its capability rating beginning with the start of the month during which the event was called or to the last actual interruption as defined by Adjusted Capability. In addition, going forward, Customer capability rating will remain at zero and they will no longer receive a monthly ICAP payment. However, if the Customer is able to fully comply with a subsequent event called by the ISO-NE for demand reduction, the Adjusted Capability will be reinstated in the following month and the payments will be reinstated as in the following month and is determined in accordance with the performance measurement criteria included in Section 5 of this Agreement.

Partial Reduction in Load: A Customer that is partially reduces demand during a Load Response event, but is unable to reduce by the full amount they agreed upon, will receive a reduced Adjusted Capability and a therefore a reduced ICAP monthly payment going forward. Those payments will now be based on the actual amount of kW load reduction they performed in that interruption. The Customer can return its capability rating and return its monthly payment back to being calculated with the original "Committed Reduction" amount by actually performing that total reduction when the next interruption is requested.

Customer shall not be penalized for exceeding its Committed Reduction amount when requested to interrupt by the ISO-NE.

9. Agreement Term

- (a) This Agreement shall remain in effect from the Effective Date through February 28, 2006.
- (b) Any obligation by Company to make payments to Customer for past performance as of the termination date shall survive termination of the Agreement.
- (c) Customer must provide Company five (5) business days prior written notice of its intent to terminate this Agreement.

- (d) Customer must remain in the selected ISO-NE program for the period of one year.

10. Notices

All notices and other communications required hereunder shall be made in writing and shall be deemed given as of the time of delivery or, in the case of a telecopied communication as of the time of confirmation, if delivered personally, telecopied (and confirmed), or sent by overnight courier (with proof of delivery) to the parties at the following addresses, or at such other address as a party shall specify by like notice:

If to the Company, to: Lisa M. Morgera
The Narragansett Electric Company
55 Bearfoot Road
Northboro, MA 01532
Phone: 508-421-7236
Fax: 508-421-7246

If to Customer, to: _____

11. Limitation of Liability

IN NO EVENT SHALL COMPANY, ITS AFFILIATES, OR ITS (OR ITS AFFILIATES') OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SERVANTS, AND SHAREHOLDERS, BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR ANY DIRECT, INDIRECT, RELIANCE, MULTIPLE, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR REVENUES, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, OR LOSS OF GOODWILL), CONNECTED WITH OR ARISING FROM THIS AGREEMENT, WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES OR COSTS RESULTING FROM THE USE OF OR INABILITY TO USE THE DATA RECORDING EQUIPMENT, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, TORT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE; PROVIDED HOWEVER, NOTHING SHALL LIMIT COMPANY'S OBLIGATION TO PAY FOR DEMAND REDUCTION AS PROVIDED HEREIN. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES RELATING TO PHYSICAL INJURY OR PROPERTY DAMAGE.

12. Force Majeure

Any delay or failure of either party in the performance of its required obligations hereunder shall be excused if and to the extent caused by fire, flood, unusually severe weather, explosion, riot, war, sabotage, or other similar causes as long as: 1) such events are beyond the party's reasonable efforts to prevent, avoid or mitigate; 2) said party uses every reasonable effort to mitigate; and 3) prompt written notice of such delay or suspension is given by such affected party to the other.

13. Miscellaneous Provisions

- (a) This Agreement constitutes the entire Agreement between the Parties and supersedes all previous understandings, commitments or representations concerning the Program. No amendments or modifications to this Agreement may be made except in writing signed by both parties. If a final decision of a court of competent jurisdiction holds invalid any part or portion of this Agreement, such part or portion shall be modified to the extent strictly necessary (including, if necessary, deletion) to make such part or portion valid and enforceable, and such modified part or portion, together with the balance of the Agreement shall be valid and binding on the parties.
- (b) Company is under no obligation to call upon Customer to reduce its load. The decision to call upon Customer is solely within the discretion of the ISO-NE.
- (c) If Customer has been a participant in Company's Load Response Program in 2001, 2002, 2003 and/or 2004, such participation shall be terminated upon execution of this Agreement.
- (d) If any of the provisions of this Agreement are inconsistent with obligations that Customer has under an electric power supply contract with a supplier, Customer has the obligation to notify Company of such inconsistencies.
- (e) Customer authorizes Company to release Customer's load shape data or any other Customer information reasonably necessary for the administration of this Program to the ISO-NE or any other party involved in the estimation of Customer's kWh reduction.
- (f) Company reserves the right to credit Customer's electric bill rather than send a check for payments under this Agreement.
- (g) In the event of a conflict between this Agreement and the Company's Terms and Conditions on file with the Commission as amended from time to time, this Agreement shall control.
- (h) This Agreement shall be governed by the laws of the State of Rhode Island, without regard to the conflict of laws principles contained therein.

Each Party has had its authorized representative execute this Agreement below.

Customer Name

The Narragansett Electric Company

By: _____
(please sign)

By: _____
(please sign)

By: _____
(please print)

By: _____
(please print)

Title: _____

Title: _____

Date: _____

Date: _____

Appendix A Customer Facility Survey and Device Requirements

Company / Facility Name: _____

Facility Address: _____

Hours of Operation: _____

Hours of Occupation: _____

NECO Account Manager/Rep: _____

ISO-NE Load Zone (found on NECO electric bill): _____

For NECO use only – Name/number of substation that load connects to: _____

Contact Information:

Facility Contact Name:		Phone #:	
IT Contact (if different):		Phone #:	

Curtailment Contacts:

Primary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Secondary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Additional Name:		email address*:	
		Pager/Device*:	
		Phone #:	

* Email addressable pagers and devices are acceptable
 (Note: System allows for more than 3 contacts if needed)

Meter Information:

Meter Number:	Pulse Value

(Please circle and link meters above which will be combined to meet the contracted load requirements)

Facility Survey:

Location of existing revenue meter:	
Location for Data Recorder:	
Requirements for all Installations:	
(**) Plywood mounting surface (with 2ft x 2ft of free space, if different, please specify below in Notes field):	Date Verified by the Company: ____/____/____
(**) Standard 3-prong 120V power supply on Site within 8 ft of data recorder box:	Date Verified by the Company: ____/____/____
(**) KYZ Pulses brought from revenue meter to within 10 ft. of data recorder box:	Date Verified by the Company: ____/____/____
Device Preference: LAN; Dial-up ISP; or Wireless (choose one):	
If Dial-up: RJ-11 jack within 10 ft:	Date Verified: ____/____/____
If LAN: RJ-45 jack within 10 ft:	Date Verified: ____/____/____
If wireless: Verizon Signal present	Date Verified: ____/____/____
Environment: Indoor or Outdoor	

(**) – Mandatory Fields – must be completed.

If preference is using the customer’s network, please provide the following:

Is DHCP Server Available	
IP Address for Data Recorder	
Subnet for Data Recorder	
SMTP Server Address	
Network Admin. Contact Name	
Contact’s Phone # and email address	

If preference is using 3rd party ISP (dial-up), please provide the following:

Name of ISP (Internet Service Provider)	
Phone Number for Customer Service	
Dial-up number for internet access	
User name/password	
Do we dial “9” or another number to get out of your phone system?	

Notes:

Interruptible Capacity Questions:

How is the load reduction going to occur at your facility?

- Reduce/Cut Electric load
- Start Generation
- Reduce Load and Start Generation

****NOTE: If Customer indicates that it will start generation or use a combination of generation and load reduction for a Load Reduction event, Customer must present to the Company an air permit or written waiver issued by the state environmental regulator for the generating unit.**

If a generator is going to be started, please provide the following information:

- Fuel Type to be used:
- | | |
|--|--|
| <input type="checkbox"/> No. 2 Fuel Oil (Diesel) | <input type="checkbox"/> No. 1 Fuel Oil |
| <input type="checkbox"/> No. 3 Fuel Oil (Diesel) | <input type="checkbox"/> No. 4 Fuel Oil |
| <input type="checkbox"/> No. 5 Fuel Oil | <input type="checkbox"/> No. 6 Fuel Oil |
| <input type="checkbox"/> Natural Gas | <input type="checkbox"/> Liquefied Propane Gas |
| <input type="checkbox"/> Multifuel | <input type="checkbox"/> Propane |
| <input type="checkbox"/> Jet Fuel – Naphtha Type | <input type="checkbox"/> Motor Gasoline-Conventional |
| <input type="checkbox"/> Motor Gasoline-Reformulated | <input type="checkbox"/> Motor Gasoline-Fuel Ethanol |
| <input type="checkbox"/> Motor Gasoline-Oxygenated | <input type="checkbox"/> Gasoline |
| <input type="checkbox"/> Other (please provide: _____) | |

Fuel Characteristics (Sulfur Content percentage): _____%

How will fuel be measured and recorded?

Type of generation unit: Make: _____
 Model: _____
 In Service Years: _____

Size of the generation unit (Rating capacity of the unit): _____ kWh

Is the generating unit registered or permitted through State Department? Yes or No

DISCLAIMER: It is the responsibility of the Customer to comply with all Local, State, and Federal Air Emissions Regulations permits and/or regulations. Questions concerning compliance should be forwarded to the respective regulating authority.

Emission rates of the generating unit - in Lbs/kWh: (please use either from emissions testing or manufacturer documents if emissions test data not available)

- Emissions rate lbs/kW of Nitrogen Oxide (NOX): _____ lbs/kWh
- Emissions rate lbs/kW of Sulfur Dioxide (SO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Dioxide (CO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Monoxide (CO): _____ lbs/kWh
- If other emissions, please specify: _____

APPENDIX B

**ISO-NE Price Response Program
 Example Calculations**

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Assumed Energy Clearing Prices at ISO-NE (\$/MWH)				\$150.00	\$400.00	\$200.00
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned for Hour 1				\$12.75		
Credit earned for Hour 2					\$54.00	
Credit earned for Hour 3						\$29.00
Total ISO-NE Credit						\$95.75

All loads are in kW.

Load Response Program Agreement Appendix C

R.I.P.U.C. No. 1155

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL ENHANCED METERING SERVICE

Availability of Service

Enhanced metering service under this provision is available to nonresidential customers receiving metered retail delivery service from Narragansett Electric Company ("Narragansett" or "the Company"). The availability of these services will be subject to the Company's ability to render such service.

Service Option 1: Complete Service

Under this service option, the Company will provide equipment at the customer's facility which will allow for periodic readings of the customer's load through telephone lines. The Company will install, own and maintain the equipment in service. The customer, or its authorized representative, may receive the data through the optical port on the equipment or electronically. Narragansett will store load information on the meter for a period of 35 days and will read the meters daily.

Fees for Service Option 1:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$12.45	\$267.86

Service Option 2: Pulse Service

Customers who wish to connect their own load recording equipment or equipment provided by their authorized representative to the Company's meter may elect this option. Narragansett will provide a pulse interface device through which the customer can access meter data. The customer, or its representative, must purchase, own and maintain a modem-equipped recording device in order to access meter pulses.

Fees for Service Option 2:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$6.31	\$135.77

Additional Services

Customers who elect Service Option 1, Complete Service, may request additional services as described below. The fees for these services are in addition to the fees described below. The availability of these services will be subject to the Company’s ability to render such service.

Power Outage Reporting

The Company will notify the customer’s designee within one hour after the occurrence that the customer’s power is out and provide confirmation that the customer outage has been logged into the Company outage reporting network. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$22.00

Peak Consumption Notification (Demand Overload)

Under this service, the customer will select a threshold of kW or kVA demand. The Company will notify the customer or its designee within one hour after the threshold is exceeded. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$26.00

Read on Appointment (Autoread)

Under this service, the customer may request specific dates and times for the Company to read its meter and the Company may bill the customer based on these readings.

Monthly Fee: \$33.00
Per occurrence: \$85.00

Read on Request

The Company will obtain meter readings within one hour of receiving a request from a participating customer. The Company may provide the meter reading to the customer's designee by phone, fax, or e-mail.

Monthly Fee:	\$33.00
Per Occurrence:	\$85.00

Advanced Meter Information Read on Demand

The Company will provide power quality data to the customer or its authorized designee by fax or e-mail attachment.

Monthly Fee:	\$33.00
Per Occurrence:	\$85.00

Effective: January 1, 2001

Load Response Program Agreement Appendix D

R.I.P.U.C. No. 1156

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL INTERVAL DATA SERVICE

Availability of Service

Service is available under this tariff for nonresidential customers receiving service under Narragansett Electric Company's ("Narragansett" or "the Company") Optional Enhanced Metering Service, and customers receiving metered retail delivery service from Narragansett who have a Company-owned interval data recorder ("IDR") installed at their facilities.

Fees:

Under this provision, the fees for this service will vary depending upon the number of accounts and frequency of requests for interval data. Access is available to the customer or its authorized agent.

One-Time Request for Interval Data:

Initial request covering a single calendar year	No Charge
Subsequent request within same calendar year	
Single retail delivery service account	\$69.00
Additional retail delivery service account requested at same time	\$23.00 per account

Fees will be prorated for customer requests which include interval data which has been provided previously in response to an earlier request for data service.

Subscription Service for Interval Data over the Internet:

The Company may offer subscriptions to eligible customers for access to interval data through an Internet account which is available for the customer's use. Fees for this service are provided below. The minimum contract length is one year. The availability of this service will be subject to the Company's ability to render such service.

Single retail delivery service account	\$321.00
Additional retail delivery service account requested at the same time	\$275.00 per account

Narragansett Electric Energy Profiler Online™ Enrollment Form

Customer Name: _____

Account Number: _____

Customer Contact: _____

Contact Telephone Number: _____

Contact Email Address: _____

Service Address: _____

Billing Name: _____

Billing Address: _____

City/State/Zip: _____

Business Services Contact: _____

Extension: _____

Energy Profiler Online™ Service:

Single retail delivery service account \$321.00

Additional retail delivery service account – requested at same time. *(Please attach list of accounts)*

\$275.00 Per Account x Number of Accounts (_____)..... _____

RI– Gross Receipt Tax: _____

Total Charges:..... \$ _____

Notes:

___ Customer also requesting Enhanced Metering Service. *(Complete separate form)*

___ Other: _____

Account Manager: _____

Email Address: _____

Phone Number: _____

Customer Signature: _____

Date: _____

Attachment 3

ISO-NE Price Response Program

High Tech Option



Load Response Program Agreement Real-Time Price Response Program

This Agreement, dated _____, 2005 (“*Effective Date*”), is entered into between The Narragansett Electric Company (“*Company*”), with a principal address at 280 Melrose Street, Providence, RI 02907 and _____ (“*Customer*”) who has an electric account(s) with Company at the address(es) and account(s) specified below:

Account #(s) _____

Customer’s total “*Committed kW reduction*” (kW available for interruption at above account(s)) under this Agreement is:

_____ kW

1. Program Summary

Through the Company, the Independent System Operator – New England (“*ISO-NE*”) is offering a Real-Time Price Response Program (“*Price Response Program*” or “*Program*”) in order to ensure reliability and help moderate wholesale electricity prices. This program will allow customers to monitor energy prices in real time and voluntarily reduce energy consumption during certain periods determined by the ISO-NE.

2. Customer Eligibility

The Price Response Program is available only to customers who meet all of the following criteria:

- (1) have a demand of 10 kW or greater;
- (2) are capable of curtailing a minimum of :
 - i. 100 kW for an individual account, or
 - ii. a minimum of 100 kW for a group of no more than five accounts of the same customer in the same ISO-NE load zone;
- (3) are available for interruption between 7 am and 6 pm on all non-holiday weekdays;
- (4) have hourly load metering in place; and
- (5) are not operating under a load curtailment program of a supplier or other party as of May 1, 2005.

By executing this Agreement, Customer acknowledges that it meets the above eligibility criteria and will continue to meet the criteria throughout the term of the Agreement.

3. Equipment and Software

(a) Installation Requirements

In order to participate in the Price Response Program, Customer agrees to become connected to an Internet Based Communication System (IBCS). To become connected, Customer will provide and pay for the following (as outlined in Appendix A):

- (1) 120 volt power source at the meter site;
- (2) Access to the Internet at the meter site– either via access to a Local Area Network (LAN), through a dedicated phone line and ISP account, or through a wireless communication service which Company will arrange on Customer's behalf and Customer will reimburse monthly cost to Company; and
- (3) Access to meter pulses – via the installation of a Pulse Interface Device by Company (through the Company's Optional Enhanced Metering Service Option 2 – R.I.P.U.C. No. 1155.) (Appendix C)

In addition to the above, Customer must permit the Company to install a data recorder box ("*the Equipment*") at the meter site.

Customer must provide facility and installation information as requested in Appendix A in order for Equipment to be installed.

(b) Ownership of Metering Equipment / Risk of Loss / Cost of Metering Equipment

At the time the Equipment is installed at Customer's premises, Company transfers to Customer all of its right, title and interest in the Equipment. Title and risk of loss to the Equipment furnished hereunder shall pass to Customer upon installation at Customer's premises. After installation, Customer assumes and shall bear all risk of loss or damage to or caused by the

Equipment. During the Agreement Term, Customer agrees it is responsible for replacing any Equipment lost or damaged due to casualty.

The ISO-NE has agreed to fund fifty percent of the cost of the Equipment for the first 1,000 Customers enrolled in the Program from its inception date of June 1, 2000 (currently at approximately 500 customers as of April 2005), up to a maximum of \$1,250 per meter installation. Customer agrees to pay any costs (based on time and material) that exceed that amount. In the event Customer does not participate in the Real-Time Price Response Program through February 28, 2006 (the "Agreement Term"), Customer is responsible for repayment to Company of any installation costs originally funded by ISO-NE.

(c) **Equipment Terms and Conditions**

(i) **Relocation and Protection of Equipment.**

During the Agreement Term, Customer will not relocate the Equipment within the premises or to another location without Company's prior written consent, which shall not be unreasonably withheld.

(ii) **Use of Equipment**

During the Agreement Term, Customer shall use the Equipment in accordance with ISO-NE requirements for the purpose of participation in load response programs in which they are enrolled and for energy usage information purposes. Customer will notify the Company if installed Equipment is reconfigured, changed or altered from its original configuration. This includes any unforeseen changes in network configuration on the Customer's internal network that conflicts with the existing installed metering equipment settings (i.e. IP Address, default gateway IP Address, SMTP Address, and Subnet Mask) that will thus render the metering equipment inoperable. In cases where dial-up accounts are being utilized, any changes to ISP infrastructure (i.e. IP Address, default gateway IP Address, SMTP Address, and Subnet Mask) will also cause the Equipment to become inoperable. The Company will not be responsible for loss of data or any subsequent losses from non-performance during ISO-NE sponsored load response events if the installed Equipment is reconfigured, change or altered from its original configuration without notifying the Company of such changes.

(iii) **Maintenance and Repair.**

During the Agreement Term, Customer shall not permit anyone to deface, injure, or remove any plate, date, number, or other inscription now or hereafter attached to or imprinted on the Equipment by the Company. Customer shall maintain the Equipment in their possession in good operating condition. Customer shall promptly notify Company of any operating deficiencies involving the Equipment and the Company will use commercially reasonable efforts to repair or replace promptly any defective Equipment. The Company has no obligation to repair or maintain any Equipment if (a) Customer has used the Equipment for any purpose other than in accordance with the terms of this Agreement, including, without limitation, by or for any person other than Customer; and/or (b) Customer has altered any of the Equipment or Network configuration or ISP infrastructure without the Company's prior written consent.

(iv) **Access.**

Customer shall provide the Company and/or its system support contractors with full, safe, and free access to the Customer's premises and the Equipment during normal business hours for the installation, adjustment, maintenance, or repair of the Equipment, at mutually acceptable times subject to acceptable insurance as maintained by the Company, or its subcontractors or agents, for such installation work according to state and local regulations.

(d) **Software Usage and Fee**

Customers enrolled in the Price Response Program through the high tech option must subscribe to the Energy Profiler Online (EPO) system through the Company's Optional Interval Data Service – R.I.P.U.C. No. 1156. Through the EPO system, Customer will receive access to their electrical load data and have their data sent to the ISO-NE for participation in the Program. If not already enrolled, Customers must enroll by completing and signing the "Energy Profiler Online Enrollment Form" found in Appendix D.

Any Customer utilizing the EPO system for the Program is also responsible for paying a "*Software Services Fee*" which enables Customer to use the EPO system to monitor and track its electrical load, on both days that the ISO-NE issues notification of an event and non-event days as well. Upon enrollment, the Company will bill the Software Services Fee to Customer on a monthly basis on its electric bill.

4. Procedure for Requests to Reduce Load

As a participant in the Price Response Program, Customer will only be notified by the ISO-NE when they forecast the Real Time Zonal Price ("*Zonal Price*") for the zone that they reside in to meet or exceed \$100/MWh in a given hour (between 7 am and 6 pm) in that or the next day. Once that "event window" has been opened, customers can voluntarily elect if and when to participate in the event based on actual prices.

Customer shall provide a primary and secondary contact person's name and information for notification by the ISO-NE of a load reduction opportunity on Appendix A. The IBCS system will send a text message to an e-mail address or an e-mail addressable device (ie. pager or cell phone), notifying Customer when the window has been opened, as defined in the Program, for a curtailment opportunity. The notification message will be in substantially the same form as the following:

"ISO-NE is opening the interruption period for Price Response loads in (*ZONE) at (**TIME) on (**DATE) and ending at 1800 on (**DATE)."

The schedule for load reductions and the cessation of load reductions will be coordinated by the procedures of the ISO-NE. Company does not have control over the timing of a load reduction request and the length of each load reduction period.

5. Customer Baseline and Performance Measurement

The Customer Baseline (“CB”), as defined by ISO-NE, is the average hourly load, rounded to the nearest kWh, for each of the 24 hours in a day. The CB process does not begin until the registration process and meter data reporting requirements are complete. The CB used for computing performance for the Program shall consist of eligible weekdays (weekdays that are non-holidays and non-interruption days).

To calculate the Customer Baseline, the IBCS software will take the previous 5 weekdays, except for exclusion days, ending the midnight prior to the Program event day to compute the simple average for each hour. The CB will be adjusted (up or down) to reflect actual usage for the two hours preceding the interruption. (See example in Appendix B.)

Performance for metering configurations that include load reduction is measured as the difference between the CB (adjusted) and the actual metered usage by hour during the event. The CB shall be adjusted to align the CB with the actual metered usage for two hours preceding the interruption for the event. However, if there are consecutive event days, the Baseline Adjustment used on the first day will be applied to the CB for the second and subsequent consecutive days. For On-Site Generation, either the generator output as metered or a combined measurement of the site load and on-site generation as metered will be used for performance as defined below.

For Customer’s committing only the Load, performance for each shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer’s subscribing for On-Site Generation and metered at the generator, performance for each hour shall be calculated as:

$$Ph = OGh$$

Where: Ph = performance for the hour
OGh = Metered on-site generation output for the hour

For Customer’s subscribing for only On-Site Generation and metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer’s subscribing both On-Site Generation and the Load and participating in the same Program, performance for each hour shall be the net of On-Site Generation and Load as defined below:

Where On-Site Generation and Load are measured separately:

$$Ph = OGh - [CBh - AL]$$

Where On-Site Generation and Load are metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = Performance for the hour
OGh = Metered on-site generator output for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

6. Payments to Customer for Actual Interruptions

Customer will receive compensation for any performed interruptions on days in which the ISO-NE projects and sends notification that the Zonal Price is expected to exceed \$100/MWh. The “*Calculated Reduction*” will be calculated by the ISO-NE settlement department by comparing CB to Customer’s actual load consumption during the interruption period.

Except for as specified below, for any requested and performed interruptions, Customer will receive an amount equal to the following for each hour of the interruption period:

$$[“\text{Calculated Reduction (kWh)}” * (\text{Zonal Price})/1000]$$

Payments made to Customer for actual interruptions will be for the minimum of \$100/MWh or the actual zonal price, whichever is greater.

Customer will receive their load reduction payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

If there is any disagreement regarding the Calculated Reduction, the ISO-NE’s final determination of how much load reduction from Customer’s facility was actually achieved for payments under its Load Curtailment Rules shall control, even if Customer or Company disagrees with such determination. In no case will Company credit Customer with more or less Calculated Reduction than what is recognized by ISO-NE for payments under its rules.

7. Agreement Term

- (a) This Agreement shall remain in effect from the Effective Date through February 28, 2006.
- (b) Any obligation by Company to make payments to Customer for past performance as of the termination date shall survive termination of the Agreement.
- (c) Customer must provide Company five (5) business days prior written notice of its intent to terminate this Agreement.
- (d) Customer must remain in the selected ISO-NE program for the period of one year.

8. Notices

All notices and other communications required hereunder shall be made in writing and shall be deemed given as of the time of delivery or, in the case of a telecopied communication as of the time of confirmation, if delivered personally, telecopied (and confirmed), or sent by overnight courier (with proof of delivery) to the parties at the following addresses, or at such other address as a party shall specify by like notice:

If to the Company, to: Lisa M. Morgera
The Narragansett Electric Company
55 Bearfoot Road
Northboro, MA 01532
Phone: 508-421-7236
Fax: 508-421-7246

If to Customer, to: _____

9. Limitation of Liability

IN NO EVENT SHALL COMPANY, ITS AFFILIATES, OR ITS (OR ITS AFFILIATES') OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SERVANTS, AND SHAREHOLDERS, BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR ANY DIRECT, INDIRECT, RELIANCE, MULTIPLE, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR REVENUES, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, OR LOSS OF GOODWILL), CONNECTED WITH OR ARISING FROM THIS AGREEMENT, WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES OR COSTS RESULTING FROM THE USE OF OR INABILITY TO USE THE DATA RECORDING EQUIPMENT, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, TORT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE; PROVIDED HOWEVER, NOTHING SHALL LIMIT COMPANY'S OBLIGATION TO PAY FOR DEMAND REDUCTION AS PROVIDED HEREIN. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES RELATING TO PHYSICAL INJURY OR PROPERTY DAMAGE.

10. Force Majeure

Any delay or failure of either party in the performance of its required obligations hereunder shall be excused if and to the extent caused by fire, flood, unusually severe weather, explosion, riot, war, sabotage, or other similar causes as long as: 1) such events are beyond the party's reasonable efforts to prevent, avoid or mitigate; 2) said party uses every reasonable effort

to mitigate; and 3) prompt written notice of such delay or suspension is given by such affected party to the other.

11. Miscellaneous Provisions

- (a) This Agreement constitutes the entire Agreement between the Parties and supersedes all previous understandings, commitments or representations concerning the subject matter. No amendments or modifications to this Agreement may be made except in writing signed by both parties. If a final decision of a court of competent jurisdiction holds invalid any part or portion of this Agreement, such part or portion shall be modified to the extent strictly necessary (including, if necessary, deletion) to make such part or portion valid and enforceable, and such modified part or portion, together with the balance of the Agreement shall be valid and binding on the parties.
- (b) Company is under no obligation to call upon Customer to reduce its load. The decision to call upon Customer is solely within the discretion of the ISO-NE.
- (c) If Customer has been a participant in Company's Load Response Program in 2001, 2002, 2003 and/or 2004, such participation shall be terminated upon execution of this Agreement.
- (d) If any of the provisions of this Agreement are inconsistent with obligations that Customer has under an electric power supply contract with a supplier, Customer has the obligation to notify Company of such inconsistencies.
- (e) Customer authorizes Company to release Customer's load shape data or any other customer information reasonably necessary for the administration of this Program to the ISO-NE or any other party involved in the estimation of Customer's kWh reduction.
- (f) Company reserves the right to credit Customer's electric bill rather than send a check for payments under this Agreement.
- (g) In the event of a conflict between this Agreement and the Company's Terms and Conditions on file with the Commission from time to time, this Agreement shall control.
- (h) This Agreement shall be governed by the laws of the State of Rhode Island, without regard to the conflict of laws principles contained therein.

Each Party has had its authorized representative execute this Agreement below.

Customer Name

The Narragansett Electric Company

By: _____
(please sign)

By: _____
(please sign)

By: _____
(please print)

By: _____
(please print)

Title: _____

Title: _____

Date: _____

Date: _____

Appendix A Customer Facility Survey and Device Requirements

Company / Facility Name: _____

Facility Address: _____

Hours of Operation: _____

Hours of Occupation: _____

NECO Account Manager/Rep: _____

ISO-NE Load Zone (found on NECO electric bill): _____

For NECO use only – Name/number of substation that load connects to: _____

Contact Information: (Customer MUST provide the following information)

Facility Contact Name:		Phone #:	
IT Contact (if different):		Phone #:	

Curtailment Contacts:

Primary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Secondary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Additional Name:		email address*:	
		Pager/Device*:	
		Phone #:	

* Email addressable pagers and devices are acceptable
 (Note: System allows for more than 3 contacts if needed)

Meter Information:

Meter Number:	Asset ID#	Pulse Value

(Please circle and link meters above which will be combined to meet the contracted load requirements)

Facility Survey:

Location of existing revenue meter:	
Location for Data Recorder:	
Requirements for all Installations:	
(**) Plywood mounting surface (with 2ft x 2ft of free space, if different, please specify below in Notes field):	Date Verified by the Company: ____/____/____
(**) Standard 3-prong 120V power supply on Site within 8 ft of data recorder box:	Date Verified by the Company: ____/____/____
(**) KYZ Pulses brought from revenue meter to within 10 ft. of data recorder box:	Date Verified by the Company: ____/____/____
Device Preference: LAN; Dial-up ISP; or Wireless (choose one):	
If Dial-up: RJ-11 jack within 10 ft:	Date Verified: ____/____/____
If LAN: RJ-45 jack within 10 ft:	Date Verified: ____/____/____
If wireless: Verizon Signal present	Date Verified: ____/____/____
Environment: Indoor or Outdoor	

(**) – Mandatory Fields – must be completed.

If preference is using the customer’s network, please provide the following:

Is DHCP Server Available	
IP Address for Data Recorder	
Subnet for Data Recorder	
SMTP Server Address	
Network Admin. Contact Name	
Contact’s Phone # and email address	

If preference is using 3rd party ISP (dial-up), please provide the following:

Name of ISP (Internet Service Provider)	
Phone Number for Customer Service	
Dial-up number for internet access	
User name/password	
Do we dial “9” or another number to get out of your phone system?	

Notes:

--

Interruptible Capacity Questions:

How is the load reduction going to occur at your facility?

- Reduce/Cut Electric load
- Start Generation
- Reduce Load and Start Generation

****NOTE: If Customer indicates that it will start generation or use a combination of generation and load reduction for a Load Reduction event, Customer must present to the Company an air permit or written waiver issued by the state environmental regulator for the generating unit.**

If a generator is going to be started, please provide the following information:

- Fuel Type to be used:
- | | |
|--|--|
| <input type="checkbox"/> No. 2 Fuel Oil (Diesel) | <input type="checkbox"/> No. 1 Fuel Oil |
| <input type="checkbox"/> No. 3 Fuel Oil (Diesel) | <input type="checkbox"/> No. 4 Fuel Oil |
| <input type="checkbox"/> No. 5 Fuel Oil | <input type="checkbox"/> No. 6 Fuel Oil |
| <input type="checkbox"/> Natural Gas | <input type="checkbox"/> Liquefied Propane Gas |
| <input type="checkbox"/> Multifuel | <input type="checkbox"/> Propane |
| <input type="checkbox"/> Jet Fuel – Naphtha Type | <input type="checkbox"/> Motor Gasoline-Conventional |
| <input type="checkbox"/> Motor Gasoline-Reformulated | <input type="checkbox"/> Motor Gasoline-Fuel Ethanol |
| <input type="checkbox"/> Motor Gasoline-Oxygenated | <input type="checkbox"/> Gasoline |
| <input type="checkbox"/> Other (please provide: _____) | |

Fuel Characteristics (Sulfur Content percentage): _____%

How will fuel be measured and recorded?

Type of generation unit: Make: _____
 Model: _____
 In Service Years: _____

Size of the generation unit (Rating capacity of the unit): _____ kWh

Is the generating unit registered or permitted through State Department? Yes or No

DISCLAIMER: It is the responsibility of the Customer to comply with all Local, State, and Federal Air Emissions Regulations permits and/or regulations. Questions concerning compliance should be forwarded to the respective regulating authority.

Emission rates of the generating unit - in Lbs/kWh: (please use either from emissions testing or manufacturer documents if emissions test data not available)

- Emissions rate lbs/kW of Nitrogen Oxide (NOX): _____ lbs/kWh
- Emissions rate lbs/kW of Sulfur Dioxide (SO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Dioxide (CO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Monoxide (CO): _____ lbs/kWh
- If other emissions, please specify: _____



APPENDIX B

**ISO-NE Price Response Program
Example Calculations**

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Assumed Energy Clearing Prices at ISO-NE (\$/MWH)				\$150.00	\$400.00	\$200.00
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned for Hour 1				\$12.75		
Credit earned for Hour 2					\$54.00	
Credit earned for Hour 3						\$29.00
Total ISO-NE Credit						\$95.75

All loads are in kW.

Load Response Program Agreement Appendix C

R.I.P.U.C. No. 1155

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL ENHANCED METERING SERVICE

Availability of Service

Enhanced metering service under this provision is available to nonresidential customers receiving metered retail delivery service from Narragansett Electric Company (“Narragansett” or “the Company”). The availability of these services will be subject to the Company’s ability to render such service.

Service Option 1: Complete Service

Under this service option, the Company will provide equipment at the customer's facility which will allow for periodic readings of the customer's load through telephone lines. The Company will install, own and maintain the equipment in service. The customer, or its authorized representative, may receive the data through the optical port on the equipment or electronically. Narragansett will store load information on the meter for a period of 35 days and will read the meters daily.

Fees for Service Option 1:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$12.45	\$267.86

Service Option 2: Pulse Service

Customers who wish to connect their own load recording equipment or equipment provided by their authorized representative to the Company's meter may elect this option. Narragansett will provide a pulse interface device through which the customer can access meter data. The customer, or its representative, must purchase, own and maintain a modem-equipped recording device in order to access meter pulses.

Fees for Service Option 2:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$6.31	\$135.77

Additional Services

Customers who elect Service Option 1, Complete Service, may request additional services as described below. The fees for these services are in addition to the fees described below. The availability of these services will be subject to the Company’s ability to render such service.

Power Outage Reporting

The Company will notify the customer’s designee within one hour after the occurrence that the customer’s power is out and provide confirmation that the customer outage has been logged into the Company outage reporting network. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$22.00

Peak Consumption Notification (Demand Overload)

Under this service, the customer will select a threshold of kW or kVA demand. The Company will notify the customer or its designee within one hour after the threshold is exceeded. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$26.00

Read on Appointment (Autoread)

Under this service, the customer may request specific dates and times for the Company to read its meter and the Company may bill the customer based on these readings.

Monthly Fee: \$33.00
 Per occurrence: \$85.00

Read on Request

The Company will obtain meter readings within one hour of receiving a request from a participating customer. The Company may provide the meter reading to the customer’s designee by phone, fax, or e-mail.

Monthly Fee: \$33.00
Per Occurrence: \$85.00

Advanced Meter Information Read on Demand

The Company will provide power quality data to the customer or its authorized designee by fax or e-mail attachment.

Monthly Fee: \$33.00
Per Occurrence: \$85.00

Effective: January 1, 2001

Load Response Program Agreement Appendix D

R.I.P.U.C. No. 1156

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL INTERVAL DATA SERVICE

Availability of Service

Service is available under this tariff for nonresidential customers receiving service under Narragansett Electric Company's ("Narragansett" or "the Company") Optional Enhanced Metering Service, and customers receiving metered retail delivery service from Narragansett who have a Company-owned interval data recorder ("IDR") installed at their facilities.

Fees:

Under this provision, the fees for this service will vary depending upon the number of accounts and frequency of requests for interval data. Access is available to the customer or its authorized agent.

One-Time Request for Interval Data:

Initial request covering a single calendar year	No Charge
Subsequent request within same calendar year	
Single retail delivery service account	\$69.00
Additional retail delivery service account requested at same time	\$23.00 per account

Fees will be prorated for customer requests which include interval data which has been provided previously in response to an earlier request for data service.

Subscription Service for Interval Data over the Internet:

The Company may offer subscriptions to eligible customers for access to interval data through an Internet account which is available for the customer's use. Fees for this service are provided below. The minimum contract length is one year. The availability of this service will be subject to the Company's ability to render such service.

Single retail delivery service account	\$321.00
Additional retail delivery service account requested at the same time	\$275.00 per account

Effective: January 1, 2001



Narragansett Electric Energy Profiler Online™ Enrollment Form

Customer Name:

Account Number:

Customer Contact:

Contact Telephone Number:

Contact Email Address:

Service Address:

Billing Name:

Billing Address:

City/State/Zip:

Business Services Contact:

_____ Extension: _____

Energy Profiler Online™ Service:

Single retail delivery service account \$321.00

Additional retail delivery service account – requested at same time. *(Please attach list of accounts)*

\$275.00 Per Account x Number of Accounts (_____)..... _____

RI– Gross Receipt Tax: _____

Total Charges:..... \$ _____

Notes:

___ Customer also requesting Enhanced Metering Service. *(Complete separate form)*

___ Other:

Account Manager: _____

Email Address: _____

Phone Number: _____

Customer Signature:

_____ Date: _____

Attachment 4

ISO-NE Price Response Program

Low Tech Option



Load Response Program Agreement Real-Time Price Response Program Via Low Tech Option

This Agreement, dated _____, 2005 (“Effective Date”), is entered into between The Narragansett Electric Company (“Company”), with a principal address at 280 Melrose Street, Providence, RI 02907 and _____ (“Customer”) who has an electric account(s) with Company at the address(es) and account(s) specified below:

Account #(s): _____

Customer’s total “Committed kW reduction” (kW available for interruption at above account(s)) under this Agreement is:

_____ kW

1. Program Summary

Through the Company, the Independent System Operator – New England (“ISO-NE”) is offering a Real-Time Price Response Program (“Price Response Program” or “Program”) in order to ensure reliability and help moderate wholesale electricity prices. This program will allow customers to monitor energy prices and voluntarily reduce energy consumption during certain periods determined by the ISO-NE. For this component of the Program, the ISO-NE has developed a Low-Tech Option which enables customers to participate without having to install any external data recording equipment. Participating customers will be required to be equipped with a modem read interval meter which will be read daily by the Company through a dedicated phone line.

2. Customer Eligibility

The Price Response Program via the Low Tech Option is available only to customers who meet all of the following criteria:

- (1) have a demand of 10 kW or greater;
- (2) are capable of curtailing a minimum of:
 - i. 100 kW for an individual account, or
 - ii. a minimum of 100 kW for a group of no more than five accounts of the same customer in the same ISO-NE load zone;
- (3) are available for interruption between 7 am and 6 pm on all non-holiday weekdays;
- (4) have hourly load metering being read via phone line in place; and
- (5) are not operating under a load curtailment program of a supplier or other party as of May 1, 2005.

By executing this Agreement, Customer acknowledges that it meets the above eligibility criteria and will continue to meet the criteria throughout the term of the Agreement.

3. Equipment

(a) Installation Requirements

In order to participate in the Price Response Program via the Low Tech Option, Customer has or agrees to install a modem read meter (and dedicated phone line) through the Company's Optional Enhanced Metering Service Option 1 (see Appendix C for reference to R.I.P.U.C. No. 1155 as may be amended from time to time.)

(b) Data Services

The Customer will be billed an annual fee of \$80.00 for the cost incurred by the Company to establish and report Customer load to the ISO-NE on a daily basis. If Customer is currently receiving service under Company's Optional Interval Data Service – Subscription Service for Interval Data over the Internet, (see Appendix D for reference to R.I.P.U.C. No. 1156 as may be amended from time to time) the above fee of \$80.00 will be waived by Company.

4. Procedure for Requests to Reduce Load

As a participant in the Real-Time Price Response Program via the Low Tech Option, Customer will only be notified by the ISO-NE when they forecast the Real Time Zonal Price (“Zonal Price”) for the zone that they reside in to meet or exceed \$100/MWh in a given hour (between 7 am and 6 pm) in that or the next day. Once that “event window” has been opened, customers can voluntarily elect if and when to participate in the event based on actual prices.

Customer shall provide a primary and secondary contact person's name and information for notification by the ISO-NE of a load reduction opportunity on Appendix A. Customer will also be required to register this information on the ISO-NE's List Serve to be notified directly by

the ISO-NE of a load reduction opportunity. The ISO-NE will send a text message to an e-mail address or an e-mail addressable device (i.e., pager or cell phone), notifying Customer when the window has been opened, as defined in the Program, for a curtailment opportunity. The notification message will be in substantially the same form as the following:

“ISO-NE is opening the interruption period for Price Response loads in (*ZONE) at (**TIME) on (**DATE) and ending at 1800 on (**DATE).”

The schedule for load reductions and the cessation of load reductions will be coordinated by the procedures of the ISO-NE. Company does not have control over the timing of a load reduction request and the length of each load reduction period.

5. Customer Baseline and Performance Measurement

The Customer Baseline (“CB”), as defined by ISO-NE, is the average hourly load, rounded to the nearest kWh, for each of the 24 hours in a day. The CB process does not begin until the registration process and meter data reporting requirements are complete. The CB used for computing performance for the Program shall consist of eligible weekdays (weekdays that are non-holidays and non-interruption days).

To calculate the Customer Baseline, ISO-NE will take the previous 5 weekdays, except for exclusion days, ending the midnight prior to the Program event day to compute the simple average for each hour. The CB will be adjusted (up or down) to reflect actual usage for the two hours preceding the interruption. (See example in Appendix B.) For Program purposes, ISO-NE will calculate the CB.

Performance for metering configurations that include load reduction is measured as the difference between the CB (adjusted) and the actual metered usage by hour during the event. The CB shall be adjusted to align the CB with the actual metered usage for two hours preceding the interruption for the event. However, if there are consecutive event days, the Baseline Adjustment used on the first day will be applied to the CB for the second and subsequent consecutive days. For On-Site Generation, either the generator output as metered or a combined measurement of the site load and on-site generation as metered will be used for performance as defined below.

For Customer’s committing only the Load, performance for each shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer’s subscribing for On-Site Generation and metered at the generator, performance for each hour shall be calculated as:

$$Ph = OGh$$

Where: Ph = performance for the hour
OGh = Metered on-site generation output for the hour

For Customer’s subscribing for only On-Site Generation and metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing both On-Site Generation and the Load and participating in the same Program, performance for each hour shall be the net of On-Site Generation and Load as defined below:

Where On-Site Generation and Load are measured separately:

$$Ph = OGh = [CBh - AL]$$

Where On-Site Generation and Load are metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = Performance for the hour
OGh = Metered on-site generator output for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

6. Payments to Customer for Actual Interruptions

Customer will receive compensation for any performed interruptions in which the ISO-NE projects and sends notification that the Zonal Price is expected to exceed \$100/MWh. The "Calculated Reduction" will be calculated by the ISO-NE settlement department by comparing CB to Customer's actual load consumption during the interruption event period.

Except for as specified below, for any requested and performed interruptions, Customer will receive an amount equal to the following for each hour of the interruption period:

$$[\text{"Calculated Reduction (kWh)} " * (\text{Zonal Price}) / 1000]$$

Payments made to Customer for actual interruptions will be for the minimum of \$100/MWh or the actual zonal price, whichever is greater.

Customer will receive their load reduction payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

If there is any disagreement regarding the Calculated Reduction, the ISO-NE's final determination of how much load reduction from Customer's facility was actually achieved for payments under its Load Curtailment Rules shall control, even if Customer or Company disagrees with such determination. In no case will Company credit Customer with more or less Calculated Reduction than what is recognized by ISO-NE for payments under its rules.

7. Agreement Term

- (a) This Agreement shall remain in effect from the Effective Date through February 28, 2006.
- (b) Any obligation by Company to make payments to Customer for past performance as of the termination date shall survive termination of the Agreement.
- (c) Customer must provide Company five (5) business days prior written notice of its intent to terminate this Agreement.
- (d) Customer must remain in the selected ISO-NE program for the period of one year.

8. Notices

All notices and other communications required hereunder shall be made in writing and shall be deemed given as of the time of delivery or, in the case of a telecopied communication as of the time of confirmation, if delivered personally, telecopied (and confirmed), or sent by overnight courier (with proof of delivery) to the parties at the following addresses, or at such other address as a party shall specify by like notice:

If to the Company, to: Lisa M. Morgera
 The Narragansett Electric Company
 55 Bearfoot Road
 Northboro, MA 01532
 Phone: 508-421-7236
 Fax: 508-421-7246

If to Customer, to: _____

9. Limitation of Liability

IN NO EVENT SHALL COMPANY, ITS AFFILIATES, OR ITS (OR ITS AFFILIATES') OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SERVANTS, AND SHAREHOLDERS, BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR ANY DIRECT, INDIRECT, RELIANCE, MULTIPLE, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR REVENUES, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, OR LOSS OF GOODWILL), CONNECTED WITH OR ARISING FROM THIS AGREEMENT, WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES OR COSTS RESULTING FROM THE USE OF OR INABILITY TO USE THE DATA RECORDING EQUIPMENT, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, TORT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE; PROVIDED HOWEVER, NOTHING SHALL LIMIT COMPANY'S OBLIGATION TO PAY

FOR DEMAND REDUCTION AS PROVIDED HEREIN. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES RELATING TO PHYSICAL INJURY OR PROPERTY DAMAGE.

10. Force Majeure

Any delay or failure of either party in the performance of its required obligations hereunder shall be excused if and to the extent caused by fire, flood, unusually severe weather, explosion, riot, war, sabotage, or other similar causes as long as: 1) such events are beyond the party's reasonable efforts to prevent, avoid or mitigate; 2) said party uses every reasonable effort to mitigate; and 3) prompt written notice of such delay or suspension is given by such affected party to the other.

11. Miscellaneous Provisions

- (a) This Agreement constitutes the entire Agreement between the Parties and supersedes all previous understandings, commitments or representations concerning the subject matter. No amendments or modifications to this Agreement may be made except in writing signed by both parties. If a final decision of a court of competent jurisdiction holds invalid any part or portion of this Agreement, such part or portion shall be modified to the extent strictly necessary (including, if necessary, deletion) to make such part or portion valid and enforceable, and such modified part or portion, together with the balance of the Agreement shall be valid and binding on the parties.
- (b) Company is under no obligation to call upon Customer to reduce its load. The decision to call upon Customer is solely within the discretion of the ISO-NE.
- (c) If Customer has been a participant in Company's Load Response Program in 2001, 2002, 2003 and/or 2004, such participation shall be terminated upon execution of this Agreement.
- (d) If any of the provisions of this Agreement are inconsistent with obligations that Customer has under an electric power supply contract with a supplier, Customer has the obligation to notify Company of such inconsistencies.
- (e) Customer authorizes Company to release Customer's load shape data or any other customer information reasonably necessary for the administration of this Program to the ISO-NE or any other party involved in the estimation of Customer's kWh reduction.
- (f) Company reserves the right to credit Customer's electric bill rather than send a check for payments under this Agreement.
- (g) In the event of a conflict between this Agreement and the Company's Terms and Conditions on file with the Commission from time to time, this Agreement shall control.

- (h) This Agreement shall be governed by the laws of the State of Rhode Island, without regard to the conflict of laws principles contained therein.

Each Party has had its authorized representative execute this Agreement below.

Customer Name

The Narragansett Electric Company

By: _____
(please sign)

By: _____
(please sign)

By: _____
(please print)

By: _____
(please print)

Title: _____

Title: _____

Date: _____

Date: _____



Load Response Customer Agreement Appendix A Customer Facility Survey

Company / Facility Name: _____
 Facility Address: _____
 Hours of Operation: _____
 Hours of Occupation: _____
 NECO Account Manager/Rep: _____
 ISO-NE Load Zone (found on NECO electric bill): _____
 For NECO use only – Name/number of substation that load connects to: _____

Contact Information: (Customer MUST provide the following information)

Facility Contact Name:		Phone #:	
------------------------	--	----------	--

Curtailment Contacts:

Primary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Secondary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Additional Name:		email address*:	
		Pager/Device*:	
		Phone #:	

* Email addressable pagers and devices are acceptable
 (Note: System allows for more than 3 contacts if needed)



Interruptible Capacity Questions:

How is the load reduction going to occur at your facility?

- Reduce/Cut Electric load
- Start Generation
- Reduce Load and Start Generation

****NOTE: If Customer indicates that it will start generation or use a combination of generation and load reduction for a Load Reduction event, Customer must present to the Company an air permit or written waiver issued by the state environmental regulator for the generating unit.**

If a generator is going to be started, please provide the following information:

- | | | |
|-----------------------|--|--|
| Fuel Type to be used: | <input type="checkbox"/> No. 2 Fuel Oil (Diesel) | <input type="checkbox"/> No. 1 Fuel Oil |
| | <input type="checkbox"/> No. 3 Fuel Oil (Diesel) | <input type="checkbox"/> No. 4 Fuel Oil |
| | <input type="checkbox"/> No. 5 Fuel Oil | <input type="checkbox"/> No. 6 Fuel Oil |
| | <input type="checkbox"/> Natural Gas | <input type="checkbox"/> Liquefied Propane Gas |
| | <input type="checkbox"/> Multifuel | <input type="checkbox"/> Propane |
| | <input type="checkbox"/> Jet Fuel – Naphtha Type | <input type="checkbox"/> Motor Gasoline-Conventional |
| | <input type="checkbox"/> Motor Gasoline-Reformulated | <input type="checkbox"/> Motor Gasoline-Fuel Ethanol |
| | <input type="checkbox"/> Motor Gasoline-Oxygenated | <input type="checkbox"/> Gasoline |
| | <input type="checkbox"/> Other (please provide: _____) | |

Fuel Characteristics (Sulfur Content percentage): _____%

How will fuel be measured and recorded?

Type of generation unit: Make: _____
 Model: _____
 In Service Years: _____

Size of the generation unit (Rating capacity of the unit): _____ kWh

Is the generating unit registered or permitted through State Department? Yes or No

DISCLAIMER: It is the responsibility of the Customer to comply with all Local, State, and Federal Air Emissions Regulations permits and/or regulations. Questions concerning compliance should be forwarded to the respective regulating authority.

Emission rates of the generating unit - in Lbs/kWh: (please use either from emissions testing or manufacturer documents if emissions test data not available)

- Emissions rate lbs/kW of Nitrogen Oxide (NOX): _____ lbs/kWh
- Emissions rate lbs/kW of Sulfur Dioxide (SO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Dioxide (CO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Monoxide (CO): _____ lbs/kWh
- If other emissions, please specify: _____



APPENDIX B

**ISO-NE Price Response Program
Example Calculations**

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Assumed Energy Clearing Prices at ISO-NE (\$/MWH)				\$150.00	\$400.00	\$200.00
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned for Hour 1				\$12.75		
Credit earned for Hour 2						\$54.00
Credit earned for Hour 3						\$29.00
Total ISO-NE Credit						\$95.75

All loads are in kW.

Load Response Program Agreement Appendix C

R.I.P.U.C. No. 1155

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL ENHANCED METERING SERVICE

Availability of Service

Enhanced metering service under this provision is available to nonresidential customers receiving metered retail delivery service from Narragansett Electric Company (“Narragansett” or “the Company”). The availability of these services will be subject to the Company’s ability to render such service.

Service Option 1: Complete Service

Under this service option, the Company will provide equipment at the customer's facility which will allow for periodic readings of the customer's load through telephone lines. The Company will install, own and maintain the equipment in service. The customer, or its authorized representative, may receive the data through the optical port on the equipment or electronically. Narragansett will store load information on the meter for a period of 35 days and will read the meters daily.

Fees for Service Option 1:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$12.45	\$267.86

Service Option 2: Pulse Service

Customers who wish to connect their own load recording equipment or equipment provided by their authorized representative to the Company's meter may elect this option. Narragansett will provide a pulse interface device through which the customer can access meter data. The customer, or its representative, must purchase, own and maintain a modem-equipped recording device in order to access meter pulses.

Fees for Service Option 2:

The customer has the choice of a single payment or a monthly fee.

<u>Monthly</u>	<u>Single Payment</u>
\$6.31	\$135.77

Additional Services

Customers who elect Service Option 1, Complete Service, may request additional services as described below. The fees for these services are in addition to the fees described below. The availability of these services will be subject to the Company's ability to render such service.

Power Outage Reporting

The Company will notify the customer's designee within one hour after the occurrence that the customer's power is out and provide confirmation that the customer outage has been logged into the Company outage reporting network. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$22.00

Peak Consumption Notification (Demand Overload)

Under this service, the customer will select a threshold of kW or kVA demand. The Company will notify the customer or its designee within one hour after the threshold is exceeded. Notification may be by phone, fax, or e-mail.

Monthly Fee: \$26.00

Read on Appointment (Autoread)

Under this service, the customer may request specific dates and times for the Company to read its meter and the Company may bill the customer based on these readings.

Monthly Fee: \$33.00
Per occurrence: \$85.00

Read on Request

The Company will obtain meter readings within one hour of receiving a request from a participating customer. The Company may provide the meter reading to the customer's designee by phone, fax, or e-mail.

Monthly Fee:	\$33.00
Per Occurrence:	\$85.00

Advanced Meter Information Read on Demand

The Company will provide power quality data to the customer or its authorized designee by fax or e-mail attachment.

Monthly Fee:	\$33.00
Per Occurrence:	\$85.00

Effective: January 1, 2001

Load Response Program Agreement Appendix D

R.I.P.U.C. No. 1156

THE NARRAGANSETT ELECTRIC COMPANY

OPTIONAL INTERVAL DATA SERVICE

Availability of Service

Service is available under this tariff for nonresidential customers receiving service under Narragansett Electric Company's ("Narragansett" or "the Company") Optional Enhanced Metering Service, and customers receiving metered retail delivery service from Narragansett who have a Company-owned interval data recorder ("IDR") installed at their facilities.

Fees:

Under this provision, the fees for this service will vary depending upon the number of accounts and frequency of requests for interval data. Access is available to the customer or its authorized agent.

One-Time Request for Interval Data:

Initial request covering a single calendar year	No Charge
Subsequent request within same calendar year	
Single retail delivery service account	\$69.00
Additional retail delivery service account requested at same time	\$23.00 per account

Fees will be prorated for customer requests which include interval data which has been provided previously in response to an earlier request for data service.

Subscription Service for Interval Data over the Internet:

The Company may offer subscriptions to eligible customers for access to interval data through an Internet account which is available for the customer's use. Fees for this service are provided below. The minimum contract length is one year. The availability of this service will be subject to the Company's ability to render such service.

Single retail delivery service account	\$321.00
Additional retail delivery service account requested at the same time	\$275.00 per account

Effective: January 1, 2001

Attachment 5

ISO-NE Price Response Program

Super Low Tech Option



Load Response Program Agreement Real-Time Price Response Program Via Super Low Tech Option

This Agreement, dated _____, 2005 (“Effective Date”), is entered into between The Narragansett Electric Company (“Company”), with a principal address at 280 Melrose Street, Providence, RI 02907 and _____ (“Customer”) who has an electric account(s) with Company at the address(es) and account(s) specified below:

Account #(s): _____

Customer’s total “Committed kW reduction” (kW available for interruption at above account(s)) under this Agreement is:

_____ kW

1. Program Summary

Through the Company, the Independent System Operator – New England (“ISO-NE”) is offering a Real-Time Price Response Program (“Price Response Program” or “Program”) in order to ensure reliability and help moderate wholesale electricity prices. This program will allow customers to monitor energy prices and voluntarily reduce energy consumption during certain periods determined by the ISO-NE. For this component of the Program, the ISO-NE has developed a “Super Low-Tech” Option which enables customers to participate without having to install any external data recording equipment. Participating customers will be required to be equipped with an hourly interval meter which will be read monthly by the Company.

2. Customer Eligibility

The Price Response Program via the Super Low Tech Option is available only to customers who meet all of the following criteria:

- (1) have a demand of 10 kW or greater;
- (2) are capable of curtailing a minimum of:
 - i. 100 kW for an individual account, or
 - ii. a minimum of 100 kW for a group of no more than five accounts of the same customer in the same ISO-NE load zone;
- (3) are available for interruption between 7 am and 6 pm on all non-holiday weekdays;
- (4) have hourly load metering in place; and
- (5) are not operating under a load curtailment program of a supplier or other party as of May 1, 2005.

By executing this Agreement, Customer acknowledges that it meets the above eligibility criteria and will continue to meet the criteria throughout the term of the Agreement.

3. Procedure for Requests to Reduce Load

As a participant in the Real-Time Price Response Program via the Super Low Tech Option, Customer will only be notified by the ISO-NE when they forecast the Real Time Zonal Price (“*Zonal Price*”) for the zone that they reside in to meet or exceed \$100/MWh in a given hour in that or the next day. Once that “event window” has been opened, customers can voluntarily elect if and when to participate in the event based on actual prices.

Customer shall provide a primary and secondary contact person’s name and information for notification by the ISO-NE of a load reduction opportunity on Appendix A. Customer will also be required to register this information on the ISO-NE’s List Serve to be notified directly by the ISO-NE of a load reduction opportunity. The ISO-NE will send a text message to an e-mail address or an e-mail addressable device (ie. pager or cell phone), notifying Customer when the window has been opened, as defined in the Program, for a curtailment opportunity. The notification message will be in substantially the same form as the following:

“ISO-NE is opening the interruption period for Price Response loads in (*ZONE) at (**TIME) on (**DATE) and ending at 1800 on (**DATE).”

The schedule for load reductions and the cessation of load reductions will be coordinated by the procedures of the ISO-NE. Company does not have control over the timing of a load reduction request and the length of each load reduction period.

4. Customer Baseline and Performance Measurement

The Customer Baseline (“*CB*”), as defined by ISO-NE, is the average hourly load, rounded to the nearest kWh, for each of the 24 hours in a day. The CB process does not begin until the registration process and meter data reporting requirements are complete. The CB used for computing performance for the Program shall consist of eligible weekdays (weekdays that are non-holidays and non-interruption days).

To calculate the Customer Baseline, ISO-NE will take the previous 5 weekdays, except for exclusion days, ending the midnight prior to the Program event day to compute the simple average for each hour. The CB will be adjusted (up or down) to reflect actual usage for the two hours preceding the interruption. (See example in Appendix B.) For Program purposes, ISO-NE will calculate the CB.

Performance for metering configurations that include load reduction is measured as the difference between the CB (adjusted) and the actual metered usage by hour during the event. The CB shall be adjusted to align the CB with the actual metered usage for two hours preceding the interruption for the event. However, if there are consecutive event days, the Baseline Adjustment used on the first day will be applied to the CB for the second and subsequent consecutive days. For On-Site Generation, either the generator output as metered or a combined measurement of the site load and on-site generation as metered will be used for performance as defined below.

For Customer's committing only the Load, performance for each shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing for On-Site Generation and metered at the generator, performance for each hour shall be calculated as:

$$Ph = OGh$$

Where: Ph = performance for the hour
OGh = Metered on-site generation output for the hour

For Customer's subscribing for only On-Site Generation and metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = performance for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

For Customer's subscribing both On-Site Generation and the Load and participating in the same Program, performance for each hour shall be the net of On-Site Generation and Load as defined below:

Where On-Site Generation and Load are measured separately:

$$Ph = OGh = [CBh - AL]$$

Where On-Site Generation and Load are metered such that only the net load reduction value is available, performance for each hour shall be calculated as:

$$Ph = CBh - AL$$

Where: Ph = Performance for the hour
OGh = Metered on-site generator output for the hour
CBh = Customer Baseline for the hour
AL = Actual Load for the hour

5. Payments to Customer for Actual Interruptions

Customer will receive compensation for any committed and performed interruptions in which the ISO-NE projects and sends notification that the Zonal Price is expected to exceed \$100/MWh. The “*Calculated Reduction*” will be calculated by the ISO-NE settlement department by comparing CB to Customer’s actual load consumption during the interruption period.

Except for as specified below, for any requested and performed interruptions, Customer will receive an amount equal to the following for each hour of the interruption period:

$$[\text{“Calculated Reduction (kWh)”} * (\text{Zonal Price})/1000]$$

Payments made to Customer for actual interruptions will be for the minimum of \$100/MWh or the actual zonal price, whichever is greater.

Customer will receive their load reduction payments as a bill credit from Company within 120 days of Company receiving compensation from ISO-NE.

If there is any disagreement regarding the Calculated Reduction, the ISO-NE’s final determination of how much load reduction from Customer’s facility was actually achieved for payments under its Load Curtailment Rules shall control, even if Customer or Company disagrees with such determination. In no case will Company credit Customer with more or less Calculated Reduction than what is recognized by ISO-NE for payments under its rules.

6. Agreement Term

- (a) This Agreement shall remain in effect from the Effective Date through February 28, 2006.
- (b) Any obligation by Company to make payments to Customer for past performance as of the termination date shall survive termination of the Agreement.
- (c) Customer must provide Company five (5) business days prior written notice of its intent to terminate this Agreement.
- (d) Customer must remain in the selected ISO-NE program for the period of one year.

7. Notices

All notices and other communications required hereunder shall be made in writing and shall be deemed given as of the time of delivery or, in the case of a telecopied communication as of the time of confirmation, if delivered personally, telecopied (and confirmed), or sent by overnight courier (with proof of delivery) to the parties at the following addresses, or at such other address as a party shall specify by like notice:

If to the Company, to: Lisa M. Morgera
The Narragansett Electric Company
55 Bearfoot Road
Northboro, MA 01532
Phone: 508-421-7236
Fax: 508-421-7246

If to Customer, to: _____

8. Limitation of Liability

IN NO EVENT SHALL COMPANY, ITS AFFILIATES, OR ITS (OR ITS AFFILIATES') OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SERVANTS, AND SHAREHOLDERS, BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR ANY DIRECT, INDIRECT, RELIANCE, MULTIPLE, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR REVENUES, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, OR LOSS OF GOODWILL), CONNECTED WITH OR ARISING FROM THIS AGREEMENT, WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES OR COSTS RESULTING FROM THE USE OF OR INABILITY TO USE THE DATA RECORDING EQUIPMENT, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, TORT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE; PROVIDED HOWEVER, NOTHING SHALL LIMIT COMPANY'S OBLIGATION TO PAY FOR DEMAND REDUCTION AS PROVIDED HEREIN. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES RELATING TO PHYSICAL INJURY OR PROPERTY DAMAGE.

9. Force Majeure

Any delay or failure of either party in the performance of its required obligations hereunder shall be excused if and to the extent caused by fire, flood, unusually severe weather, explosion, riot, war, sabotage, or other similar causes as long as: 1) such events are beyond the party's reasonable efforts to prevent, avoid or mitigate; 2) said party uses every reasonable effort to mitigate; and 3) prompt written notice of such delay or suspension is given by such affected party to the other.

10. Miscellaneous Provisions

- (a) This Agreement constitutes the entire Agreement between the Parties and supersedes all previous understandings, commitments or representations concerning the subject matter. No amendments or modifications to this Agreement may be made except in writing signed by both parties. If a final decision of a court of competent jurisdiction holds invalid any part or portion of this Agreement, such part or portion shall be modified to the extent strictly necessary (including, if necessary, deletion) to make such part or portion valid and enforceable, and such modified part or portion, together with the balance of the Agreement shall be valid and binding on the parties.
- (b) Company is under no obligation to call upon Customer to reduce its load. The decision to call upon Customer is solely within the discretion of the ISO-NE.
- (c) If Customer has been a participant in Company's Load Response Program in 2001, 2002, 2003 and/or 2004, such participation shall be terminated upon execution of this Agreement.
- (d) If any of the provisions of this Agreement are inconsistent with obligations that Customer has under an electric power supply contract with a supplier, Customer has the obligation to notify Company of such inconsistencies.
- (e) Customer authorizes Company to release Customer's load shape data or any other customer information reasonably necessary for the administration of this Program to the ISO-NE or any other party involved in the estimation of Customer's kWh reduction.
- (f) Company reserves the right to credit Customer's electric bill rather than send a check for payments under this Agreement.
- (g) In the event of a conflict between this Agreement and the Company's Terms and Conditions on file with the Commission from time to time, this Agreement shall control.
- (h) This Agreement shall be governed by the laws of the State of Rhode Island, without regard to the conflict of laws principles contained therein.

Each Party has had its authorized representative execute this Agreement below.

Customer Name

The Narragansett Electric Company

By: _____
(please sign)

By: _____
(please sign)

By: _____
(please print)

By: _____
(please print)

Title: _____

Title: _____

Date: _____

Date: _____

**Load Response Customer Agreement
 Appendix A
 Customer Facility Survey**

Company / Facility Name: _____

Facility Address: _____

Hours of Operation: _____

Hours of Occupation: _____

NECO Account Manager: _____

ISO-NE Load Zone (found on NECO electric bill): _____

NX 11-C Number (to be provided by ISO-NE): _____

Contact Information: (Customer MUST provide the following information)

Facility Contact Name:		Phone #:	
------------------------	--	----------	--

Curtailment Contacts:

Primary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Secondary Name:		email address*:	
		Pager/Device*:	
		Phone #:	
Additional Name:		email address*:	
		Pager/Device*:	
		Phone #:	

* Email addressable pagers and devices are acceptable
 (Note: System allows for more than 3 contacts if needed)



Interruptible Capacity Questions:

How is the load reduction going to occur at your facility?

- Reduce/Cut Electric load
- Start Generation
- Reduce Load and Start Generation

****NOTE: If Customer indicates that it will start generation or use a combination of generation and load reduction for a Load Reduction event, Customer must present to the Company an air permit or written waiver issued by the state environmental regulator for the generating unit.**

If a generator is going to be started, please provide the following information:

- Fuel Type to be used:
- | | |
|--|--|
| <input type="checkbox"/> No. 2 Fuel Oil (Diesel) | <input type="checkbox"/> No. 1 Fuel Oil |
| <input type="checkbox"/> No. 3 Fuel Oil (Diesel) | <input type="checkbox"/> No. 4 Fuel Oil |
| <input type="checkbox"/> No. 5 Fuel Oil | <input type="checkbox"/> No. 6 Fuel Oil |
| <input type="checkbox"/> Natural Gas | <input type="checkbox"/> Liquefied Propane Gas |
| <input type="checkbox"/> Multifuel | <input type="checkbox"/> Propane |
| <input type="checkbox"/> Jet Fuel – Naphtha Type | <input type="checkbox"/> Motor Gasoline-Conventional |
| <input type="checkbox"/> Motor Gasoline-Reformulated | <input type="checkbox"/> Motor Gasoline-Fuel Ethanol |
| <input type="checkbox"/> Motor Gasoline-Oxygenated | <input type="checkbox"/> Gasoline |
| <input type="checkbox"/> Other (please provide: _____) | |

Fuel Characteristics (Sulfur Content percentage): _____%

How will fuel be measured and recorded?

Type of generation unit: Make: _____
 Model: _____
 In Service Years: _____

Size of the generation unit (Rating capacity of the unit): _____ kWh

Is the generating unit registered or permitted through State Department? Yes or No

DISCLAIMER: It is the responsibility of the Customer to comply with all Local, State, and Federal Air Emissions Regulations permits and/or regulations. Questions concerning compliance should be forwarded to the respective regulating authority.

Emission rates of the generating unit - in Lbs/kWh: (please use either from emissions testing or manufacturer documents if emissions test data not available)

- Emissions rate lbs/kW of Nitrogen Oxide (NOX): _____ lbs/kWh
- Emissions rate lbs/kW of Sulfur Dioxide (SO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Dioxide (CO2): _____ lbs/kWh
- Emissions rate lbs/kW of Carbon Monoxide (CO): _____ lbs/kWh
- If other emissions, please specify: _____



APPENDIX B

**ISO-NE Price Response Program
Example Calculations**

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Assumed Energy Clearing Prices at ISO-NE (\$/MWH)				\$150.00	\$400.00	\$200.00
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned for Hour 1				\$12.75		
Credit earned for Hour 2				\$54.00		
Credit earned for Hour 3						\$29.00
Total ISO-NE Credit						\$95.75

All loads are in kW.

Attachment 6

Summer Load Curtailment Program

Service Agreement



Summer Load Curtailment Program Agreement

This Agreement, dated _____, 2005 (“Effective Date”), is entered into between The Narragansett Electric Company (“Company”), with a principal address at 280 Melrose St., Providence, RI and _____ (“Customer”) who has an electric account with Company at the address and account specified below:

Account # _____

Customer’s “Projected kW reduction” (kW available for curtailment at above account) under this Agreement is: _____ kW

1. Program Summary

The Company is offering a Summer Load Curtailment Program (“Program”) in order to manage load at a targeted substation (“Substation”) to ensure reliability and help determine the feasibility of load management as a planning tool for infrastructure improvements. This program will allow customers to monitor their electric load and voluntarily reduce energy consumption during certain periods determined by the Company.

2. Customer Eligibility

The Program is available only to customers who meet all of the following criteria:

- a) their electric load is fed from served from the Ashaway, Hope Valley, Wakefield, Bonnet, Westerly, Kenyon, LaFayette, Wood River and Peacedale distribution substations
- b) have a demand of 100 kW or greater;
- c) are capable of curtailing a minimum of 50 kW;
- d) are available for interruption between 10 am and 7 pm on all non-holiday weekdays;
- e) have hourly load metering in place

By executing this Agreement, Customer acknowledges that it meets the above eligibility criteria and will continue to meet the criteria throughout the term of the Agreement. In addition, the Customer authorizes Narragansett Electric Company to enroll the Customer in the ISO-NE’s price response program in effect for the applicable year.

3. No Third Party Rights

Customer has no further right to use, sublicense, distribute, transfer or transmit the Company’s services or otherwise permit the use of the Company’s services by or for any third party.

4. Procedure for Requests to Reduce Load

As a participant in the Program, the Company will notify the Customer when the Company foresees the need for a load curtailment event.

Customer shall provide a primary and secondary contact person's name and information for notification by the Company of a load reduction opportunity on Appendix A. The Company will send a message to the Primary Contact and/or Secondary Contact as per the contact information in Appendix A.

The schedule for load curtailment and the cessation of load curtailment will be coordinated by the procedures of the Company.

5. Payments to Customer for Actual Interruptions

The payment will consist of two components:

1. The Company will credit customers' accounts no later than November 30 of each year a monthly retainer of \$3 per enrolled kW for each of the months of June, July, and August. The monthly retainer may be adjusted up or down based on a customer's actual performance during each of the months after a call(s) for interruption by the Company. In addition to operational calls for curtailment, the Company will conduct tests of the load shed capability of enrolled customers once a month. During tests and calls for curtailment, the customer will be required to curtail an average of at least 50% of the enrolled kW in each month in order to continue to receive the full retainer for the current month. In the event the customer is able to consistently curtail additional kW that is at least 50% above the enrolled kW, the Company may adjust the retainer to reflect the higher kW.
2. An additional performance credit will be calculated for each hour of Interruption and will be determined by the following formula:

$$\text{Performance Credit} = \$0.50 \times \text{each hour's Curtailed Load}$$

The Credit will be calculated individually for each hour of each Interruption called by the Company and will appear as a credit on the customer's monthly retail delivery service bill issued by the Company. The Credit will be applied to the customer's account within 90 days of the Interruption. Customer will receive compensation for any committed and performed curtailments in which the Company calls for a curtailment at the Substations. The "*Calculated Reduction*" will be determined by the metering equipment, by comparing Customer's baseline historical load profile to Customer's actual load consumption during the curtailment period. The baseline profile is determined by using the last 5 business days (which excludes holidays and shutdowns) without interruption and then adjusted to the actual usage for the two hours preceding the curtailment. (See example in Appendix B.)

If there is any disagreement regarding the Calculated Reduction, the Company's final determination of how much load reduction from Customer's facility was actually achieved for payments under its Load Curtailment Rules shall control. Customer will receive this load reduction credit within 90 days of the called event.

6. Agreement Term

- (a) This Agreement shall remain in effect from the Effective Date through October 1, 2008, unless terminated by either party with thirty (30) days written notice.
- (b) Any obligation by Company to make payments to Customer for past performance as of the termination date shall survive termination of the Agreement.

7. Notices

All notices and other communications required hereunder shall be made in writing and shall be deemed given as of the time of delivery or, in the case of a telecopied communication as of the time of confirmation, if delivered personally, telecopied (and confirmed), or sent by overnight courier (with proof of delivery) to the parties at the following addresses, or at such other address as a party shall specify by like notice:

If to the Company, to: Tim Roughan
 Narragansett Electric Company
 55 Bearfoot Road
 Northboro, MA 01532
 Phone: 508-421-7510
 Fax: 508-421-7010

If to Customer, to: _____

8. Limitation of Liability

IN NO EVENT SHALL COMPANY, ITS AFFILIATES, OR ITS (OR ITS AFFILIATES') OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SERVANTS, AND SHAREHOLDERS, BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR ANY DIRECT, INDIRECT, RELIANCE, MULTIPLE, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES UNDER RHODE ISLAND GENERAL LAWS C. 93A, LOSS OF PROFITS OR REVENUES, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, OR LOSS OF GOODWILL), CONNECTED WITH OR ARISING FROM THIS AGREEMENT, WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES OR COSTS RESULTING FROM THE USE OF OR INABILITY TO USE THE METERING EQUIPMENT, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, TORT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE; PROVIDED HOWEVER, NOTHING SHALL LIMIT COMPANY'S OBLIGATION TO PAY FOR DEMAND REDUCTION AS PROVIDED HEREIN. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES RELATING TO PHYSICAL INJURY OR PROPERTY DAMAGE.

9. Force Majeure

Any delay or failure of either party in the performance of its required obligations hereunder shall be excused if and to the extent caused by fire, flood, unusually severe weather, explosion, riot, war, sabotage, or other similar causes as long as: 1) such events are beyond the party's reasonable efforts to prevent, avoid or mitigate; 2) said party uses every reasonable effort to mitigate; and 3) prompt written notice of such delay or suspension is given by such affected party to the other.

10. Miscellaneous Provisions

- (a) This Agreement constitutes the entire Agreement between the Parties and supersedes all previous understandings, commitments or representations concerning the subject matter. No amendments or modifications to this Agreement may be made except in writing signed by both parties. If a final decision of a court of competent jurisdiction holds invalid any part or portion of this Agreement, such part or portion shall be modified to the extent strictly necessary (including, if necessary, deletion) to make such part or portion valid and enforceable, and such modified part or portion, together with the balance of the Agreement shall be valid and binding on the parties.

- (b) Company is under no obligation to call upon Customer to reduce its load.
- (c) If any of the provisions of this Agreement are inconsistent with obligations that Customer has under an electric power supply contract with a supplier, Customer has the obligation to notify Company of such inconsistencies.
- (d) Company will credit Customer's electric bill for payments under this Agreement.
- (e) The Agreement Term will consist of program periods covering the period June 1 through September 30.
- (f) This Agreement shall be governed by the laws of the State of Rhode Island, without regard to the conflict of laws principles contained therein.

Each Party has had its authorized representative execute this Agreement below.

_____ Customer Name	Narragansett Electric Company
By: _____ (please sign)	By: _____ (please sign)
By: _____ (please print)	By: _____ (please print)
Title: _____	Title: _____
Date: _____	Date: _____



**Summer Load Curtailment Program Agreement
APPENDIX A**

Customer Questionnaire

Company Name: _____

Electric Account Number: _____

Facility Address: _____

Facility Phone Number (with A/C): _____

NECO Account Manager: _____

Facility Management

Facility Manager Name: _____

Phone Number: _____

Email address: _____

Who is your primary contact for facility access?

Name: _____

Phone Number: _____

Email Address: _____

Pager Number: _____

Fax Number: _____

Who is your secondary contact?

Name: _____

Phone Number: _____

Email Address: _____

Pager Number: _____

Fax Number: _____

Project Management

In order for the Company to provide effective implementation services and on-going support it is beneficial to have one primary contact within the facility, please provide the necessary contact information.

Project Manager Name: _____

Phone Number: _____

Email Address: _____

Pager Number: _____

Fax Number: _____

In the event of a curtailment opportunity from the Company, who is the primary contact for notification?

Name: _____

Phone Number: _____

Email Address: _____

Pager Number: _____

Cell Phone Number: _____

Fax Number: _____

Who is your secondary contact?

Name: _____

Phone Number: _____

Email Address: _____

Pager Number: _____

Cell Phone Number: _____

Fax Number: _____

Please provide, in rank order with '1' being the most preferred and '2' being second, the method of notification.

Email Other E-mail Addressable Device (Pager, PDA, cell phone, etc.)

Contact Information:

Email Address: _____

Pager Address: _____

Device Address: _____

Interruptible Capacity Questions:

How is the load reduction going to occur at your facility?

- Electric load reduced/cut
- Generation started
- Combination of load reduction and generation

If combination of both, give specifics on how to differentiate between the two:

If a generator is going to be started, please provide the following information:

Fuel Type to be used: Diesel Gasoline Natural Gas
 Other (please provide: _____)

Fuel Characteristics (sulfur content & Btu/lbs LHV/HHV):

How will fuel be measured and recorded?

Type of generation unit – make and model:

Approximate age of the generation unit: _____

Size of the generation unit (Rating capacity): _____ kW

Permit or registration status of generating unit (must include explanation if no environmental permit is required): _____

Emission rates of the generating unit (in Lbs/kWh or Lbs/MMBTU):
(please use either from emissions testing or manufacturer documents if emissions test data not available)

Emissions rate per hour of Nitrogen Oxide (NOX): _____

Emissions rate per hour of Sulfur Dioxide (SO2): _____

Emissions rate per hour of Carbon Dioxide (CO2): _____

Thank you for taking the time to complete this survey so that we have a better understanding of your needs, and can provide better service.

**Summer Load Curtailment Program
Appendix B**

Sample Baseline and Credit Calculation

Step 1: Obtain hourly load data for Call Day

Step 2: Obtain hourly load data for Similar Previous Day (average of last five business days without interruption)

Step 3: Determine Adjustment Load (AL). $AL = \text{Load on Call Day for two hours prior to call time} - \text{Load on Similar Previous Day for two hours prior to call time}$

Step 4: For each interruption hour, calculate Expected Load (EL). $EL = \text{Load on Similar Previous Day} + AL$

Step 5: For each interruption hour, calculate Load Reduction (LR). $LR = EL - \text{Actual Load}$

**NECO Summer Load Curtailment Program
Example Calculations**

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned (\$500 per MWh)				\$42.50	\$67.50	\$72.50
Total Performance Credit						\$182.50
Enrolled kW's	100					
Retainer Credit (\$3 / kW)	\$300.00					
Total Credits earned	\$482.50					

ISO-NE Price Response Program Example Calculations

Time	2 Hrs Prior	1 hr prior	Start Time			End Time
Sample times	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM
Assumed Energy Clearing Prices at ISO-NE (\$/MWH)				\$150.00	\$400.00	\$200.00
Load on Similar Previous Day	425	425	460	460	470	470
Adjustment Load (AL)			25	25	25	25
Expected Load (EL)			485	485	495	495
Actual Load on Call Day	450	450	460	400	360	350
Actual Load Reduction (LR)				85	135	145
Credit earned for Hour 1				\$12.75		
Credit earned for Hour 2					\$54.00	
Credit earned for Hour 3						\$29.00
Total ISO-NE Credit						\$95.75
Total Performance Credits if ISO-NE and Neco call at same time	\$578.25					

All loads are in kW.

Attachment 7

Summer Load Curtailment Program

Proposed Tariff Provision

NARRAGANSETT ELECTRIC COMPANY
SUMMER LOAD CURTAILMENT PROGRAM PROVISION

AVAILABILITY

Participation in the Company's Summer Load Curtailment Program ("Program") is available to customers in served from the Ashaway, Hope Valley, Wakefield, Bonnet, Westerly, Kenyon, LaFayette, Wood River and Peacedale distribution substations receiving retail delivery service under the Company's General Service 200 kW Demand Rate G-32 and 3000 kW Demand Rate G62. Eligible customers must have hourly metering at their facilities and be able to designate as Projected kW Reduction of at least 50 kW.

A customer participating in the Program must execute a service agreement, subject to the Company's approval, which sets forth the specific requirements of the customer and the Company.

The Company reserves the right to limit participation in the Program.

DEFINITIONS

These definitions are based on the current ISO-NE definitions, as may be amended from time to time by the ISO-NE.

Baseline-to-Actual Adjustment: For the hour that is two hours prior to the Interruption, the difference between the average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or 90% of kilovolt-amperes, whichever is larger, and the Baseline Load.

Baseline Load: For each hour of the Interruption and for the hour that is two hours prior to the Interruption, the average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or 90% of kilovolt-amperes, whichever is larger, during each of the five business days (excluding holidays, shutdowns, and days having called interruptions) immediately prior to the Interruption.

Curtailed Load: For each hour of the Interruption, the difference between the Expected Load and the average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or 90% of kilovolt-amperes, whichever is larger. In no event shall the Curtailed Load exceed the Expected Load.

Expected Load: For each hour of the Interruption, the Baseline Load adjusted by the Baseline-to-Actual Adjustment.

Interruption: Any particular day of the year chosen by the Company or its designated agent during which the customer, after proper notification by the Company via the established

NARRAGANSETT ELECTRIC COMPANY

SUMMER LOAD CURTAILMENT PROGRAM PROVISION

communication system, agrees that it will curtail its load requirements provided by the Company by the level of Nominal Interruptible Load. Each Interruption will have specified hours.

Interruption Period Load: The average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or as 90% of kilovolt-amperes, whichever is larger, during the specified hours of the Interruption.

Projected kW Reduction: The amount of kW that the customer commits to curtail during the hours of Interruption. This quantity is determined prior to and will be fixed for the Program Period.

Peak Period: Non-holiday weekdays during the hours of 7 am and 11 pm.

Program Year: June 1 through September 30

RATES FOR RETAIL DELIVERY SERVICE

The customer shall be billed by and pay the Company for kWh delivered to the customer during a billing month in accordance with the Company's General Service 200 kW Demand Rate G-32 and 3000 kW Demand Rate G-62, as may be amended from time to time.

METHOD OF NOTIFICATION

The Company will provide advance notice of an interruption to the customer by means of a message sent to a Primary Contact and/or Secondary Contact as per the contact information in Appendix A of the agreement. The minimum period of notification will be thirty (30) minutes. The customer must send return notification by means of an e-mail or telephone call to the Company to confirm that the customer will be participating in the Interruption.

CREDIT CALCULATION

The Company shall provide credits to the customer that will consist of two components:

The Company will credit customers' accounts no later than November 30 of each year a monthly retainer of \$3 per enrolled kW for each of the months of June, July, and August. The monthly retainer may be adjusted up or down based on a customer's actual performance during each of the months after a call(s) for interruption by the Company. In addition to operational calls for curtailment, the Company will conduct tests of the load shed capability of enrolled customers once a month. During tests and calls for curtailment, the customer will be required to curtail an average of at least 50% of the enrolled kW in each month in order to continue to receive the full retainer for the current month. In the event the customer is able to consistently

NARRAGANSETT ELECTRIC COMPANY
SUMMER LOAD CURTAILMENT PROGRAM PROVISION

curtail additional kW that is at least 50% above the enrolled kW, the Company may adjust the retainer to reflect the higher kW.

An additional credit will be calculated for each hour of Interruption and will be determined by the following formula:

$$\text{Credit} = \text{Credit per kWh} \times \text{each hour's Curtailed Load}$$

The Credit will be calculated individually for each hour of each Interruption called by the Company and will appear as a credit on the customer's monthly retail delivery service bill issued by the Company. The Credit will be applied to the customer's account within 60 days of the Interruption.

CREDIT PER KWH

The Credit per kWh that the customer will earn for Curtailed Load during an Interruption called by the Company shall be \$0.50 per kWh.

TERM OF AGREEMENT

The agreement for service under these terms and conditions shall remain in effect until the first to occur of: (1) October 1, 2008; or (2) termination by the Company or the customer by the provision of a minimum of thirty (30) days advance written notice.

ENROLLMENT IN ISO-NE PROGRAM

The Customer will be enrolled in the ISO-NE price response program in addition to participating in this program.

Effective: June 1, 2005