

Natural Gas Demand Response Program for Firm Customers



Glossary of Terms

1. **"Aggregator"** means an entity that aggregates and represents load and is responsible for the actions of its customers with respect to National Grid's DR programs. Such an entity may also assist customers and property owners/managers with DR program participation. Third-Party Aggregators may have one or more accounts enrolled in National Grid's Commercial, Industrial and Multifamily Programs during a given season. Aggregators will only aggregate accounts within the same program option.
2. **"Agreement"** means the Application, including all related exhibits, schedules, supplements, or attachments thereto, and the Public Service Commission's order in Cases 20-G-0086 in New York and 20-G-0087 in Long Island. In the event of conflict between the Application (or any related exhibits, schedules, supplements, or attachments thereto) and these Case Orders, these Case Orders shall govern.
3. **"Applicant"** means the entity that fills and submits the Application for enrolling in the Gas Demand Response Program to National Grid. An Applicant can be either a direct participant ("Customer") or a third-party Aggregator.
4. **"Application"** means the application in respect of the Program completed by a Customer or Aggregator and accepted by National Grid, in National Grid's sole discretion.
5. **"Customer"** means the firm non-residential rate customer maintaining an account for natural gas service with National Grid in National Grid's service territory within the State of New York that is identified on Page 1 of the Application (Brooklyn, Queens and Long Island – excluding Staten Island) and that satisfies the Program requirements, as determined by National Grid.
6. **"Customer Data"** means all data and information collected by National Grid from Customer in respect of the Program, including, but not limited to (a) data and information collected by Metering Equipment, and (b) other data and information collected for the purposes of determining (i) the amount of payments (if any) to be remitted to Customer in accordance with this Agreement, and (ii) Customer's compliance with Program requirements and this Agreement.
7. **"Demand Response Event"** means a period of time during the Demand Response Season for which National Grid, upon not less than twenty (20) hours' notice to Customer (i.e. by 10 a.m. the mornings prior to when the reduction must occur), shall indicate that Customer must curtail Customer's consumption of natural gas in accordance with this Agreement. Depending on the selected program option on the Application attachments, Load Shedding DR Program Customers will be required to curtail gas consumption either: (a) for one or two periods of four (4) hours on such date(s) that is/are designated by National Grid, beginning at 6 a.m. ET and ending at 10 a.m. ET AND/OR beginning at 4 p.m. ET and ending at 8 p.m. ET. Load Shifting DR Program Customers will be required to curtail gas consumption for a period of four (4) hours on such date(s) that is/are designated by National Grid, beginning at 6 a.m. ET and ending at 10 a.m. ET. Demand Response Events will be called for days when National Grid forecasts the lowest hourly temperature measured at either Republic Airport or LaGuardia Airport will be at or below 10°F, or the daily average temperature will be at or below 15°F.* If the Customer is enrolled in the Demand Response Program through an Aggregator, Demand Response Events notifications shall be sent by both said Aggregator and National Grid directly (through the designated Site Contact in the Application form) .

** Pending approval—under regulatory consideration*
8. **"Demand Response Season"** means the period in any calendar year within the Term during which Customer is participating in the Program, beginning on November 1 and ending on March 31, inclusive.
9. **"Direct Load Control (DLC)"** The presence of a communications device which allows National Grid to remotely switch Customers' gas load to an alternate fuel, or any other setup that gives National Grid remote control of gas equipment.
10. **"Effective Date"** means the date when National Grid accepts the Application.

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11. **“Event Performance”** means the comparison of an account’s actual consumption during the event window against its calculated baseline for the aggregate usage over the entire event window.
12. **“Performance Payment”** means a payment, in addition to the Reservation Payment, equal to the applicable rate per dekatherm of natural gas curtailed by Customer during a Demand Response Event.
13. **“Incentive Payment”** means a payment paid to the Customer for its qualifying participation, as determined by National Grid, in the Firm Demand Response Program during the winter of 2026-2027. It is defined as the sum of potential Reservation Payment and Performance Payments.
14. **“Load Shedding Demand Response Program”** is a program for large firm Commercial, Industrial and Multifamily customers capable of reducing peak day gas loads for a period of up to 8 hours on event days. Customers must have the ability to reduce gas consumption by shutting off non-heating gas equipment or switching to a backup, non-gas heating fuel source.
15. **“Hourly Demand Response Program”** is a program for firm Commercial, Industrial and Multifamily customers who shift gas loads out of a 4-hour peak period window on event days. Customers are restricted from using a fossil fuel backup non-gas heating fuel source to reduce load during demand response events.
16. **“Metering Equipment”** means the National Grid-owned meters and any other related equipment or items that are owned by National Grid and installed at the applicable Customer Site for the monitoring of natural gas flow and usage or controlling gas equipment.
17. **“Performance Factor (PF)”** Percent value assigned to each account based on a three-event rolling average of performance. The Performance Factor will be applied to Customer’s monthly incentive payment at the close of each month. All new Customers and third-party Aggregators will start the 2026-2027 season with an assumed 100% PF; however, the Event Performance during a test event will retroactively apply to any prior months when no events occurred. PF will carry over from prior winter for returning Customers.
18. **“Program”** means the Natural Gas Firm Demand Response Program offered by National Grid to eligible Customers.
19. **“Program Month”** means each calendar month during the Demand Response Season.
20. **“Program Testing”** means any and all tests conducted by National Grid, including, without limitation, a Test Event or other tests conducted at a Customer Site in respect of Customer’s eligibility and/or capacity to participate in the Program.
21. **“Site”** means Customer’s business facility in National Grid’s service territory within the State of New York to which firm natural gas service is provided by National Grid and that is set forth on Page 1 of the Application.
22. **“Test Event”** means a test demand response event that may be called by National Grid for the purpose of assessing Customer’s ability to participate in the Program. Customers will receive an Energy Payment for curtailed usage during a Test Event, and compliance during a Test Event will count towards the Performance Factor.
23. **“Reservation Payment”** Payment equal to the enrolled event dekatherm reduction multiplied by the corresponding Reservation Rate and adjusted by the then applicable Performance Factor for each month of the winter season.
24. **“Hourly Low Temperature”** The lowest, or minimum, forecasted hourly temperature within a single gas day (10 a.m. – 10 a.m.)
25. **“Daily Average Temperature”** The forecasted hourly temperatures averaged across a single gas day (10 a.m. – 10 a.m.)