

THE CONNECTICUT LIGHT AND POWER COMPANY
MANDATORY REDUCTION RIDER

APPLICABLE: This Rider is a mandatory requirement for all customers on Intermediate Interruptible Service Rate 21 and Large Interruptible Service Rate 39, both of which are closed to new customers. Customers have the option of enrolling directly in the ISO-NE Real-Time Demand Response Program (either 30-minute or 2-hour advance notice). If customer does not opt to enroll directly in the ISO-NE RTDRP, they will by default be included in the Indirect Enrollment Program.

DEFINITIONS:

“Customers” means customers on either Rate 21 or Rate 39.

“Interruptible Load” means the amount of demand served under Rate 39 or Rate 21.

“ISO-NE” means the Independent System Operator-New England

“RTDRP” means the ISO-NE Real-Time Demand Response Program.

DIRECT ENROLLMENT AND INDIRECT ENROLLMENT PROGRAMS:

Direct Enrollment. Rate 21 and 39 customers who enroll Interruptible Load directly or through an aggregator, including CL&P, in either the ISO-NE RTDRP, a CL&P, ISO-NE or Conservation Fund sponsored incentive demand response program or successor programs sponsored by ISO-NE, CL&P or another entity (collectively “Demand Response Programs”) will assign to CL&P or otherwise fully compensate CL&P 100% of the ICAP resource payments/credits they receive for monthly capacity on a kW per month basis on and after a Effective date of this Rider. Customers will retain 100% of all other payments/credits, including supplemental incentives, associated with their response to capacity or demand reduction events.

Indirect Enrollment. Based upon observed and expected Customer load shedding behavior, CL&P will enroll in its name additional Interruptible Load into the ISO-NE RTDRP as appropriate. CL&P will retain 100% of the ICAP resource payments/credits they receive for monthly capacity on a kW per month basis from Indirect Enrollment on and after the Effective date established by the Department. CL&P will allocate all payments/credits, including supplemental incentives, for Indirect Enrollment on a kW per month basis as follows:

- a. 50% Pool (30 Minute). A pool of 50% of the applicable payments associated with the 30 minute response program will be allocated to Customers in proportion to the amount of load they shed within 30 minutes of event notification as compared to the amount of load all other customers on this Rider shed within 30 minutes of event notification. All events for a single summer season (i.e., June through September) will be aggregated and customer payments made within 30 days after the conclusion of the RTDRP season and the Company has received the required documentation from ISO-NE.

Effective April 15, 2007
By Decision dated December 21, 2006
Docket No. 05-10-03

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- b. 50% Pool (2 Hour). A pool of 50% of the applicable payments associated with the two hour response program will be allocated to Customers in proportion to the amount of load they shed within two hours of event notification as compared to the amount of load all other customers on this Rider shed within two hours of event notification (excluding in both cases load shed within 30 minutes). All events for a single summer season (i.e., June through September) will be aggregated and customer payments made within 30 days after the conclusion of the RTDRP season and the Company has received the required documentation from ISO-NE.
- c. Residual Payments. All other payments/credits received by CL&P from Indirect Enrollment shall be applied for the benefit of firm ratepayers.
- d. Other Programs. Customers will remain eligible for any and all other programs sponsored by the ISO-NE or others, including any winter incentive programs to the extent applicable rules allow.

No supplemental payment or credit from the Connecticut Energy Efficiency Fund shall be made to any Rate 21 or Rate 39 customer in any month in which the combined reductions of both the Direct Enrollment and the Indirect Enrollment Programs for Rate 21 and Rate 39 customers is less than 20 MW.

METERING: The Customer is required to implement an Internet Based Communication System (IBCS), as required under the ISO-NE RTDRP, in order to measure and transmit electricity consumption and other data to ISO-NE via the Internet. In the event the Company, or any agency having jurisdiction, determines that telemetering and/or automatic control equipment is required, such equipment shall be installed and maintained by the Company at the Customer's expense. Such expense shall also include the costs of any dedicated communication lines or auxiliary facilities associated with telemetering and/or control. The Company is not responsible for any loss in compensation due to the failure or malfunction of hardware, software, or internet-based communications systems required to participate in the ISO-NE RTDRP under this tariff.

PARTICIPANT COST: The Company's Conservation & Load Management (C&LM) Department will administer the requirements of this Rider, pursuant to an enrollment agreement. Customer is eligible for C&LM program funds, if available, to mitigate site preparation and other IBCS costs necessary for meeting the METERING requirements under this Rider.

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