

25 Attachment S – Rules To Allocate Responsibility for the Cost of New Interconnection Facilities

25.4 Interconnection Facilities Covered by Attachment S

25.4.1 Interconnection Standards

The interconnection facilities covered by these cost allocation rules are (i) those required for the proposed project to reliably interconnect to the New York State Transmission System or to the Distribution System in a manner that meets the NYISO Minimum Interconnection Standard for ERIS, and (ii) those required for the project to meet the NYISO Deliverability Interconnection Standard for CRIS.

25.4.2 Interconnection Facilities

The interconnection facilities covered by these cost allocation rules are comprised of the following types of facilities: Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades.

25.5 Class Year Study and Expedited Deliverability Study Processes

25.5.1 Side Agreements

These cost allocation rules will not preclude or supersede any binding cost allocation agreements that are executed between or among Developers, Connecting Transmission Owners and/or Affected Transmission Owners; provided, however, that no such agreements will increase the cost responsibility or cause a material adverse change in the circumstances as determined by these rules of any Developer or Transmission Owner who is not a party to such agreement.

25.5.2 Costs Covered By Attachment S

The interconnection facility cost allocated by these rules is comprised of all costs and overheads associated with the design, procurement and installation of the new interconnection facilities. These rules do not address in any way the allocation of responsibility for the cost of operating and maintaining the new interconnection facilities once they are installed. Nor do these rules address in any way the ownership of the new interconnection facilities.

25.5.3 Dispatch Costs

Developers, Connecting Transmission Owners and Affected Transmission Owners will not be charged directly for any redispatch cost that may be caused by the temporary removal of transmission facilities from service to install new interconnection facilities, as such cost is reflected in Locational Based Marginal Prices. Nor will existing generators be paid for any lost opportunity cost that may be incurred when their units are dispatched down or off in connection with the installation of new interconnection facilities.

25.5.4 Transmission Owners' Cost Recovery

Any Connecting or Affected Transmission Owner implementation and construction of (i) System Upgrade Facilities as identified in the Annual Transmission Baseline Assessment or Annual Transmission Reliability Assessment, or (ii) System Deliverability Upgrades as identified in the Class Year Deliverability Study, shall be in accordance with the ISO OATT, Commission-approved ISO Related Agreements, the Federal Power Act and Commission precedent, and therefore shall be subject to the Connecting or Affected Transmission Owner's right to recover, pursuant to appropriate financial arrangements contained in agreements or Commission-approved tariffs, all reasonably incurred costs, plus a reasonable return on investment.

25.5.5 Existing System Representation

The ISO shall include in the Existing System Representation for purposes of the ATBA and ATRA for a given Class Year Study or Expedited Deliverability Study:

25.5.5.1 For Class Years subsequent to Class Year 2017: (i) the following facilities included in the ISO's most recent NYISO Load and Capacity Data Report: all generation identified as existing and all transmission facilities identified as existing and/or firm, excluding those facilities that are subject to Class Year cost allocation but for which Class Year cost allocations have not been accepted; (ii) all proposed Projects, together with their associated System Upgrade Facilities and System Deliverability Upgrades, that have accepted their cost allocation in a prior Class Year cost allocation process; provided however, that System Deliverability Upgrades where construction has been deferred pursuant to Sections 25.7.12.2 and 25.7.12.3 of this Attachment S will only be

included if construction of the System Deliverability Upgrades has been triggered under Section 25.7.12.3 of this Attachment S; (iii) all generation and transmission retirements and derates identified in the Load and Capacity Data Report as scheduled to occur during the five-year cost allocation study planning period; and (iv) Transmission Projects that are proposed under Attachments Y or FF of the ISO OATT and have met the following milestones prior to the Class Year Start Date: (1) have been triggered under the Reliability Planning Process, selected under the Short-Term Reliability Process, selected under the Public Policy Transmission Planning Process, or approved by beneficiaries under the Economic Planning Process); and (2) have a completed System Impact Study; (3) have a determination pursuant to Article VII that the Article VII application filed for the facility is in compliance with Public Service Law §122 (*i.e.*, “deemed complete”) (if applicable); and (4) are making reasonable progress under the applicable OATT Attachments Y or FF planning process; (v) Transmission Projects that are not proposed under Attachments Y or FF to the ISO OATT that have completed a Facilities Study and posted Security for Network Upgrade Facilities as required in Section 22.11.1 of Attachment P to the ISO OATT and have a determination pursuant to Article VII that the Article VII application filed for the facility is in compliance with Public Service Law §122 (*i.e.*, “deemed complete”) (if applicable); (vi) transmission projects not subject to the Transmission Interconnection Procedures or the Attachment X and S interconnection procedures (*i.e.*, new transmission facilities or upgrades proposed by a Transmission Owner in its Local Transmission Owner Plan or NYPA

transmission plan) identified as “firm” by the Connecting Transmission Owner and either (1) have commenced a Facilities Study (if applicable) and have an Article VII application deemed complete (if applicable); or (2) are under construction and scheduled to be in-service within 12 months after the Class Year Start Date and (vii) all other changes to existing facilities, other than changes that are subject to Class Year cost allocation but that have not accepted their Class Year cost allocation, that are identified in the Load and Capacity Data Report or reported by Market Participants to the ISO as scheduled to occur during the five year cost allocation study planning period. Facilities in a Mothball Outage, an ICAP Ineligible Forced Outage, or Inactive Reserves will be modeled as in, and not removed from, the Existing System Representation. If the ISO has triggered multiple Transmission Projects under its Reliability Planning Process, the ISO will include in the base case the selected Transmission Project until or unless that project is halted or its Development Agreement is terminated, in which case the ISO will include in the base case the regulated backstop solution. The point of interconnection of a Retired generator with a terminated interconnection agreement is available to proposed facilities on a non-discriminatory basis pursuant to the ISO’s applicable interconnection and transmission expansion processes and procedures. A Retired generator with an interconnection agreement that remains in effect after it is Retired will retain its right to the specific point of interconnection as provided for in the interconnection agreement and access to this point will not available for new facilities.

25.5.5.2 The System Upgrade Facilities listed on Exhibit A to the Financial

Settlement shall be included in the Existing System Representation. Such System Upgrade Facilities shall be shown as in service in the first year of the five-year cost allocation study planning period and in each subsequent year, unless such System Upgrade Facilities are cancelled or otherwise not in service by January 1, 2010; provided that if such facilities are expected to be in service after January 1, 2010, starting with the Class Year 2010, the ISO shall independently determine such later date when the System Upgrade Facilities are expected to be in service and represent them according to the ISO's determination.

25.5.5.3 System Upgrade Facilities not listed on Exhibit A to the Financial

Settlement, but for which cost allocations have been accepted in a prior Class Year cost allocation process, shall be represented in the Existing System Representation for subsequent cost allocation studies in the year of their anticipated in-service date.

25.5.6 Attachment Facilities

Each Developer is responsible for 100% of the cost of the Attachment Facilities required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules.

25.5.7 Distribution Upgrades

Each Developer is responsible for 100% of the cost of the Distribution Upgrades required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules.

25.5.8 No Prioritization of Class Year Projects or Projects in an Expedited Deliverability Study

There will be no prioritization of (1) the Projects grouped and studied together in a Class Year; or (2) the Projects grouped and studied together in an Expedited Deliverability Study. Each Project in a Class Year Study will, with other Projects in the same Class Year, share in the then currently available functional or electrical capability of the transmission system, and share in the cost of the System Upgrade Facilities required to interconnect its respective Project and, for Developers seeking CRIS, System Deliverability Upgrades required under the NYISO Deliverability Interconnection Standard, in accordance with the rules set forth herein. Each Project in an Expedited Deliverability Study will, with other Projects in the same Expedited Deliverability Study, share in the then currently available functional or electrical capability of the transmission system in accordance with the rules set forth herein. For purposes of this Section 25.5.8, the “then currently available functional or electrical capability of the transmission system” is the functional or electrical capability of the transmission system currently available in the applicable base case.

25.5.9 Class Year and Expedited Deliverability Study Start Date, Entry Requirements and Schedule

25.5.9.1 Class Year Start Date, Entry Requirements and Schedule

The Class Year Study will begin on the Class Year Start Date, which will be the first Business Day after thirty (30) Calendar Days following the completion of the prior Class Year Study.

The ISO will provide notice of the Class Year Study Start Date by (1) sending notice of the start date to those registered through the ISO to be on the distribution lists for the NYISO

Operating Committee and its subcommittees; and (2) posting notice of the Class Year Study Start Date.

In order to become an Eligible Class Year Project, a Developer must:

- (1) elect to enter the applicable Class Year by providing notice to the ISO, together with (i) a demonstration that the Project satisfies the applicable regulatory milestones described in Section 25.6.2.3.1.1 of Attachment S or (ii) notice that it will submit a qualifying contract pursuant to Section 25.6.2.3.1 of this Attachment S or a two-part deposit consisting of \$100,000 plus \$3,000/MW deposit as required by Section 25.6.2.3.1, no later than five (5) Business Days following the ISO's posting of the Class Year Start Date; and
- (2) satisfy the criteria for inclusion in the next Class Year, on or before the Class Year Start Date, as those criteria are specified in Section 25.6.2.3.1 of this Attachment S, Section 32.1.1.7 of Attachment Z to the OATT or Section 32.3.5.3.2 of Attachment Z to the OATT, as applicable; and
- (3) if requesting only CRIS, have completed one of the following on or before the Class Year Start Date, as applicable: a Class Year Study for ERIS, a System Impact Study under the Small Generator Interconnection Procedures, or a utility interconnection study if the Project is not subject to the ISO interconnection procedures under Attachments X and Z.

Upon a Developer's satisfaction of the Class Year Study eligibility criteria specified in this 25.5.9.1, the ISO will tender a Class Year Study Agreement to the Developer pursuant to Section 30.8.1 of Attachment X to the OATT. An Eligible Class Year Project that satisfies the requirements of Section 30.8.1 of Attachment X to the OATT as it relates to completion of a

Class Year Study Agreement, submission of required technical data and updated In-Service Date, Initial Synchronization Data and Commercial Operation Date, and submission of required deposits, all within 10 Business Days of the tender of the Class Year Study Agreement, will become a Class Year Project.

An Eligible Class Year Project that elects to enter a Class Year Study pursuant to this Section 25.5.9.1 but retracts its election prior to the ISO's tender of the Class Year Study Agreement will not become a member of the Class Year Study. An Eligible Class Year Project that elects to enter a Class Year Study pursuant to this Section 25.5.9.1 but retracts its election after the ISO's tender of the Class Year Study Agreement prior to or after the deadline for execution of the Class Year Study Agreement will not become a member of the Class Year Study; however, such retraction will count as one of the two Class Year Studies that a Project may enter pursuant to Section 25.6.2.3.4 of this Attachment S.

All parties engaged in performing study work as part of the Annual Transmission Reliability Assessment and Class Year Deliverability Study (collectively, the Class Year Study) are required to use Reasonable Efforts to complete the basic required evaluations and cost estimates for Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades in order that the Class Year Study can be presented to the Operating Committee for approval within twelve (12) months from the Class Year Start Date.

Through the Interconnection Projects Facilities Study Working Group and/or the Transmission Planning Advisory Subcommittee distribution lists, the ISO will provide the anticipated Class Year Schedule, including the status of and anticipated completion date of the Annual Transmission Baseline Assessment study cases.

25.5.9.2 Expedited Deliverability Study Process

25.5.9.2.1 Study Start Date, Entry Requirements and Schedule

The start date for the first Expedited Deliverability Study will be the first Business Day after thirty (30) Calendar Days following February 18, 2020. After the completion of the initial Expedited Deliverability Study, each Expedited Deliverability Study will begin the first Business Day after thirty (30) Calendar Days following the completion of the prior Expedited Deliverability Study; provided however, an Expedited Deliverability Study may not commence during the period between the posting of the draft Class Year Study report for Operating Committee approval and commencement of the next Class Year Study. If the first Business Day after thirty (30) Calendar Days following the completion of the prior Expedited Deliverability Study falls on a date within the above-described Class Year decision and settlement period, the Expedited Deliverability Study will begin on the first Business Day after ten (10) Calendar Days following the Class Year Study Start Date immediately following the above-described Class Year decision and settlement period.

The ISO will provide notice of the Expedited Deliverability Study start date by (1) sending notice of the start date to those registered through the ISO to be on the distribution lists for the NYISO Operating Committee and its subcommittees; and (2) posting notice of the Expedited Deliverability Study start date.

In order to become eligible to enter an Expedited Deliverability Study, a Developer must (1) elect to enter the Expedited Deliverability Study by providing notice to the ISO by the Expedited Deliverability Study start date; (2) must have satisfied the data submission requirements set forth in Section 23.4.5.7.3.6 of the ISO Services Tariff required for Class Year Projects requesting CRIS in a Mitigated Capacity Zone and have such data submission deemed complete by the ISO by the Expedited Deliverability Study start date; and (3) must be in service

or have completed one of the following, as applicable: a Class Year Study for ERIS, a System Impact Study under the Small Generator Interconnection Procedures, or a utility interconnection study if the facility is not subject to the ISO interconnection procedures under Attachments X and Z. A Project that satisfies the eligibility requirements for an Expedited Deliverability Study will become a member of the Expedited Deliverability Study if it satisfies the requirements of Section 25.5.9.2.2 of this Attachment S as it relates to completion of an Expedited Deliverability Study Agreement, submission of the required deposit, and submission of required technical data.

All parties engaged in performing study work as part of the Expedited Deliverability Study are required to use Reasonable Efforts to complete the basic required evaluations in order for the Expedited Deliverability Study to be presented to the NYISO Operating Committee for approval within four (4) months from the date that the ISO confirms receipt of all of the following: (1) the executed Expedited Deliverability Study Agreement; (2) the \$30,000 Expedited Deliverability Study deposit required by Section 25.5.9.2.2 of this Attachment S; and (3) the technical data required by Section 25.5.9.2.2 of this Attachment S.

25.5.9.2.2 Expedited Deliverability Study Agreement

As soon as practicable after a Developer has notified the ISO of its request to enter the next Expedited Deliverability Study, the ISO shall tender an Expedited Deliverability Study Agreement in the form of Appendix 2 to this Attachment S. When the ISO tenders an Expedited Deliverability Study Agreement to a Developer, the ISO shall, at the same time, also provide one to the applicable Connecting Transmission Owner. The Expedited Deliverability Study Agreement shall provide that the Developer shall compensate the ISO for the actual cost of the Expedited Deliverability Study. When the ISO tenders the Expedited Deliverability Study Agreement to the requesting Developer, the ISO shall provide to the Developer a non-binding

good faith estimate of the cost and timeframe for completing the Expedited Deliverability Study. Within ten (10) Business Days after the ISO tenders the Expedited Deliverability Study Agreement, the Developer shall complete the Expedited Deliverability Study Agreement and deliver the completed agreement to the ISO. Developer shall indicate, in the data form attached to the Expedited Deliverability Study Agreement, the MW level of requested CRIS up to the levels permitted by Section 25.8.1 of this Attachment S. Developer shall, with the completed Expedited Deliverability Study Agreement, deliver to the ISO (1) the required technical data and (2) a study deposit of \$30,000. The Developer, ISO and Connecting Transmission Owner shall execute the Expedited Deliverability Study Agreement no later than ten (10) Calendar Days after the ISO confirms receipt of the executed Expedited Deliverability Study Agreement, the required technical data and required deposit from the Developer. The ISO shall provide a copy of the fully executed Expedited Deliverability Study Agreement to the Developer and Connecting Transmission Owner. The ISO shall invoice the Expedited Deliverability Study Developer on a monthly basis for the work conducted on the Expedited Deliverability Study. Each Developer shall pay an equal share of the actual cost of the combined Expedited Deliverability Study. The Developer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. The ISO shall continue to hold the amounts on deposit in an interest bearing account associated with the Developer until settlement of the final invoice.

25.5.9.2.3 Expedited Deliverability Study Procedures

The ISO shall coordinate the Expedited Deliverability Study and shall utilize existing studies to the extent practicable in performing the Expedited Deliverability Study. The ISO may request additional information from the Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the

Expedited Deliverability Study. Upon request from the ISO for additional information required for or related to the Expedited Deliverability Study, the Developer and Connecting Transmission Owner shall provide such additional information in a prompt manner.

Within ten (10) Business Days of providing a draft Expedited Deliverability Study report to an Expedited Deliverability Study Developer, the ISO, Connecting Transmission Owner, and Affected System Operator(s) shall meet with the Developer to discuss the results of the Expedited Deliverability Study.

The ISO shall use Reasonable Efforts to complete the study and present the Expedited Deliverability Study report to the Operating Committee within the timeframe set forth in Section 25.5.9.2.1 of this Attachment S; provided, however, an Expedited Deliverability Study report shall not proceed to the Operating Committee between Operating Committee approval of a Class Year Study and commencement of the next Class Year Study. An Expedited Deliverability Study may not proceed to the Operating Committee until after ten (10) Calendar Days following the completion of the Class Year Study. After Operating Committee approval of the Expedited Deliverability Study report, the Expedited Deliverability Study Developers will be subject to the decision process set forth in Section 25.5.9.2.4.

Before Operating Committee approval of the Expedited Deliverability Study, if the pending Class Year Study proceeds to decision and settlement pursuant to Section 25.8 of this Attachment S and a Class Year Project accepts or rejects a Project Cost Allocation that the ISO determines may impact the deliverability of a Project in the Expedited Deliverability Study, the assumptions used in the Expedited Deliverability Study will be updated before the commencement of the next Class Year Study.

At the request of any Expedited Deliverability Study Developer, or at any time the ISO determines that it will not meet the required timeframe for completing the Expedited Deliverability Study, the ISO shall notify the Expedited Deliverability Study Developer as to the schedule status of the Expedited Deliverability Study. If the ISO is unable to complete the Expedited Deliverability Study within the initial schedule, it shall notify the Expedited Deliverability Study Developer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Upon request, the ISO shall provide the Expedited Deliverability Study Developer supporting documentation, workpapers, and databases or data developed in the preparation of the Expedited Deliverability Study, subject to non-disclosure arrangements consistent with Section 30.13.1.

25.5.9.2.4 Expedited Deliverability Study Decision Process

Within 5 Business Days following approval of the Expedited Deliverability Study by the Operating Committee (such 5 Business Day period to be referred to as the “Expedited Deliverability Study Initial Decision Period”), each Developer in the Expedited Deliverability Study shall provide notice to the ISO, in writing and via electronic mail, stating whether it shall accept (an “Expedited Deliverability Study Acceptance Notice”) or not accept (an “Expedited Deliverability Study Non-Acceptance Notice”) the Deliverable MW, if any, reported to it by the ISO in the Expedited Deliverability Study report. Failure to notify the ISO by the prescribed deadline as to whether a Developer accepts or rejects its Deliverable MW, if any, will be deemed an Expedited Deliverability Study Non-Acceptance Notice. As soon as practicable following the end of the Expedited Deliverability Study Initial Decision Period, the ISO shall report to all

Class Year Developers, in writing and via electronic mail, all of the decisions submitted by Developers in the Expedited Deliverability Study.

At the end of the Expedited Deliverability Study Initial Decision Period, if one or more of the Developers provides an Expedited Deliverability Study Non-Acceptance Notice (such event an “Expedited Deliverability Study Non-Acceptance Event”), the Developer that provided the Expedited Deliverability Study Non-Acceptance Notice will be removed from the then current Expedited Deliverability Study and the ISO shall update the Expedited Deliverability Study results for those remaining Developers in the Expedited Deliverability Study to reflect the impact of the Projects withdrawn from the Expedited Deliverability Study. The revised Expedited Deliverability Study report shall include updated Deliverable MW, if any, and shall be issued within 10 Business Days following the occurrence of an Expedited Deliverability Study Non-Acceptance Event. Each remaining Developer shall be deemed to have accepted its respective Deliverable MW identified in the revised Expedited Deliverability Study report.

25.5.10 Additional SDU Studies

25.5.10.1 Notice of SDUs Requiring Additional Studies

If a new System Deliverability Upgrade is identified (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study), the ISO will notify all members of the ISO’s Interconnection Projects Facilities Study Working Group that the ISO has made such a determination, such notice to be provided as soon as practicable after the ISO presents the preliminary Class Year Deliverability Study results to stakeholders and the ISO Operating Committee approves such results. This notice will be referred to as the “Notice of SDUs Requiring Additional Study.” At the same time the ISO issues

the Notice of SDUs Requiring Additional Study, the ISO will issue a notice to only those Class Year Project Developers for which the ISO has identified System Deliverability Upgrades requiring additional SDU studies. Each Developer to which such notice is issued shall respond to the ISO within 10 Calendar Days to indicate whether it elects to (1) proceed or not proceed with an Additional SDU Study for the identified System Deliverability Upgrades; or (2) pursue one of multiple System Deliverability Upgrade alternatives identified by the ISO, which option Developer elects to be evaluated in the Additional SDU Study. If the Developer does not elect to pursue an Additional SDU Study for required System Deliverability Upgrades, it may only accept or reject its Deliverable MW, if any, in the Class Year Study. If the ISO does not receive the Developer's election by the deadline, the Developer will be deemed to have (1) notified the ISO that it elects to not proceed with an Additional SDU Study for the identified System Deliverability Upgrades; and (2) will only be permitted to accept or reject its Deliverable MW, if any, in the Class Year Study.

25.5.10.2 Additional SDU Studies

If no Class Year Project Developer to which the Notice of SDUs Requiring Additional Study is issued elects to proceed with such additional studies, the Class Year Study will proceed to the decision and settlement phase set forth in Section 25.8.2 of this Attachment S.

Alternatively, if any Class Year Project Developer to which the Notice of SDUs Requiring Additional Study is issued elects to proceed with such additional studies, the Class Year Study will proceed to the decision and settlement phase set forth in Section 25.8.2 of this Attachment S; however, the Additional SDU Study will be performed separate and apart from the Class Year Study; provided however, pursuant to Section 25.8.2 of this Attachment S, a Developer that elects to proceed with an Additional SDU Study has the option to proceed with the decision and

settlement phase with the rest of the Class Year for its SUF Project Cost Allocation and deliverable MW, if any.

If an Additional SDU Study is completed after the Class Year Study is approved by the NYISO Operating Committee but prior to the time that the ISO completes the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study, a Developer that elected to proceed with an Additional SDU Study may proceed to decision and settlement pursuant to Section 25.8.2(2) of this Attachment S.

If a Developer is part of an Additional SDU Study that does not complete in time for the Developer to proceed to decision and settlement pursuant to Section 25.8.2 of this Attachment S, the following provisions apply:

- (1) The Developer will be required to enter a subsequent Class Year Study (*i.e.*, a Class Year Study subsequent to the one in which the Additional SDU Study was triggered) if it wishes to obtain an SDU Project Cost Allocation for its requested CRIS.
- (2) The Developer's election to enter a subsequent Class Year Study is subject to the applicable entry requirements of Section 25.5.9 and Section 30.8.1 of Attachment X; provided, however, a Developer that elects to enter the first such subsequent Class Year Study (*i.e.*, the first Class Year Study that commences after the Additional SDU Study commences) may provide notice of its election to enter such subsequent Class Year Study on or before completion of the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study.

- (3) Election to enter into a subsequent Class Year Study will not constitute one of the two Class Years a Project may enter under Section 25.6.2.3.4 of Attachment S; provided, however, if the Developer enters a subsequent Class Year Study but rejects its SDU Project Cost Allocation for its requested CRIS, such action will constitute one of the two Class Years;
- (4) In a subsequent Class Year Study to evaluate the Developer's requested CRIS, the Additional SDU Studies will continue; provided, however, the base case used in the Additional SDU Studies will be updated based on the base case inclusion rules for that Class Year Study determined in accordance with Section 25.5.5.1 of this Attachment S.

If a Developer in Additional SDU Study accepted its SUF Project Cost Allocation pursuant to Section 25.8.2 of this Attachment S prior to the completion of the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study, the Project and its SUF will be included in the Existing System Representation for the subsequent Class Year Study.

For purposes of determining the Class Year Start Date for the next Class Year Study, a Class Year Study is complete on the date upon which the Final Decision Round completes for the Class Year Study decision period commenced in accordance with Section 25.8 of this Attachment S; the date an Additional SDU Study is completed does not impact the Class Year Start Date for the next Class Year Study. The next Class Year Study may commence prior to completion of an Additional SDU Study if the Additional SDU Study has not completed before the Initial Decision Period commences for the Class Year Study in accordance with Section 25.8.2(1) of this Attachment S.

25.7 Deliverability Studies and Cost Allocation Methodology for CRIS

25.7.1 Class Year Deliverability Study and Non-Class Year Expedited Deliverability Study

A Developer requesting CRIS for a Project larger than 2 MW may elect to enter either a Class Year Study or an Expedited Deliverability Study; provided however, a Developer may not be evaluated in both studies simultaneously (i.e., a Developer with CRIS being evaluated in a Class Year Study may not enter an Expedited Deliverability Study for evaluation of the same CRIS request until the Class Year Study has completed. A Developer with CRIS being evaluated in an Expedited Deliverability Study may not enter a Class Year Study for evaluation of the same CRIS request until the Expedited Deliverability Study has completed). A Class Year Study deliverability evaluation first evaluates whether a Project satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS. If a Project is not deliverable for its full amount of requested CRIS, the Class Year Study proceeds to identify and cost allocate System Deliverability Upgrades required to make the Project fully deliverable for the full amount of requested CRIS. An Expedited Deliverability Study only evaluates whether a Project satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS; it does not identify or cost allocate System Deliverability Upgrades. A Developer evaluated in an Expedited Deliverability Study and deemed undeliverable at its full amount of requested CRIS may (1) enter the next Open Class Year Study to obtain a Project Cost Allocation for required System Deliverability Upgrades; or (2) enter into a subsequent Expedited Deliverability Study or Class Year Study with the same or different CRIS request.

25.7.1.1 Cost Allocation Among Developers in a Class Year

Each Project in a Class Year Deliverability Study (“Class Year CRIS Project”) will share in the then currently available deliverability capability of the New York State Transmission System, and will also share in the cost of any System Deliverability Upgrades required for its Project to qualify for CRIS at the requested level. The total cost of the System Deliverability Upgrades required for all the Projects in the Class Year will be allocated among the Projects in the Class Year based on the pro rata impact of each Class Year CRIS Project on the deliverability of the New York State Transmission System, that is, the pro rata contribution of each Project in the Class Year Deliverability Study to the total cost of each of the System Deliverability Upgrades identified in the Class Year Deliverability Study. In addition to this allocation of cost responsibility for System Deliverability Upgrades among the Projects in a Class Year, the cost of certain Highway System Deliverability Upgrades will be shared with Load Serving Entities and subsequent Developers, as described below in Section 25.7.12 of these rules.

25.7.1.2 Expedited Deliverability Study

The Expedited Deliverability Study shall be performed concurrently for all Projects that meet the entry requirements set forth in Section 25.5.9.2.1 of this Attachment S as a combined Expedited Deliverability Study.

25.7.2 Categories of transmission facilities

For purposes of applying the NYISO Deliverability Interconnection Standard, transmission facilities comprising the New York State Transmission System will be categorized as either Byways or Highways or Other Interfaces.

25.7.2.1 Byways

The Developer of a Class Year CRIS Project will pay its pro rata share of one hundred percent (100%) of the cost of the System Deliverability Upgrades to any Byway needed to make the Class Year CRIS Project deliverable in accordance with these rules. The System Deliverability Upgrades on the Byway or Byways will be identified by the ISO, with input from the Connecting Transmission Owner and from the Affected Transmission Owner(s), in the Class Year Deliverability Study.

The Transmission Owner(s) responsible for constructing a System Deliverability Upgrade on a Byway shall request Incremental TCCs with respect to the System Deliverability Upgrade in accordance with the requirements of Section 19.2.4 of Attachment M of the ISO OATT. A Developer paying to upgrade a Byway will receive the right to accept any Incremental TCCs awarded by the ISO in proportion to its contribution to the total cost of the System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the System Deliverability Upgrade; provided, however, that a Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the Developer's proportionate share is zero. If a Developer elects to accept its proportionate share of any Incremental TCCs resulting from the System Deliverability Upgrade, the Developer shall be the Primary Holder of such Incremental TCCs. If a Developer declines an award of its proportionate share of any Incremental TCCs resulting from the System Deliverability Upgrade, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed reserved to the extent necessary to facilitate the potential for transfers to subsequent

Developers that pay for the use of Headroom pursuant to this Attachment S on a System Deliverability Upgrade that has been awarded Incremental TCCs. Incremental TCCs that are declined or terminated by a Developer and not otherwise deemed reserved will be deemed permanently terminated. Incremental TCCs related to a System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination will be deemed permanently terminated when the Headroom on the System Deliverability Upgrade ceases to exist or is otherwise reduced to zero in accordance with Section 25.8.7.4 of this Attachment S.

A Developer paying to upgrade a Byway will be eligible to receive Headroom payments in accordance with these rules. A subsequent Developer paying for use of Headroom on a System Deliverability Upgrade on a Byway will be entitled to receive Incremental TCCs, to the extent Incremental TCCs have been awarded by the ISO for the System Deliverability Upgrade, in proportion to its contribution to the total cost of the System Deliverability Upgrade, as determined based on its required Headroom payments. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the System Deliverability Upgrade; provided, however, that a subsequent Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the subsequent Developer's proportionate share is zero. If a Developer that initially paid for a System Deliverability Upgrade on a Byway elected to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade and continues to hold such Incremental TCCs, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Developer that initially paid for the System Deliverability Upgrade in

proportion to the Headroom payments received by such Developer from the subsequent Developer making such Headroom payments. If a Developer that initially paid for a System Deliverability Upgrade on a Byway declined to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade or subsequently terminated the Incremental TCCs it elected to receive, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available from the Incremental TCCs related to the System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination in proportion to the Headroom payments received by the Developer that initially paid for the System Deliverability Upgrade from the subsequent Developer making such Headroom payments. If a subsequent Developer elects to accept its proportionate share of any Incremental TCCs, the subsequent Developer shall be the Primary Holder of such Incremental TCCs; provided, however, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Developer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Developer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs. If a subsequent Developer declines an award of its proportionate share of any Incremental TCCs resulting from its Headroom payments, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed permanently terminated.

Any Incremental TCCs resulting from a System Deliverability Upgrade on a Byway, regardless of the Primary Holder thereof, may not be sold or transferred through a Centralized TCC Auction, Reconfiguration Auction or the Secondary Market.

25.7.2.2 Highways

The Developer of a Class Year CRIS Project will pay an allocated share of the cost of the System Deliverability Upgrades to any Highway needed to make the Class Year Project deliverable in accordance with these rules. The System Deliverability Upgrades on the Highway or Highways, and the Developer's allocated share of the cost of those System Deliverability Upgrades, will be identified by the ISO, with input from the Connecting Transmission Owner and from the Affected Transmission Owner(s), in the Class Year Deliverability Study.

The Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade shall request Incremental TCCs with respect to the Highway System Deliverability Upgrade in accordance with the requirements of Section 19.2.4 of Attachment M of the ISO OATT. A Developer paying for Highway System Deliverability Upgrades will receive the right to accept any Incremental TCCs awarded by the ISO, in proportion to its contribution to the total cost of the Highway System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; provided, however, that a Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the subsequent Developer's proportionate share is zero. If a Developer elects to accept its proportionate share of any Incremental TCCs resulting from the Highway System Deliverability Upgrade, the Developer shall be the Primary Holder of such Incremental TCCs. If a Developer declines an award of its proportionate share of any Incremental TCCs resulting from the Highway System Deliverability Upgrade, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed

reserved to the extent necessary to facilitate the potential for transfers to subsequent Developers that pay for the use of Headroom pursuant to this Attachment S on a Highway System Deliverability Upgrade that has been awarded Incremental TCCs. Incremental TCCs that are declined or terminated by a Developer and not otherwise deemed reserved will be deemed permanently terminated. Incremental TCCs related to a Highway System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination will be deemed permanently terminated when the Headroom on the Highway System Deliverability Upgrade ceases to exist or is otherwise reduced to zero in accordance with Section 25.8.7.4 of this Attachment S.

The Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade shall also be awarded, and be the Primary Holder of, any Incremental TCCs related to the portion of a Highway System Deliverability Upgrade funded by Load Serving Entities pursuant to Section 25.7.12 of this Attachment S, in proportion to the contribution of the Load Serving Entities to the total cost of the Highway System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; provided, however, that no Incremental TCCs will be awarded to the Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade for the portion of a Highway System Deliverability Upgrade funded by Load Serving Entities if the whole number value determined by the ISO for the Load Serving Entities' proportionate share is zero.

A Developer paying for a Highway System Deliverability Upgrade will be eligible to receive Headroom payments in accordance with these rules to the extent that it pays for System Deliverability Upgrade capacity in excess of that required to provide the requested level of CRIS and Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S. If Load Serving Entities have funded a portion of a Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S, the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade will be eligible to receive any and all Headroom payments related to the System Deliverability Upgrade in accordance with these rules on behalf, and for the benefit, of the Load Serving Entities that funded a portion of the System Deliverability Upgrade.

A subsequent Developer paying for use of Headroom on System Deliverability Upgrades will be entitled to receive Incremental TCCs, to the extent Incremental TCCs have been awarded by the ISO for the System Deliverability Upgrade, in proportion to its contribution to the total cost of the Highway System Deliverability Upgrade, as determined based on its required Headroom payments. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; provided, however, that a subsequent Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the Developer's proportionate share is zero. If: (i) a Developer that initially paid for a Highway System Deliverability Upgrade paid for capacity in excess of that required to provide its requested level of CRIS; (ii) Load Serving Entities have not funded a portion of the costs of the

Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S; and (iii) the Developer elected to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade and continues to hold such Incremental TCCs, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Developer that initially funded the System Deliverability Upgrade in proportion to the Headroom payments received by such Developer from the subsequent Developer making such Headroom payments. If: (i) a Developer that initially paid for a Highway System Deliverability Upgrade paid for capacity in excess of that required to provide its requested level of CRIS; (ii) Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S; and (iii) the Developer declined to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade or subsequently terminated the Incremental TCCs it elected to receive, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available from the Incremental TCCs related to the System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination in proportion to the Headroom payments received by the Developer that initially paid for the System Deliverability Upgrade from the subsequent Developer making such Headroom payments. If Load Serving Entities have funded a portion of a Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the System Deliverability Upgrade. If a subsequent Developer elects to accept its proportionate share of any Incremental

TCCs, the subsequent Developer shall be the Primary Holder of such Incremental TCCs; provided, however, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Developer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Developer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs. If a subsequent Developer declines an award of its proportionate share of any Incremental TCCs resulting from its Headroom payments, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed permanently terminated.

Any Incremental TCCs resulting from a Highway System Deliverability Upgrade, regardless of the Primary Holder thereof, may not be sold or transferred through a Centralized TCC Auction, Reconfiguration Auction or the Secondary Market.

25.7.2.3 Other Interfaces

If the Class Year CRIS Project degrades the transfer capability of any one of the Other Interfaces below the transfer capability identified in the current ATBA, then the Developer will pay its pro rata share of one hundred percent (100%) of the cost of the System Deliverability Upgrades needed to restore the transfer capability of the Other Interfaces degraded by its proposed Project to what the transfer capability of those Other Interfaces would have been without its Project, as that transfer capability was measured in the current ATBA. Where two or more Projects would cause degradation of an Other Interface's transfer capability, the cost of the necessary System Deliverability Upgrades to restore the original transfer capability of the

interface shall be shared on a pro rata basis, based on the MW of degradation that each Project would cause.

25.7.3 Capacity Regions

The deliverability test will be applied within each of the four (4) Capacity Regions: (1) Rest of State (i.e., Load Zones A through F); (2) Lower Hudson Valley (i.e., Load Zones G, H and I); (3) New York City (i.e., Load Zone J); and (4) Long Island (i.e., Load Zone K). To be declared deliverable a generator or Class Year Transmission Project must only be deliverable, at its requested CRIS MW, throughout the Capacity Region in which the Project is interconnected or is interconnecting, or, if requesting External-to-ROS Deliverability Rights, throughout the Rest of State Capacity Region. For example, starting with Class Year 2012, a proposed generator or Class Year Transmission Project interconnecting in the Rest of State Capacity Region (i.e., Load Zones A-F) will be required to demonstrate deliverability throughout the Rest of State Capacity Region (i.e., Load Zones A-F), but will not be required to demonstrate deliverability to or within any of the following Capacity Regions: Lower Hudson Valley (i.e., Load Zones G, H and I); New York City (i.e., Load Zone J); or Long Island (i.e., Load Zone K).

25.7.4 Participation in Capacity Markets

A Developer, in order to be eligible to become an Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, must obtain CRIS pursuant to the procedures set forth in this Attachment S. A Developer must enter a Class Year Deliverability Study or Expedited Deliverability Study in order to obtain CRIS, unless otherwise provided for in this Attachment S. The MW amount of CRIS requested by a Developer, stated in MW of Installed Capacity (“ICAP”), cannot exceed the MW levels specified in Sections 25.8.1 of this Attachment S. All requests for CRIS must be in tenths of a MW. The

ISO will perform the Class Year Deliverability Study and Expedited Deliverability Study in accordance with these rules and with input of Market Participants, to determine the deliverability of the Projects requesting CRIS in each study. The Expedited Deliverability Study will only determine the extent to which the Project is deliverable at the full amount of requested CRIS. The Class Year Deliverability Study will determine deliverability at the full amount of requested CRIS and, if not deliverable, will identify and allocate the cost of the System Deliverability Upgrades needed to make deliverable each Class Year CRIS Project. In order to be eligible to become an Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, a Developer must be found fully deliverable at the requested CRIS level in an Expedited Deliverability Study or, in a Class Year Study, either (1) accept its deliverable MW in a Class Year Study or Expedited Deliverability Study; or (2) fund or commit to fund, in accordance with these rules, the System Deliverability Upgrades needed for its Project to be deliverable at the requested level of CRIS.

25.7.5 The Pre-Existing System

Where the Existing System Representation demonstrates deliverability issues, a Developer electing CRIS need only address the incremental deliverability of its CRIS request, not the deliverability of the pre-existing system depicted in the Existing System Representation. Likewise, Transmission Owners will not be responsible for curing any pre-existing issues related to the deliverability of generators.

25.7.6 CRIS Values

Through a Class Year Study, a Developer may elect no CRIS, partial CRIS, or full CRIS for its Project by satisfying the applicable sections of this Attachment S. Through an Expedited

Deliverability Study, a Developer may elect CRIS or partial CRIS to the extent its requested CRIS is deliverable pursuant to the NYISO Deliverability Interconnection Standard.

Each Project qualifying for CRIS will have two CRIS values per Project: one for the Summer Capability Period and one for the Winter Capability Period. For Projects comprised of multiple Generators, the Project's CRIS, subject to the maximum permissible requested CRIS pursuant to Section 25.8.1 of this Attachment S, shall be allocated among the multiple Generators, and shall be allocated among the multiple Generators, as requested by Developer (to the extent permissible under Section 25.8.1 of this Attachment S). The Project's CRIS and allocation of CRIS among its units, as applicable, will be specified by ISO in the Class Year Deliverability Study report approved by the ISO Operating Committee.

The Project's CRIS value for the Summer Capability Period will be set using the deliverability test methodology and procedures described below. Through the Winter Capability Period 2017/2018, the Project's CRIS value for the Winter Capability Period will be set at a value that will maintain the same proportion of CRIS to ERIS as the Project has for the Summer Capability Period. For Winter Capability Periods beyond 2017/2018, the Project's CRIS value for the Winter Capability Period will be determined by the applicable process below:

25.7.6.1 Winter CRIS will be calculated as follows:

Winter CRIS MW = (Summer CRIS MW x Maximum Net Output at 10 degrees Fahrenheit)/Maximum Net Output at 90 degrees Fahrenheit

Where:

Maximum Net Output at 10 degrees Fahrenheit = the Project's maximum net output at 10 degrees Fahrenheit determined pursuant to the Project's ISO-approved temperature curve; and

Maximum Net Output at 90 degrees Fahrenheit = the Project's maximum net output at 90 degrees Fahrenheit determined pursuant to the Project's ISO-approved temperature curve.

- 25.7.6.1.1 For facilities with Summer CRIS as of December 16, 2017, the following additional provision applies: For such facilities for which there is an ISO-accepted temperature curve used for determining the Project's DMNC, Winter CRIS will be calculated using such temperature curve, provided the capability represented by the curve does not exceed the Project's ERIS. For facilities for which there is not an ISO-accepted temperature curve used for determining the Project's DMNC, Winter CRIS will be set equal to the Project's Summer CRIS unless the Project provides a temperature curve to the ISO by December 16, 2017, that the ISO subsequently determines is acceptable.
- 25.7.6.1.2 For facilities first obtaining Summer CRIS on or after December 16, 2017, the Winter CRIS will be determined using the most recent temperature curve provided to and accepted by the ISO, either during the interconnection process or at the time the Summer CRIS is first obtained.
- 25.7.6.2 Upon an increase to a Project's Summer CRIS pursuant to a permissible increase in Summer CRIS under Section 25.9.4 of this Attachment S, Attachment X, Section 30.3.2.6 or Attachment Z, Section 32.4.11.1 (increases in CRIS not requiring a Class Year Study) or pursuant to an increase in Summer CRIS evaluated in a Class Year Study for which a Developer accepts its Project Cost Allocation for System Deliverability Upgrades and posts Security therefore (if applicable) or accepts its Deliverable MWs, the Winter CRIS will be determined using the formula set forth in Section 25.7.6 (i), wherein the Summer CRIS MW will be the increased Summer CRIS MW.

25.7.7 Deliverability Study Procedures

25.7.7.1 Class Year Deliverability Study Procedures

The ISO staff will conduct the Class Year Deliverability Study, as described in these rules, in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Class Year Deliverability Study. The ISO and its staff will have decisional control over the entire Class Year Deliverability Study. If, at any time, the ISO staff decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Class Year Deliverability Study, then the ISO will enter into appropriate contracts with such entities for such input. The ISO shall utilize existing studies to the extent practicable when it performs the study, including but not limited to SRIS deliverability analyses performed pursuant to Section 30.7.3.2 and 30.7.4.2 of Attachment X to the OATT. As it conducts each Class Year Deliverability Study, the ISO staff will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating Committee or an Operating Committee subcommittee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Class Year Deliverability Study will be reviewed and approved by the Operating Committee, when the Operating Committee approves the ATRA for the same Class Year. Each Class Year Deliverability Study is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

Starting with Class Year 2019, if the ISO determines that an Additional SDU Study is required pursuant to Section 25.5.10 of this Attachment S, ISO will notify all Class Year Projects that such Additional SDU Study will be conducted, such notice to be provided as soon as

practicable after the ISO receives notice from Developers in response to the Notice of SDU Requiring Additional Study.

25.7.7.2 Expedited Deliverability Study Procedures

The ISO staff will conduct the Expedited Deliverability Study, as described in these rules in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Expedited Deliverability Study. The ISO and its staff will have decisional control over the entire Expedited Deliverability Study. If, at any time, the ISO staff decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Expedited Deliverability Study, then the ISO will enter into appropriate contracts with such entities for such input. The ISO shall utilize existing studies to the extent practicable when it performs the study, including but not limited to SRIS deliverability analyses performed pursuant to Section 30.7.3.2 and 30.7.4.2 of Attachment X to the OATT. As it conducts each Expedited Deliverability Study, the ISO staff will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating Committee or an Operating Committee subcommittee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Expedited Deliverability Study will be reviewed and approved by the Operating Committee. Each Expedited Deliverability Study is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

25.7.8 Deliverability Test Methodology for Highways and Byways

25.7.8.1 Definition of NYCA Deliverability

The NYCA transmission system shall be able to deliver the aggregate of NYCA capacity resources to the aggregate of the NYCA load under summer peak load conditions. This is accomplished, in the Class Year Study, through ensuring the deliverability of each Class Year CRIS Project, in the Capacity Region where the Project interconnects. This is accomplished, in the Expedited Deliverability Study, through ensuring the deliverability of each Class Year CRIS Request, in the Capacity Region where the Project interconnects.

25.7.8.2 NYCA Deliverability Testing Methodology

25.7.8.2.1 Class Year Study

25.7.8.2.1.1 The current Class Year ATBA, developed in accordance with ISO

Procedures, will serve as the starting point for the deliverability baseline for testing under summer peak system conditions, subject to ISO Procedures and the following:

All Class Year CRIS Projects will be evaluated on an aggregate Class Year basis. Deliverability will be determined through a shift from generation to generation within the Capacity Regions in New York State. Each Capacity Region will be tested on an individual basis.

25.7.8.2.1.2 Each entity requesting External CRIS Rights will request a certain number of MW to be evaluated for deliverability pursuant to Section 25.7.11 of this Attachment S. The MW of an entity requesting External CRIS Rights will not be derated for the deliverability analysis.

25.7.8.2.1.3 Each Developer requesting CRIS will request that a certain number of MW be evaluated for deliverability, such MW not to exceed the maximum levels set forth in Section 25.8.1 of this Attachment S. The MW requested by a Developer will represent Installed Capacity, and will be derated for the deliverability analysis. The MW requested by a Resource with an Energy Duration Limitation will represent Installed Capacity based on the Developer-selected duration (i.e., its expected maximum injection capability in MW hours for the Developer-selected duration) and will also be derated for the deliverability analysis. At the conclusion of the analysis, the ISO will reconvert only the deliverable MW and report them in terms of MW of Installed Capacity using the same derating factor utilized at the beginning of the deliverability analysis.

A derated generator capacity incorporating availability is used. This derated generator capacity is based on the unforced capacity or “UCAP” or Net UCAP, as applicable, of each resource and can be referred to as the UCAP Deration Factor (“UCDF”). The UCDF used is the average from historic ICAP to UCAP translations on a Capacity Region basis, as determined in accordance with ISO Procedures. For Class Years prior to and including Class Year 2017, this is the average EFORD, which will be used for all non intermittent ICAP providers. The UCDF for intermittent resources will be calculated based on their resource type in accordance with ISO Procedures. For Class Years commencing after the completion of Class Year 2017, the UCDF used is the average EFORD, which will be used for all ICAP providers that are not Intermittent Power Resources

(resources that are not Intermittent Power Resources include Energy Storage Resources). The UCDF for Intermittent Power Resources will be calculated based on their resource type in accordance with ISO Procedures.

Resources with an Energy Duration Limitations evaluated for CRIS will be derated to reflect the Developers' selected duration. Facilities comprised of Generators of different technologies will be derated using a blended UCDF that combines the UCDF of the individual Generators within the Project; provided however, that if the Project includes load reduction, the load reduction would not impact the UCDF of the Project.

The UCDF factor for proposed Projects will be applied to the requested CRIS level. For facilities modeled in the ATBA, the UCDF will be applied to their CRIS level.

Existing CRIS that will be modeled in the Class Year Study shall include: existing CRIS for facilities not being evaluated in the Class Year Study regardless of outage state, unless that CRIS will expire prior to the scheduled completion of the applicable Class Year study or the CRIS is associated with a Retired facility that cannot transfer such rights prior to CRIS expiration. For purposes of this Section 25.7.8.2.1.3, "existing CRIS" is CRIS that has been obtained through Attachment S and that has not expired. For Projects that have undergone a prior Class Year Study deliverability evaluation, "existing CRIS" is CRIS obtained upon completion of a Class Year Study through which the Developer accepted its deliverable MW or accepted its Project Cost Allocation and posted Security for System Deliverability Upgrades, as applicable. For Projects that undergo an

Expedited Deliverability Study deliverability evaluation, “existing CRIS” is considered to be CRIS that is obtained upon completion of an Expedited Deliverability Study through which the Developer was deemed to have accepted its deliverable MW in an Expedited Deliverability Study completed prior to the Class Year Study Start Date.

25.7.8.2.1.4 Load uncertainties will be addressed in accordance with ISO Procedures by taking the impact of Load Forecast Uncertainty (“LFU”) from the most recent base case IRM and applying it to load.

25.7.8.2.1.5 Deliverability base case conditioning steps will be consistent with those used for the Reliability Planning Process and Area Transmission Review transfer limit calculation methodology.

25.7.8.2.1.6 In deliverability testing, Emergency transfer criteria and contingency testing will be in conformance with NYSRC rules and correspond to that used in the Reliability Planning Process studies.

25.7.8.2.1.7 The NYISO will monitor all transmission facilities that are part of the New York State Transmission System.

25.7.8.2.1.8 When either the voltage or stability transfer limit of an interface calculated in the ATBA is more binding than the calculated thermal transfer limit, then the lower of the ATBA voltage or stability transfer limit will be included in the deliverability testing as a proxy limit.

25.7.8.2.1.9 External system imports will be adjusted as necessary to eliminate or minimize overloads, other than the following external system imports: (i) the grandfathered import contract rights listed in Attachment E to the Installed

Capacity Manual, (ii) the operating protocols set forth in Schedule C of Attachment CC to the OATT, (iii) the appropriate rules for reflecting PJM service to RECo load, (iv) beginning with Class Year 2008 and in subsequent Class Years, the Existing Transmission Capacity for Native Load listed for the New York State Electric & Gas Corporation in Table 3 of Attachment L to the OATT, (v) in Class Year 2008 and 2009, 1090 MW of imports made over the Quebec (via Chateauguay) interface, and (vi) beginning with Class Year 2010 and in subsequent Class Years, any External CRIS Rights awarded pursuant to Section 25.7.11 of this Attachment S, either as a result of the conversion of grandfathered rights over the Quebec (via Chateauguay) Interface or as a result of a Class Year Deliverability Study, until, as of the Class Year Start Date, the time available to renew the External CRIS Rights has expired, as described in Section 25.9.3.2.2 of this Attachment S.

25.7.8.2.1.10 Flows associated with generators physically located in the NYCA but selling capacity out of the market will be modeled as such in the deliverability base cases.

25.7.8.2.1.11 Resources and demand are brought into balance in the baseline. If resources are greater than demand in the Capacity Region, existing generators within the Capacity Region are prorated down. If resources are lower than demand in the Capacity Region, additional external resources are included in the model.

25.7.8.2.1.12 PARs within the applicable Capacity Region will be adjusted as necessary, in either direction and within their angle capability, to eliminate or minimize

overloads without creating new ones. PARs controlling external ties and ties between the Capacity Regions will be modeled, within their angle capability, to hold the individual tie flows to their respective deliverability baseline schedules, which shall be set recognizing firm commitments and operating protocol set forth in Schedule C of Attachment CC to the OATT.

25.7.8.2.1.13 Deliverability testing will proceed as follows - The generation/load mix is split into two groups of generation and load, one upstream and one downstream for each zone or sub-zone tested within the Capacity Region. All elements that are part of the New York State Transmission System within the Capacity Region will be monitored. If there is excess generation upstream (that is, more upstream generation than is necessary to serve the upstream load plus LFU) then the generation excess, taking into account generator derate factors described in Section 25.7.8.2.2 above, is assumed to displace downstream generation. If the dispatch of the upstream excess generation causes an overload, this overload is flagged as a potential deliverability problem and will be used to determine the amount of capacity that is assigned CRIS status and the overload mitigation.

25.7.8.2.1.14 For Highway interfaces, the generators or Class Year Transmission Projects in a Class Year, whether or not they are otherwise deliverable, will not be considered deliverable if their aggregate impact degrades the transfer capability of the interface more than the lesser of 25 MW or 2 percent of the transfer capability identified in the ATBA and results in an increase to the NYCA LOLE determined for the ATBA of .01 or more. The Class Year CRIS Projects causing the degradation will be responsible, on a pro rata basis, for restoring transfer

capability only to the extent their aggregate degradation of transfer capability, compared to that in the ATBA, would not occur but for the Class Year CRIS Projects.

25.7.8.2.2 Expedited Deliverability Study

25.7.8.2.2.1 The current Class Year ATRA, developed in accordance with ISO Procedures, will serve as the starting point for the deliverability baseline for testing under summer peak system conditions, subject to ISO Procedures and the following: All Expedited Deliverability Study Projects will be evaluated on an aggregate Expedited Deliverability Study basis. Deliverability will be determined through a shift from generation to generation within the Capacity Regions in New York State. Each Capacity Region will be tested on an individual basis.

25.7.8.2.2.2 Each Developer requesting CRIS will request that a certain number of MW be evaluated for deliverability, such MW not to exceed the maximum levels set forth in Section 25.8.1 of this Attachment S. The MW requested by a Developer will represent Installed Capacity, and will be derated for the deliverability analysis. The MW requested by a Resource with an Energy Duration Limitation will represent Installed Capacity based on the Developer-selected duration (i.e., its expected maximum injection capability in MW hours for the Developer-selected duration) and will also be derated for the deliverability analysis. At the conclusion of the analysis, the ISO will reconvert only the deliverable MW and report them in terms of MW of Installed Capacity using the same derating factor utilized at the beginning of the deliverability analysis.

A derated generator capacity incorporating availability is used. This derated generator capacity is based on the unforced capacity or “UCAP” or Net UCAP, as applicable, of each resource and can be referred to as the UCAP Deration Factor (“UCDF”). The UCDF used is the average from historic ICAP to UCAP translations on a Capacity Region basis, as determined in accordance with ISO Procedures. The UCDF used is the average EFORD, which will be used for all ICAP providers that are not Intermittent Power Resources (resources that are not Intermittent Power Resources include Energy Storage Resources). The UCDF for Intermittent Power Resources will be calculated based on their resource type in accordance with ISO Procedures. Resources with Energy Duration Limitations evaluated for CRIS will be derated to reflect the Developers’ selected duration. Facilities comprised of Generators of different technologies will be derated using a blended UCDF that combines the UCDF of the individual Generators within the Project; provided however, that if the Project includes load reduction, the load reduction would not impact the UCDF of the Project.

The UCDF factor for proposed Projects will be applied to the requested CRIS level. For facilities modeled in the ATRA, the UCDF will be applied to their CRIS level.

25.7.8.2.2.3 CRIS that will be modeled in the Expedited Deliverability Study shall include: (1) existing CRIS, including CRIS obtained in a previous Expedited Deliverability Study, for facilities not being evaluated in the instant Expedited Deliverability Study, regardless of outage state, unless that CRIS will expire prior to the scheduled completion of the applicable Expedited Deliverability Study or

the CRIS is associated with a Retired facility that cannot transfer such rights prior to CRIS expiration; and (2) CRIS requested by Projects in the Class Year Study(ies) pending during the Expedited Deliverability Study. For purposes of this section 25.7.8.2.2.3, “existing CRIS” is CRIS that has not expired and CRIS that has been obtained by Projects through Attachment S. For Projects that undergo a Class Year Study deliverability evaluation, “existing CRIS,” is CRIS obtained, upon completion of a Class Year Study through which the Developer accepted deliverable MW or accepted its Project Cost Allocation and posted Security for System Deliverability Upgrades, as applicable. For Projects that undergo an Expedited Deliverability Study deliverability evaluation, “existing CRIS,” is CRIS obtained, upon completion of an Expedited Deliverability Study through which the Developer was deemed to have accepted its deliverable MW.

25.7.8.2.2.4 Load uncertainties will be addressed in accordance with ISO Procedures by taking the impact of Load Forecast Uncertainty (“LFU”) from the most recent base case IRM and applying it to load.

25.7.8.2.2.5 Deliverability base case conditioning steps will be consistent with those used for the Comprehensive Reliability Planning Process and Area Transmission Review transfer limit calculation methodology.

25.7.8.2.2.6 In deliverability testing, Emergency transfer criteria and contingency testing will be in conformance with NYSRC rules and correspond to that used in the NYISO Comprehensive Reliability Planning Process studies.

25.7.8.2.2.7 The ISO will monitor all transmission facilities that are part of the New York State Transmission System.

25.7.8.2.2.8 When either the voltage or stability transfer limit of an interface calculated in the ATRA is more binding than the calculated thermal transfer limit, then the lower of the ATRA voltage or stability transfer limit will be included in the deliverability testing as a proxy limit.

25.7.8.2.2.9 External system imports will be adjusted as necessary to eliminate or minimize overloads, other than the following external system imports: (i) the grandfathered import contract rights listed in Attachment E to the Installed Capacity Manual, (ii) the operating protocols set forth in Schedule C of Attachment CC to the OATT, (iii) the appropriate rules for reflecting PJM service to RECo load, (iv) the Existing Transmission Capacity for Native Load listed for the New York State Electric & Gas Corporation in Table 3 of Attachment L to the OATT, (v) any External CRIS Rights awarded pursuant to Section 25.7.11 of this Attachment S, either as a result of the conversion of grandfathered rights over the Quebec (via Chateauguay) Interface or as a result of a Class Year Deliverability Study, until, as of the Expedited Deliverability Study start date, the time available to renew the External CRIS Rights has expired, as described in Section 25.9.3.2.2 of this Attachment S.

25.7.8.2.2.10 Flows associated with generators physically located in the NYCA but selling capacity out of the market will be modeled as such in the deliverability base cases.

25.7.8.2.2.11 Resources and demand are brought into balance in the baseline. If resources are greater than demand in the Capacity Region, existing generators within the Capacity Region are prorated down. If resources are lower than

demand in the Capacity Region, additional external resources are included in the model.

25.7.8.2.2.12 PARs within the applicable Capacity Region will be adjusted as necessary, in either direction and within their angle capability, to eliminate or minimize overloads without creating new ones. PARs controlling external ties and ties between the Capacity Regions will be modeled, within their angle capability, to hold the individual tie flows to their respective deliverability baseline schedules, which shall be set recognizing firm commitments and operating protocol set forth in Schedule C of Attachment CC to the OATT.

25.7.8.2.2.13 Deliverability testing will proceed as follows - The generation/load mix is split into two groups of generation and load, one upstream and one downstream for each zone or sub-zone tested within the Capacity Region. All elements that are part of the New York State Transmission System within the Capacity Region will be monitored. If there is excess generation upstream (that is, more upstream generation than is necessary to serve the upstream load plus LFU) then the generation excess, taking into account generator derate factors described in Section 25.7.8.2.2 above, is assumed to displace downstream generation. If the dispatch of the upstream excess generation causes an overload, this overload is flagged as a potential deliverability problem and will be used to determine the amount of partial CRIS, if any, for the applicable Projects in the Expedited Deliverability Study.

25.7.8.2.2.14 For Highway interfaces, the Projects in an Expedited Deliverability Study, whether or not they are otherwise deliverable, will not be considered deliverable

if their aggregate impact degrades the transfer capability of the interface more than the lesser of 25 MW or 2 percent of the transfer capability identified in the ATRA. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Expedited Deliverability Study.

25.7.9 Deliverability Test Methodology for Other Interfaces

25.7.9.1 Class Year Deliverability Test Methodology for Other Interfaces

The generators or Class Year Transmission Projects in a Class Year, whether or not they are otherwise deliverable across Highways and Byways, will not be considered deliverable if their aggregate impact degrades the transfer capability of any Other Interface more than the lesser of 25 MW or 2 percent of the transfer capability of the Other Interface identified in the ATBA. Each Developer will be responsible for its pro rata Class Year share of one hundred percent (100%) of the cost of System Deliverability Upgrades needed to restore transfer capability on the Other Interfaces impacted by the Class Year CRIS Projects but only to the extent that the degradation of transfer capability on the Other Interfaces, compared to that measured in the current Class Year ATBA, would not occur but for the aggregate impact of the Class Year Projects. Where two or more Projects contribute to the degradation of the transfer capability of an Other Interface, each Project Developer shall pay for a share of the required System Deliverability Upgrades based on its contribution to the degradation of the transfer capability. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Class Year Study.

25.7.9.2 Expedited Deliverability Study Test Methodology for Other Interfaces

The Projects in an Expedited Deliverability Study, whether or not they are otherwise deliverable across Highways and Byways, will not be considered deliverable if their aggregate

impact degrades the transfer capability of any Other Interface more than the lesser of 25 MW or 2 percent of the transfer capability of the Other Interface identified in the ATBA. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Expedited Deliverability Study.

25.7.10 Deliverability of External Installed Capacity

External Installed Capacity not associated with Unforced Capacity Deliverability Rights, External-to-ROS Deliverability Rights or External CRIS Rights will be subject to the deliverability test in Section 25.7.8 and 25.7.9 of this Attachment S, but not as a part of the Class Year Deliverability Study. As described in detail in Section 5.12.2 of the Services Tariff, the deliverability of External Installed Capacity not associated with Unforced Capacity Deliverability Rights, External-to-ROS Deliverability Rights or External CRIS Rights will be evaluated separately as a part of the annual process under the Services Tariff that sets import rights for the upcoming Capability Year, to determine the amount of External Installed Capacity that can be imported to the New York Control Area.

25.7.11 CRIS Rights For External Installed Capacity

An entity, by following the procedures and satisfying the requirements described in this Section 25.7.11, may obtain External CRIS Rights. While the External CRIS Rights are in effect, External Installed Capacity associated with External CRIS Rights is not subject to (1) the deliverability determination described above in Section 25.7.10 of this Attachment S, (2) the annual deliverability determination applied in the import limit setting process described in Section 5.12.2.2 of the Services Tariff, or (3) to the allocation of import rights described in ISO Procedures.

25.7.11.1 Required Commitment of External Installed Capacity

An entity requesting External CRIS Rights for a specified number of MW of External Installed Capacity must commit to supply that number of MW of External Installed Capacity for a period of at least five (5) years (“Award Period”). The entity’s commitment to supply the specified number of MW for the Award Period may be based upon either an executed bilateral contract to supply (“Contract Commitment”), or based upon another kind of long-term commitment (“Non-Contract Commitment”), both as described herein.

25.7.11.1.1 Contract Commitment

An entity making a Contract Commitment of External Installed Capacity must have one or more executed bilateral contract(s) to supply a specified number of MW of External Installed Capacity (“Contract CRIS MW”) to a Load Serving Entity or Installed Capacity Supplier for an Award Period of at least five (5) years. The entity must have ownership or contract control of External Installed Capacity to fulfill its bilateral supply contract throughout the Award Period, and that otherwise satisfies ISO requirements.

25.7.11.1.1.1 The bilateral supply contract(s) individually or in the aggregate, must be for all months of the Summer Capability Periods over the term of the bilateral supply contract(s), but need not include any of the months of the Winter Capability Periods over that term. The entity seeking External CRIS Rights must specify which, if any, months of the Winter Capability Period it will supply External Installed Capacity under the bilateral supply contract(s) (“Specified Winter Months”).

25.7.11.1.1.2 The bilateral supply contract(s) must be for the same number of MW for all months of the Summer Capability Periods (“Summer Contract CRIS MW”)

and the same number of MW for all Specified Winter Months (“Winter Contract CRIS MW”). The Winter Contract CRIS MW level must be less than or equal to the Summer Contract CRIS MW level.

25.7.11.1.1.3 An entity holding External CRIS Rights under a Contract Commitment must certify the bilateral supply contract for every month of the Summer Capability Periods and all Specified Winter Months for the applicable Contract CRIS MW. The Summer Contract CRIS MW must be certified for every month of the Summer Capability Period, and the Winter Contract CRIS MW must be certified for every Specified Winter Month (if any).

25.7.11.1.2 Non-Contract Commitment

An entity holding External CRIS Rights under a Non-Contract Commitment must offer the committed number of MW of External Installed Capacity for every month of the commitment, as described below, in the ISO Installed Capacity auctions for an Award Period of at least five (5) years. The entity must have ownership or contract control of External Installed Capacity to fulfill its Non-Contract Commitment throughout the Award Period.

25.7.11.1.2.1 The Non-Contract Commitment must be made for all months of the Summer Capability Periods over the term of the Award Period, but need not include any months in the Winter Capability Periods. The entity must identify the Specified Winter Months, if any, of the Winter Capability Periods for which it will make the commitment.

25.7.11.1.2.2 The commitment must be for the same number of MW for each month of the Summer Capability Period (“Summer Non-Contract CRIS MW”), and the same number of MW for all Specified Winter Months (“Winter Non-Contract

CRIS MW”). The Winter Non-Contract CRIS MW level must be less than or equal to the Summer Contract CRIS MW level.

25.7.11.1.2.3 An entity holding External CRIS Rights under a Non-Contract Commitment must offer the committed capacity (a) in at least one of the following NYCA auctions: the Capability Period Auction, the Monthly Auction or the ICAP Spot Market Auction, or (b) through a certified and scheduled Bilateral Transaction (as such terms not defined in this Attachment S are defined in the Services Tariff). The Summer Non-Contract CRIS MW must be offered for every month of the Summer Capability Period, and the Winter Non-Contract CRIS MW must be offered for every Specified Winter Month (if any).

25.7.11.1.2.4 Notwithstanding other capacity mitigation measures that may apply, the offers to sell Installed Capacity into an auction submitted pursuant to this Non-Contract Commitment will be subject to an offer cap for each month of the Summer Capability Periods and each Specified Winter Month. This offer cap will be determined in accordance with the provisions contained in Section 5.12.2.4 of the Services Tariff.

25.7.11.1.3 Failure to Meet Commitment

If an entity fails to certify or offer the full number of Contract CRIS MW or Non-Contract CRIS MW in accordance with the terms stated above, in Sections 25.7.11.1.1 and 25.7.11.1.2, the entity shall pay the ISO an amount equal to 1.5 times the Installed Capacity Spot Auction Market Clearing Price for the month in which either the capacity under Non-Contract Commitment was not offered or the Contract Commitment to supply ICAP was not certified

(“Supply Failure”), times the number of MW committed under the Non-Contract or Contract Commitment but not offered.

25.7.11.1.3.1 Within a given Award Period and each subsequent renewal of an Award Period pursuant to Section 25.9.3.2.2 herein, for the first three instances of a Supply Failure, no additional actions will be taken. Upon the fourth instance within the Award Period or the fourth instance within a subsequent renewal period of a Supply Failure, the associated External CRIS Rights will be terminated in their entirety with no ability to renew. Entities that had External CRIS Rights terminated may reapply for External CRIS in accordance with Section 25.7.11.1.4.2 below. Nothing in this Section 25.7.11.1.3 shall be construed to limit or diminish any provision in the Market Power Mitigation Measures or the Market Monitoring Plan.

25.7.11.1.4 Obtaining External CRIS Rights

An entity making a Contract Commitment or Non-Contract Commitment of External Installed Capacity may obtain External CRIS Rights for a specified number of MW of External Installed Capacity in one of two different ways, either (i) by converting MW of grandfathered deliverability rights over the External Interface with Quebec (via Chateauguay), or (ii) by having its specified MW of External Installed Capacity evaluated in a Class Year Deliverability Study, both as described herein.

25.7.11.1.4.1 One-Time Conversion of Grandfathered Rights. An entity can request to convert a specified number of MW pursuant to the conversion process established in Section 5.12.2.3 of the Services Tariff.

25.7.11.1.4.2 Class Year Deliverability Study. An entity may seek to obtain External CRIS Rights for its External Installed Capacity by requesting that its External Installed Capacity be evaluated for deliverability in the Open Class Year. To make such a request an entity must provide to the ISO a completed External CRIS Rights Request stating whether it is making a Contract Commitment or Non-Contract Commitment, the number of MW of External Installed Capacity to be evaluated, and the specific External Interface(s). The first Class Year Deliverability Study to evaluate requests for External CRIS Rights will be that for Class Year 2010. After the ISO receives a completed External CRIS Rights Request, an entity making a Contract Commitment or Non-Contract Commitment that satisfies the requirements of Section 25.7.11.1 of this Attachment S will be eligible to proceed, as follows:

25.7.11.1.4.2.1 The entity is made a Class Year Project when the ISO receives the entity's executed Class Year Interconnection Facilities Study Agreement for External Installed Capacity and all required data and the full deposit.

25.7.11.1.4.2.2 The entity's MW of External Installed Capacity covered by its bilateral contract(s) or, in the case of a Non-Contract Commitment the number of MW committed by the entity, are evaluated for deliverability within the Rest of State Capacity Region. The entity's External Installed Capacity is not subject to the NYISO Minimum Interconnection Standard. The ISO will determine whether the requests for External CRIS Rights within a given Class Year exceed the import limit, established pursuant to ISO procedures, for the applicable External Interface that is in effect on the Class Year Start Date when combined, to the

extent not already reflected in the import limit, with the following: (1) awarded External CRIS Rights at the same External Interface, (2) Grandfathered External Installed Capacity Agreements listed in Attachment E of the ISO Installed Capacity Manual at the same External Interface, and (3) the Existing Transmission Capacity for Native Load listed for New York State Electric & Gas Corporation in Table 3 of Attachment L to the ISO OATT (applies to the PJM interface only) (“Combined Total MW”). In addition to the other requirements stated herein, External CRIS Rights will only be awarded to the extent that the Combined Total MW does not exceed the import limit, as described above.

25.7.11.1.4.2.3 The Class Year Deliverability Study report will include an SDU Project Cost Allocation and a Deliverable MW number for the entity’s External Installed Capacity.

25.7.11.1.4.2.4 The entity will have the same decision alternatives as other Class Year Projects participating in the Deliverability Study only. That is, the entity may either (a) accept its SDU Project Cost Allocation, (b) decline its SDU Project Cost Allocation and accept its Deliverability MW figure, or (c) decline both its SDU Project Cost Allocation and its Deliverable MW. If the entity does decline both its SDU Project Cost Allocation and its Deliverable MW, the entity’s External Installed Capacity will be removed from the Class Year Deliverability Study. Once removed from the then current Class Year Deliverability Study, the entity can request for its External Installed Capacity to be evaluated again for deliverability in a subsequent Class Year Deliverability Study that is open at the time of its request.

25.7.11.1.4.2.5 If the entity accepts its SDU Project Cost Allocation, it must fund, or commit to fund the SDU upgrades, like any other Class Year Project.

25.7.11.1.4.2.6 If the entity accepts its SDU Project Cost Allocation and funds or commits to fund the SDU upgrades as required by this Attachment S, the entity must also execute and fulfill agreement(s) with the ISO and the Connecting Transmission Owner and any Affected Transmission Owner to cover the engineering, procurement and construction of the SDUs.

25.7.11.1.4.2.7 By the end of the Initial Decisional Period (i.e., 30 days from Operating Committee approval of the Class Year Deliverability Study), an entity making a Contract Commitment and accepting either its SDU Project Cost Allocation or Deliverable MW quantity, must provide specific contract and resource information to the ISO. Unless entities are supplying External Installed Capacity as Control Area System Resources, requests for External Installed Capacity shall be resource-specific. Entities are permitted to substitute resources located in the same External Control Area. Such substitutions shall be subject to review and approval by ISO consistent with ISO Procedures and deadlines specified therein.

25.7.11.1.4.2.8 If the entity satisfies the requirements described in this Section 25.7.11.1.4, the entity will obtain External CRIS Rights for the number of MW determined to be deliverable, made deliverable through an SDU (with an accepted SDU Project Cost Allocation), or deemed deliverable through a commitment to pay for an SDU.

25.7.12 Cost Allocation for Highway System Deliverability Upgrades

25.7.12.1 If the portion of the Highway System Deliverability Upgrades (measured in MW) required to make one or more CRIS Projects in a Class Year deliverable is ninety percent (90%) or more of the total size (measured in MW) of the System Deliverability Upgrades, each Developer(s) of a Class Year CRIS Project(s) will be responsible for its pro rata Class Year share of one hundred percent (100%) of the cost of the System Deliverability Upgrades.

25.7.12.2 If the portion of the System Deliverability Upgrades required to make one or more CRIS Projects in a Class Year deliverable is less than 90% of the total size (measured in MW) of the Highway System Deliverability Upgrade, the Developer(s) will be required to pay or commit to pay for a percentage share of the total cost of the Highway System Deliverability Upgrades equal to the estimated percentage megawatt usage by the Class Year CRIS Project of the total megawatts provided by the System Deliverability Upgrades. Other generators or Class Year Transmission Projects in the current Class Year Deliverability Study may share in the cost of these System Deliverability Upgrades, on the same basis. Projects in the current Class Year Deliverability Study will not be allocated all of the cost of these System Deliverability Upgrades. The rest of the cost of these System Deliverability Upgrades will be allocated to Load Serving Entities and subsequent Developers, as described in this Section 25.7.12. The Developer may either (1) make a cash payment of its proportionate share of the upgrade, which will be held by the Connecting Transmission Owner and Affected Transmission Owner(s) in interest-bearing account(s); or (2) post Security (as defined in this Attachment S) meeting the commercially reasonable requirements of the

Connecting Transmission Owner and Affected Transmission Owner(s) for the Developer's proportionate share of the cost of the upgrade. The amount(s) of cash or Security that a Developer must provide to its Connecting Transmission Owner and any Affected Transmission Owners will be included in the Class Year Deliverability Study report. If the Developer chooses to provide Security, its allocated cost will be increased by an annual construction-focused inflation index. The Developer will update its Security on an annual basis to reflect this increase. Except for this adjustment for inflation, the cost allocated to the Developers will not be increased if the estimated cost of the Highway System Deliverability Upgrade increases. However, the costs allocated to subsequent Developers will be based on a current cost estimate of the Highway System Deliverability Upgrade project.

25.7.12.3 If requesting CRIS, the generator or Class Year Transmission Project will be considered deliverable, and eligible to become a qualified Installed Capacity Supplier or to receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, as applicable and subject to eligibility requirements in the ISO Procedures, when the Project associated with the CRIS request is in service, provided the Developer has paid its share of the total cost of System Deliverability Upgrades necessary to support the requested CRIS level, or made a satisfactory commitment to do so. Highway System Deliverability Upgrades-- where the System Deliverability Upgrades are below the 90% threshold discussed in Section 25.7.12.2 above--will be constructed and funded either (i) according to

Sections 25.7.12.3.1 and 25.7.12.3.2 below, or (ii) according to Section

25.7.12.3.3 below.

25.7.12.3.1 When a threshold of 60% of the most current cost estimate of the System Deliverability Upgrade has been paid or posted as Security by Developers, the Highway System Deliverability Upgrade will be built by the Transmission Owner that owns the facility to be upgraded. If the facility to be constructed will be entirely new, construction should be completed by the Transmission Owner that owns or controls the necessary site or right of way. If no Transmission Owner(s) has such control, construction should be completed by the Transmission Owner in whose Transmission District the facility would be constructed. If the upgrade crosses multiple Transmission Districts, each Transmission Owner will be responsible for the portion of the upgrade in its Transmission District; and

25.7.12.3.2 The actual cost of the Highway System Deliverability Upgrade project above that paid for by Developers will be funded by Load Serving Entities, using the rate mechanism contained in Schedule 12 of the ISO OATT. Load Serving Entity funding responsibility for the Highway System Deliverability Upgrade will be allocated among Load Serving Entities based on their proportionate share of the ICAP requirement in the statewide capacity market, adjusted to subtract their locational capacity requirements. Provided, however, Load Serving Entities will not be responsible for actual costs in excess of their share of the final Class Year estimated cost of the Highway System Deliverability Upgrade if the excess results from causes, as described in Section 25.8.6.4 of this Attachment S, within the

control of a Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade; or

25.7.12.3.3 If the NYISO triggers a transmission project under the Reliability Planning Process, selects a transmission project under the Short-Term Reliability Process, selects a transmission upgrade under the Public Policy Transmission Planning Process, or results in a Regulated Economic Transmission Project being approved under the Economic Planning Process (collectively “CSPP transmission upgrade”) and the CSPP transmission upgrade requires construction of a transmission facility that provides the same or greater transfer limit capability as the Highway facility identified as a Highway System Deliverability Upgrade to be constructed earlier than would be the case pursuant to Section 25.7.12.3.1, the CSPP transmission upgrade will be constructed as determined in the CSPP or the Short-Term Reliability Process, as applicable. Funds collected from Developers (pursuant to Section 25.7.12.2, above) will be used to cover a portion of the regulated solution costs to the extent that the funds collected from Developers were collected for System Deliverability Upgrades that are actually constructed by the regulated solution. To the extent this is true, these funds originally collected (or posted as Security) for System Deliverability Upgrades will be used as an offset to the total CSPP transmission upgrade cost, with the remainder of the upgrade cost to be allocated per the requirements of the CSPP, as set forth in Section 31.5 of Attachment Y to the ISO OATT, or the Short-Term Reliability Process, as set forth in Section 38.22 of Attachment FF to the ISO OATT.

To the extent funds collected from Developers for System Deliverability Upgrades are insufficient to cover the entire cost of the CSPP transmission upgrades, the Developers' contribution to the System Deliverability Upgrades allocated to the CSPP transmission upgrades will not exceed the Developers' respective Project Cost Allocations for the System Deliverability Upgrade. To the extent funds collected from Developers for System Deliverability Upgrades exceed the cost of the CSPP transmission upgrades, the funds collected for the System Deliverability Upgrades will be allocated to the CSPP transmission upgrade pro rata with the Developers' contribution to the System Deliverability Upgrades, and excess funds or Security for System Deliverability Upgrades above the cost of the CSPP transmission upgrade will be returned to the Developers.

25.7.12.4 If a Developer has accepted its Project Cost Allocation, before construction of an identified System Deliverability Upgrade for a Highway is commenced, if a Developer elects to be retested for deliverability it may request to be placed in the then Open Class Year. The Developer's cost responsibility for System Deliverability Upgrades shall not increase as a result of such retesting. It may decrease or be eliminated. If the Developer's Project is found to be deliverable without the System Deliverability Upgrades previously identified, the Developer's Security posting will be terminated, or the Developer's cash payment will be returned with the interest earned.

25.7.12.5 When the Highway System Deliverability Upgrades are placed in to Commercial Operation and any resulting Incremental TCCs related to the Highway System Deliverability Upgrade become effective in accordance with

Section 19.2.4 of Attachment M of the ISO OATT, a Developer electing to receive its proportionate share of such Incremental TCCs, as further described in Section 25.7.2.2 of this Attachment S, will receive its proportionate share of such Incremental TCCs.

25.7.12.5.1 Load Serving Entities required by this Section 25.7.12 to fund a portion of the costs of a Highway System Deliverability Upgrade will receive the corresponding financial value of any Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade, as further described in Section 25.7.2.2 of this Attachment S. The corresponding financial value of any such Incremental TCCs will be accounted for in determining the applicable Highway Facilities Charge in accordance with Schedule 12 of the ISO OATT. The eligibility of the Load Serving Entities to the financial value of any Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade shall commence as of the date such Incremental TCCs become effective in accordance with Section 19.2.4 of Attachment M to the OATT and continue until the earlier of: (i) the expiration of any such Incremental TCCs; or (ii) the termination of the obligation of the Load Serving Entities to fund a portion of the costs of the Highway System Deliverability Upgrade.

25.7.12.6 As new generators and Class Year Transmission Projects come on line and use the Headroom on System Deliverability Upgrades created by a prior Highway System Deliverability Upgrade, the Developers of those new facilities will

reimburse the prior Developers or will compensate the Load Serving Entities who funded the System Deliverability Upgrades for use of the Headroom created by the prior Developers and Load Saving Entities in accordance with Sections 25.8.7 and 25.8.8 of these rules.

25.7.12.6.1 In accordance with Section 25.7.2.2 of this Attachment S, as subsequent Developers make Headroom payments to prior Developers and if a subsequent Developer elects to receive its proportionate share of any Incremental TCCs related to the Highway System Deliverability Upgrade, such Incremental TCCs will be transferred to the subsequent Developers; provided, however, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Developer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Developer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs.

25.7.12.6.2 In accordance with Section 25.7.2.2 of this Attachment S, as subsequent Developers compensate Load Serving Entities for use of their Headroom by providing any such Headroom payments to the Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade and if a subsequent Developer elects to receive its proportionate share of any Incremental TCCs related to the Highway System Deliverability Upgrade, such Incremental TCCs will be transferred to the subsequent Developer.

25.7.12.7 The Transmission Owner responsible for constructing a System Deliverability Upgrade or a Developer contributing toward the cost of a System

Deliverability Upgrade can elect to construct upgrades that are larger and/or more expensive than the System Deliverability Upgrades identified to support the requested level of CRIS for the Class Year CRIS Project in the Class Year Deliverability Study, provided that those upgrades are reasonably related to the Class Year Project. The party electing to construct the larger upgrade will pay for the incremental cost of the upgrade; i.e., the difference in cost between the cost of the System Deliverability Upgrades as determined by these rules, and the cost of the larger and/or more expensive upgrade.

25.7.12.13 Engineering, Procurement and Construction Agreement for System Deliverability Upgrades

If a System Deliverability Upgrade on the Connecting Transmission Owner's system is cost allocated to a Developer and such Developer accepts its SDU Project Cost Allocation and fund or commits to fund the System Deliverability Upgrade, the Interconnection Agreement among the Developer, Connecting Transmission Owner and ISO will provide for the engineering, procurement and construction of such System Deliverability Upgrade.

If a System Deliverability Upgrade on an Affected System is cost allocated to a Developer and such Developer accepts its SDU Project Cost Allocation and fund or commits to fund the System Deliverability Upgrade, the Developer and Affected System Operator will cooperate with the ISO in development of an Engineering, Procurement and Construction Agreement to provide for the engineering, procurement and construction of the System Deliverability Upgrades on the Affected System.

If a System Deliverability Upgrade is cost allocated to a Developer or multiple Developers and multiple Developers accept their SDU Project Cost Allocation and fund or commit to fund such System Deliverability Upgrades as required by Attachment S, the

Developers, Connecting Transmission Owner(s), and Affected Transmission Owner(s) will cooperate with the ISO in development of an Engineering, Procurement and Construction Agreement to provide for the engineering, procurement and construction of the System Deliverability Upgrades on the Affected System.

The Engineering, Procurement and Construction Agreement shall be consistent with the NYISO's Commission-approved Standard Large Generator Interconnection Agreement located in Appendix 2 to Attachment X of the OATT, modified to address only the engineering, procurement and construction of the System Deliverability Upgrades. The Parties to such agreement will use Reasonable Efforts to complete and execute the agreement, or submit the agreement unexecuted to the Commission, within six (6) months of the ISO's tender of the agreement.

25.8 Project Cost Allocation Decisions

25.8.1 Maximum Requested CRIS and Project Cost Allocation Figures

Starting with the Class Year subsequent to Class Year 2012, each Developer entering a Class Year Study or Expedited Deliverability Study whose Project is not yet In-Service will specify an Interconnection Service evaluation election and provide an updated In-Service Date and Commercial Operation Date (subject to the limitations set forth in Sections 30.3.3.1 and 30.4.4.5 of Attachment X) when it completes a Class Year Study Agreement or Expedited Deliverability Study Agreement. For Large Facilities and Small Generating Facilities that are required to enter a Class Year Study pursuant to Section 32.3.5.3.2 of Attachment Z to the ISO OATT, in the Class Year Study Agreement, must elect to be evaluated for ERIS. Any Project entering a Class Year Study may request CRIS. If the Developer elects to be evaluated for CRIS, the maximum requested MW level of CRIS is as follows:

- (i) if the Class Year Project is a BTM:NG Resource, it can elect to be evaluated for ERIS alone, or both ERIS and some MW level of CRIS, not to exceed its Net ICAP;
- (ii) if the Class Year Project is a Resource with Energy Duration Limitations, the requested MW level of CRIS cannot exceed the minimum of the following: (a) its expected maximum injection capability in MW for the Developer-selected duration; (b) the nameplate capacity of the Project (i.e., injection capability of the Project expressed in MW); or (c) the sum of the Project's requested and existing ERIS, as applicable;
- (iii) if the Class Year Project is a request for External-to-ROS Deliverability Rights, it can request a MW level of CRIS, not to exceed the increase in transfer capability

created by its associated Class Year Transmission Project, as demonstrated in the Project's System Reliability Impact Study.

- (iv) if the Class Year Project is a facility comprised of multiple units of the same or different technology type, the requested MW level of CRIS must be requested at the facility level (i.e., corresponding to the Project as described in the Interconnection Request or revised Interconnection Request, as applicable), subject to the limitations below. The MW level of CRIS for a Project comprised of multiple Generators (e.g., Co-located Storage Resource or single technology facility with multiple units, each proposed to be assigned a single PTID) will be determined at the facility (i.e., Project) level and shall be allocated among the multiple Generators, as requested by Developer (to the extent permissible under Section 25.8.1 of this Attachment S). The Project's CRIS and allocation of CRIS among its units, as applicable, will be specified by ISO in the Class Year Deliverability Study report approved by the ISO Operating Committee. The MW level of CRIS requested by the Developer cannot exceed the minimum of the following: (a) the expected maximum injection capability in MW for the Project as described in the Interconnection Request, as revised if applicable, including all co-located Generators sharing the same injection limit (e.g., entire Distributed Energy Resource, entire Co-located Storage Resource or entire multi-unit single technology resource); provided however, if the Project includes a Resource with Energy Duration Limitation, its expected maximum injection capability in MW is limited by the Developer-selected duration); (b) the nameplate capacity of the Project (i.e., collective injection capability of all units within the proposed Project

expressed in MW); or (c) the sum of facility's requested and existing ERIS, as applicable; and

- (v) If the above subsections do not apply to the Class Year Project, the requested MW level of CRIS cannot exceed the nameplate capacity of the Project.

If the Class Year Project is existing and/or already interconnected taking ERIS, the Class Year Project will be evaluated for a MW level of CRIS specified by the Developer, not to exceed the permissible levels of CRIS that may be requested pursuant to this Section 25.8.1. For existing facilities proposing a modification to add a Generator of the same or different technology co-located at the same Point of Interconnection for which the Developer requests CRIS, the collective CRIS of the resources within what will be the modified facility (*e.g.*, the resulting Co-located Storage Resource or Distributed Energy Resource) cannot exceed the injection limit of the co-located units. For a Project that requests CRIS for part of a multi-unit facility, after combining with another existing or proposed co-located facility, the requested MW level of CRIS for cannot exceed the permissible levels of CRIS that may have been requested pursuant to this Section 25.8.1 for the entire co-located facility.

Based on the Class Year Project's Interconnection Service evaluation elections, on the Annual Transmission Reliability Assessment update of Interconnection System Reliability Impact Study results, and on the results of the Class Year Deliverability Study, ISO staff shall, in accordance with these rules, provide the Developer of each Project included in the then-current Class Year with a dollar figure for its share of the cost of the System Upgrade Facilities required for reliable interconnection of the Project to the New York State Transmission System ("SUF Project Cost Allocation"). The ISO shall also provide each Class Year Developer requesting CRIS with (i) a dollar figure for its share of the cost of the System Deliverability Upgrades

required for the megawatt level of CRIS requested for the Class Year Project (“SDU Project Cost Allocation”), and (ii) the number of megawatts of Installed Capacity, if any, that are deliverable from the Class Year Project with no new System Deliverability Upgrades (“Deliverable MW”). The ISO shall also provide a dollar figure for the total cost of the System Upgrade Facilities and System Deliverability Upgrades required for interconnection of the Class Year Project, as well as a description of the required System Upgrade Facilities and System Deliverability Upgrades, their expected in-service date, and a plan for their installation that is sufficient to verify these dollar figures. The ISO shall also provide a dollar figure for the total cost of all System Upgrade Facilities required by Projects in the Class Year and a dollar figure for the total cost of the System Deliverability Upgrades necessary to support the level of CRIS requested by each Class Year Developer. Each Class Year Developer will be given the Project Cost Allocation(s) and, Deliverable MW, if any associated with its Interconnection Service evaluation election, as soon as practicable prior to the submittal of the Annual Transmission Reliability Assessment and Class Year Deliverability Study to the Operating Committee.

25.8.2 Decision Periods for Class Year Study and Additional Deliverability Study

Within 30 calendar days following (1) approval of the final Annual Transmission Reliability Assessment and Class Year Deliverability Study by the Operating Committee (collectively the “Class Year Study Reports”); or (2) approval of the final SDU Study report by the Operating Committee when such approval is prior to completion of the Annual Transmission Baseline Assessment study cases for the following Class Year Study, (each such 30 calendar day period to be referred to as the “Initial Decision Period” for the respective study), or within 7 calendar days following the ISO’s issuance of a revised Class Year Study report or a revised Additional SDU Study report, as applicable, and accompanying Revised Project Cost Allocation

and revised Deliverable MW report, as defined in and pursuant to Section 25.8.3 (a “Subsequent Decision Period”), if applicable, each Developer shall provide notice to the ISO, in writing and via electronic mail, stating whether it shall accept (an “Acceptance Notice”) or not accept (a “Non-Acceptance Notice”) the Project Cost Allocation(s) and Deliverable MW, if any, reported to it by the ISO for its Class Year Project. A Developer for a Class Year Project that is a multi-unit facility may not submit separate notices for separate portions of the Class Year Project (*e.g.* a Class Year Project that is a Co-located Storage Resource may not submit an Acceptance Notice for one of its resources and a Non-Acceptance Notice for the co-located resource). Failure to notify the ISO by the prescribed deadline as to whether a Developer accepts or rejects its Project Cost Allocation and Deliverable MW, if any, will be deemed a Non-Acceptance Notice. Each Developer may respond with either an Acceptance Notice or a Non-Acceptance Notice to each Project Cost Allocation and Deliverable MW reported to it by the ISO. Starting with Class Year 2012, an Acceptance Notice for Projects not yet In-Service must also include a confirmed In-Service Date and Commercial Operation Date, subject to the limitations set forth in Section 30.4.4.5 of Attachment X. A Developer in its first Class Year Study that requests to be evaluated for CRIS may accept both its SDU Project Cost Allocation and its SUF Project Cost Allocation. Alternatively, that Developer, if it accepts its SUF Project Cost Allocation, may provide a Non-Acceptance Notice for its SDU Project Cost Allocation and at the same time accept, or not accept its Deliverable MW. Or, as another alternative, that same Developer may elect to interconnect taking ERIS by providing an Acceptance Notice only for its SUF Project Cost Allocation. A Developer that accepts an SUF and/or SDU Project Cost Allocation will not be provided with the option to accept a Revised Project Cost Allocation following a Subsequent

Decision Period unless the Revised Project Cost Allocation provides for (1) an increase in the SUF or the SDU Project Cost Allocation; or (2) a decrease in the Developer's Deliverable MW.

A Developer in an Additional SDU Study that has not completed when the Initial Decision Period for the Class Year Study has commenced may, in the Initial Decision Period or Subsequent Decision Period for the Class Year in which the Additional SDU Study was triggered, (1) accept its SUF Project Cost Allocation and proceed with its Additional SDU Study; (2) reject its SUF Project Cost Allocation and be withdrawn from both the Class Year Study and the Additional SDU Study; or (3) wait until the Initial Decision Period that commences pursuant to this Section 25.8.2 upon completion of the Additional SDU Study to provide an Acceptance Notice or Non-Acceptance Notice for its SUF Project Cost Allocation and SDU Project Cost Allocation; provided however, that pursuant to this Section 25.8.2, no Initial Decision Period will be triggered by an Additional SDU Study that is ongoing at the time the ISO completes the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study. The SUF Project Cost Allocation and any deliverable MW identified in the Class Year Study for a Developer in an Additional SDU Study that elects not to accept its SUF Project Cost Allocation with its Class Year, but that elects to wait until the Initial Decision Period that commences pursuant to this Section 25.8.2 upon completion of the Additional SDU Study, will be revised in light of the final Class Year project cost allocation decisions (i.e., the SUF Cost Allocation and deliverable MW, if any, may change between the Initial Decision Period for the Class Year and the Initial Decision Period for the Additional SDU Study).

As soon as practicable following the end of the Initial Decision Period and any Subsequent Decision Period, as applicable, but not later than two (2) business days following the end of such decision period, the ISO shall report to the Operating Committee, all of the

acceptance Notices and Non-Acceptance Notices that were received during that decision period. Starting with Class Year 2012, consistent with Section 30.4.4.5 of Attachment X, for any Project that fails to provide a confirmed In-Service Date and Commercial Operation Date in its Acceptance Notice or that provides a proposed In-Service Date or Commercial Operation Date with its Acceptance Notice that is beyond the time period permissible by Section 30.4.4.5 of Attachment X, the ISO's Interconnection queue will reflect the latest possible permissible date, even if that requires the ISO to reject and modify the proposed In-Service Date or Commercial Operation Date provided in the Class Project's Acceptance Notice. Subsequent modifications to a Project's In-Service Date or Commercial Operation Date are governed by Section 30.4.4.5.2 of Attachment X.

25.8.2.1 If, following the Initial Decision Period or any Subsequent Decision Period, each and every Developer that remains eligible at that time provides Acceptance Notice(s), each Developer must signify its willingness to pay the Connecting Transmission Owner and Affected Transmission Owner(s) for its share of the required System Upgrade Facilities and System Deliverability Upgrades that it accepted by (i) satisfying Headroom payment/security posting obligations, if any, as specified in Section 25.8.7.6 and (ii) paying cash or posting Security (as hereinafter defined) in accordance with these rules, for the full amount of its respective Project Cost Allocation within 5 business days after the end of the Initial Decision Period or Subsequent Decision Period, as applicable. "Security" means a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the Connecting Transmission Owner and Affected Transmission

Owner(s), meeting the requirements of these cost allocation rules, and meeting the respective commercially reasonable requirements of the Connecting Transmission Owner and Affected Transmission Owner(s). Security shall be posted to cover the period ending on the date on which full payment is made to the Connecting Transmission Owner for the System Upgrade Facilities, and the date(s) on which full payment is made to the Connecting Transmission Owner or Affected Transmission Owner(s) for the System Deliverability Upgrades; provided, however, that Security may be posted with a term as short as one year, so long as such Security is replaced no later than 15 business days before its stated expiration. In the event Security is not replaced as required in the preceding sentence, the Connecting Transmission Owner, or an Affected Transmission Owner in the case of Security for System Deliverability Upgrades, shall be entitled to draw upon the Security and convert it to cash, which cash shall be held by the Connecting Transmission Owner or Affected Transmission Owner for the account of the Developer. The round in which no remaining eligible Developers issue a Non-Acceptance Notice or commits a Security Posting Default shall be the final round for that Class Year or Additional SDU Study (the “Final Decision Round”).

25.8.2.2 At the end of the Initial Decision Period or any Subsequent Decision Period, if one or more of the Developers in the Class Year provides Non-Acceptance Notice (such event a “Non-Acceptance Event”), then every Developer in the Class Year shall be relieved of its obligation to pay cash or post Security in connection with that version of its Project Cost Allocation for both System

Upgrade Facilities and System Deliverability Upgrades. In addition, following the Initial Decision Period or any Subsequent Decision Period, if all Developers in the Class Year provide Acceptance Notice under the Class Year Deliverability Study, the ATRA or both, but one or more of the Developers fails to pay cash or post the Security required hereunder (such event a “Security Posting Default”), then the beneficiaries of the payments and Security posted by the Developers that did pay or post Security (e.g., the Connecting Transmission Owners and Affected Transmission Owners) shall surrender the cash and posted Security to the respective Developers immediately. The Connecting Transmission Owners or Affected Transmission Owner(s) shall not make any draws or encumbrances on any cash or posted Security unless and until cash has been paid and Security has been posted by all Developers that issued Acceptance Notices in the Final Decision Round.

25.8.2.3 Following the Initial Decision Period, or any Subsequent Decision Period, if a Non-Acceptance Event or a Security Posting Default shall have occurred with respect to the ATRA, the Developer that provided the Non-Acceptance Notice or committed the Security Posting Default with respect to its SUF Project Cost Allocation will be removed by the ISO from the then current Class Year Study. If a Developer provides an Acceptance Notice and posts the required Security for its SUF Project Cost Allocation, or has done so in a prior Class Year, but provides a Non-Acceptance Notice with respect to its SDU Project Cost Allocation, it may provide an Acceptance Notice for its Deliverable MW and interconnect taking CRIS at that level. If the Developer either (i) provides a Non-Acceptance Notice

with respect to both its SDU Project Cost Allocation and its Deliverable MW, or

(ii) commits a Security Posting Default with respect to its SDU Project Cost Allocation, then that Developer shall be removed from the Class Year Deliverability Study or Additional SDU Study, as applicable, but, if in the Class Year Study, it may continue to participate in the ATRA and interconnect taking ERIS if it provides an Acceptance Notice and posts the required Security for its SUF Project Cost Allocation. The Developer electing to interconnect taking ERIS may later request, any number of times, to enter a Class Year Study or Expedited Deliverability Study and be evaluated for CRIS, subject to the Class Year Study and Expedited Deliverability Study entry requirements set forth in Section 25.5.9 of this Attachment S. The Developer will not be re-evaluated for ERIS. Once evaluated for CRIS in a later Class Year or Expedited Deliverability Study, the Developer may elect to accept either its SDU Project Cost Allocation or its Deliverable MW, or the Developer may provide a Non-Acceptance Notice for both its SDU Project Cost Allocation and its Deliverable MW and continue its interconnection taking ERIS. If the Developer does provide a Non-Acceptance Notice for both its SDU Project Cost Allocation and Deliverable MW and continues taking ERIS, the Developer may later request to enter a Class Year Study or Expedited Deliverability Study, subject to the Class Year Study and Expedited Deliverability Study entry requirements set forth in Section 25.5.9 of this Attachment S, and be evaluated again for CRIS. If, however, a Developer provides a Non-Acceptance Notice or commits a Security Posting Default for its SUF Project Cost Allocation, that Class Year Project shall be removed from both

the ATRA and, if applicable, the Class Year Deliverability Study, and that Developer's Interconnection Request will be processed further in accordance with Section 25.6.2.3 above.

25.8.2.4 Whenever Projects are removed from an Annual Transmission Reliability Assessment, Class Year Deliverability Study, Additional SDU Study, or Expedited Deliverability Study, ISO staff will notify the remaining Developers still included in the Annual Transmission Reliability Assessment, Class Year Deliverability Study, Additional SDU Study, or Expedited Deliverability Study, as applicable.

25.8.3 Revised Study Results

Immediately following receipt of Non-Acceptance Notices for any SDU Project Cost Allocations or SUF Project Cost Allocations or Deliverable MW, or upon the occurrence of a Security Posting Default, the ISO shall update the Class Year Study results or Additional SDU study results for those remaining Developers that continue to be included in the then-current Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as applicable, to reflect the impact of Non-Acceptance Notices and any Security posting Default. The updated Class Year Study or Additional SDU Study, as applicable, shall include updated SUF Project Cost Allocations and updated SDU Project Cost Allocations (each a "Revised Project Cost Allocation") together with a revised Deliverable MW report. The updated Class Year Study shall be issued as soon as practicable, but in no event later than 14 calendar days following the occurrence of the Non-Acceptance Event or the Security Posting Default that necessitated development of the Revised Project Cost Allocations and revised Deliverable MW report. The ISO shall also provide the additional dollar figures relating to total cost for

Developers in the Class Year Study or Additional SDU Study, as applicable, and the related information, described in Section 25.8.1, above. Following the issuance of the revised Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as applicable, and the issuance of Revised Project Cost Allocations and the revised Deliverable MW, each remaining Developer shall provide notice to the ISO within 7 calendar days whether it will accept its respective Revised Project Cost Allocation and revised Deliverable MW.

25.8.4 Completion of Class Year Decision Process

The process set forth in Sections 25.8.2 through 25.8.3 shall be repeated until none of the remaining eligible Developers in the Class Year Study or Additional SDU Study, as applicable, provides a Non-Acceptance Notice or commits a Security Posting Default.

25.8.5 Forfeiture of Security

With the exception of the requirement that cash and Security shall be surrendered back to the issuing Developer in connection with another Developer's Security Posting Default, once a Developer has accepted the Project Cost Allocation(s) or Revised Project Cost Allocation(s) appropriate for its Interconnection Service election, as the case may be, and paid cash and posted Security or posted Security for that amount, such cash payment and Security shall be irrevocable and shall be subject to forfeiture as provided herein in the event that the Developer that paid cash and posted Security or posted the Security subsequently terminates or abandons development of its Project. Any cash and Security previously posted on a terminated Project will be subject to forfeiture to the extent necessary to defray the cost of the System Upgrade Facilities and System Deliverability Upgrades required for the Projects included in the Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as

applicable, but only as described below. Security for System Upgrade Facilities constructed by the Developer (i.e., for which the Developer elects the option to build), shall be reduced after discrete portions of the System Upgrade Facilities have been completed, such reductions to be based on cost estimates from the Class Year Study, subject to review by the Connecting Transmission Owner or Affected Transmission Owner with which Security is posted, and subject to transfer of ownership to the Connecting Transmission Owner or Affected Transmission Owner, as applicable of all subject property, free and clear of any liens, as well as transfer of title and any transferable equipment warranties reasonably acceptable to the Connecting Transmission Owner or Affected Transmission Owner with which Security is posted. For System Upgrade Facilities constructed by the Connecting Transmission Owner or Affected Transmission Owner, Security shall be reduced after discrete portions of the System Upgrade Facilities have been completed by the Transmission Owner and paid for by the Developer, on a dollar-for-dollar basis for payments made to the Connecting Transmission Owner or Affected Transmission Owner pursuant to an E&P Agreement or Interconnection Agreement, subject to the Connecting Transmission Owner's or Affected Transmission Owner's review and approval.

25.8.6 Developer's Future Cost Responsibility

Once a Developer has accepted a Project Cost Allocation or Revised Project Cost Allocation, as the case may be, in the Final Decision Round and paid cash and posted Security or posted Security for that amount, then the accepted figure caps the Developer's maximum potential responsibility for the cost of System Upgrade Facilities and System Deliverability Upgrades required for its Project, except as discussed below.

25.8.6.1 If the portion of the Highway System Deliverability Upgrades required to make the Developer's generator or Class Year Transmission Project deliverable is

less than 90% of the total size of the Highway System Deliverability Upgrade identified for the Developer's Project, and the Developer elects to commit to pay for its proportionate share of the Highway System Deliverability Upgrade by posting Security instead of paying cash, then the Developer's allocated cost of the Highway System Deliverability Upgrade will be increased during the period of construction deferral by application of a construction inflation adjustment, as discussed in Section 25.7.12.2 of these rules. When deferred construction of the Highway System Deliverability Upgrade commences, the Developer will be responsible for actual costs in excess of the secured amount only when the excess results from changes to the operating characteristics of the Developer's Project. If the portion of the System Deliverability Upgrades for a Highway System Deliverability Upgrade required to make one or more generators or Class Year Transmission Projects in a Class Year deliverable is ninety percent (90%) or more of the total size (measured in MW) of the System Deliverability Upgrades, construction is not deferred, and those Developers will be responsible for actual costs in excess of the secured amount in accordance with the rules in Sections 25.8.6.2-25.8.6.4 of this Attachment S.

25.8.6.2 If the actual cost of the Developer's share of required System Upgrade Facilities or System Deliverability Upgrades is less than the agreed-to and secured amount, the Developer is responsible only for the actual cost figure.

25.8.6.3 If the actual cost of the Developer's share of required System Upgrade Facilities or System Deliverability Upgrades would be greater than the agreed-to and secured amount because other Projects have been expanded, accelerated,

otherwise modified or terminated, including Transmission Projects evaluated pursuant to Attachment P to the OATT and their required upgrades, as identified pursuant to Attachment P to the OATT, then the Developer is responsible only for the agreed-to and secured amount for its Project. The additional cost is covered by the Developers of the modified Projects, in accordance with these cost allocation rules, or by the drawing on the cash that has been paid and the Security that has been posted for terminated Projects, depending on the factors that caused the additional cost. Forfeitable cash and Security will be drawn on only as needed for this purpose, and only to the extent that the terminated Project associated with that Security has caused additional cost.

25.8.6.4 If the actual cost of the Developer's share of required System Upgrade Facilities or System Deliverability Upgrades is greater than the agreed-to and secured amount because of circumstances that are not within the control of the Connecting Transmission Owner or Affected Transmission Owner(s) (such as, for example: (i) changes to the design or operating characteristics of the Project that impact the scope or cost of related System Upgrade Facilities or System Deliverability Upgrades; (ii) any costs that were not within the scope of the Class Year Study or Additional SDU Study, as applicable, that subsequently become known as part of the final construction design, including costs related to detailed design studies such as electro-magnetic transient analyses and subsynchronous resonance analyses; or (iii) cost escalation of materials or labor, or changes in the commercial availability of physical components required for construction), the cost cap shall be adjusted by any such amount and the Developer or the Load

Serving Entity will pay the additional costs to the Connecting Transmission Owner or Affected Transmission Owner(s) as such costs are incurred by each of them. However, to the extent that some or all of the excess cost is due to factors within the control of the Connecting Transmission Owner or the Affected Transmission Owner(s) (such as, for example, additional construction man-hours due to Connecting Transmission Owner or the Affected Transmission Owner(s) management, or correcting equipment scope deficiencies due to Connecting Transmission Owner or the Affected Transmission Owner(s) oversights), then that portion of the excess cost will be borne by the Connecting Transmission Owner or the Affected Transmission Owner(s). Disputes between the Developer and the Connecting Transmission Owner concerning costs in excess of the agreed-to and secured amount will be resolved by the parties in accordance with the terms and conditions of their interconnection agreement. Disputes between the Developer and an Affected Transmission Owner will be resolved in accordance with Section 30.13.5 of the LFIP, or Section 32.4.2 of Attachment Z, as applicable.

25.8.7 Headroom Accounting

If, pursuant to these rules, a Developer, Connecting Transmission Owner, Affected Transmission Owner or Load Serving Entity (each an “Entity”) pays for any System Upgrade Facilities or System Deliverability Upgrades, or for any Attachment Facilities or Distribution Upgrades that are later determined to be System Upgrade Facilities or System Deliverability Upgrades, that create “Headroom”, and pays for the Headroom that is created, then that Entity will be paid the depreciated cost of that Headroom by the Developer of any subsequent Project that interconnects and uses the Headroom within the applicable period of time following the

creation of the Headroom, as specified in Section 25.8.7.4.3 herein. The ISO will depreciate Headroom cost in accordance with Section 25.8.7.3 herein.

25.8.7.1 Developers of terminated Projects who have paid for Headroom with forfeited cash or Security instruments, as well as Developers of completed Projects who have paid for Headroom, will be repaid in accordance with these rules.

25.8.7.2 The Developer of the subsequent Project shall pay the prior Entity as soon as the cost responsibilities of the subsequent Developer are determined in accordance with these rules. In the case of Headroom created by Load Serving Entity funding Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT, the Developer of the subsequent Project shall pay the Connecting Transmission Owner, and any Affected Transmission Owner(s), that are receiving or will receive Load Serving Entity funding for the Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT. Upon receipt of the Developer Headroom payment, the Connecting Transmission Owner and any Affected Transmission Owner(s), will make the rate adjustment(s) called for by Section 6.12.4.1.3 of Schedule 12 of the ISO OATT.

25.8.7.3 The ISO will determine the depreciated cost of the System Upgrade Facilities and/or System Deliverability Upgrades associated with the Entity - created Headroom using one of the following two methods:

25.8.7.3.1 In all cases except the case of Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will use the FERC-approved depreciation schedule applied to comparable

facilities by the Connecting Transmission Owner or the applicable Affected Transmission Owner. The ISO will depreciate the Headroom cost annually, starting with the year when the Headroom account is first established.

25.8.7.3.2 In the case of Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will use the FERC-approved depreciation schedule applied to the particular Highway System Deliverability Upgrades by the Connecting Transmission Owner or the applicable Affected Transmission Owner pursuant to Schedule 12 of the ISO OATT. The ISO will depreciate the Headroom cost annually, starting with the year the Highway System Deliverability Upgrade is placed in service. If a Class Year Deliverability Study or Additional SDU Study determines that a Developer in such study uses Headroom on such a Highway System Deliverability Upgrade before the Highway System Deliverability Upgrade has been placed in service, the ISO will calculate the Headroom use payment obligation of the Developer using the undepreciated cost of the Headroom.

25.8.7.4 Entity-created Headroom will be measured by the ISO in accordance with these rules. The use that a subsequent Project makes of Entity -created Headroom will also be measured by the ISO in accordance with these rules.

25.8.7.4.1 In the case of Headroom on System Upgrade Facilities that have an excess functional capacity not readily measured in amperes or other discrete electrical units, the use that each subsequent Project makes of the Entity-created Headroom will be measured solely by using the total number of Projects in the current and prior Class Years needing or using the System Upgrade Facility.

25.8.7.4.1.1 The use that each Project in a subsequent Class Year makes of Headroom on such a System Upgrade Facility will be measured as an amount equal to $(1/b)$, where “b” is the total number of Projects in all prior and current Class Years using the System Upgrade Facility.

25.8.7.4.1.2 Each Developer in a subsequent Class Year that uses Headroom on such a System Upgrade Facility will make a Headroom payment to all prior Developers that have previously made payments for that System Upgrade Facility, both the prior Developers that have previously made Headroom payments and the Developers in the first Class Year that paid for the original installation of the System Upgrade Facility. The amount of the Headroom payment to each prior Developer that each Developer in a subsequent Class Year must make for its use of Headroom on such a System Upgrade Facility will be an amount equal to $c/(b)x(d)$, where “c” is the depreciated cost of the System Upgrade Facility at the time of the subsequent Class Year Study, “b” is the total number of Projects in all prior and current Class Years using the System Upgrade Facility, and “d” is the total number of Projects in all the prior Class Years that have previously made payments for the System Upgrade Facility, both Headroom payments and payments for original installation.

25.8.7.4.2 In the case of System Upgrade Facilities or System Deliverability Upgrades that have an excess capacity readily measured in amperes or other discrete electrical units, the use the subsequent Project makes of the Entity-created Headroom will be measured in terms of the electrical impact of the

subsequent Project, as that electrical impact is determined by the ISO in accordance with these rules.

25.8.7.4.3 The ISO will publish accounts showing the Headroom for each Developer and other Entities, and will update those accounts to reflect the impact of subsequent Projects. With the exception of Headroom on Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will close the Headroom account of an Entity when the electrical values in the account are reduced to zero or when ten years have passed since the establishment of the account, whichever occurs first.

25.8.7.4.3.1 In the case of Headroom on Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will close the Headroom account of the Load Serving Entity when the MW value in the account is reduced to zero, or at the end of the useful financial life of the Highway System Deliverability Upgrades, whichever occurs first.

25.8.7.4.4 If a subsequent Developer uses up all the Headroom of an earlier Entity, and also triggers the need for a new System Upgrade Facility or System Deliverability Upgrade, then the subsequent Developer will pay the Connecting Transmission Owner or Affected Transmission Owner for the new System Upgrade Facility or System Deliverability Upgrade, but will not pay the earlier Entity for the Headroom used up or the account extinguished. However, the earlier Entity will get a new Headroom account and a pro rata share of the Headroom in the new System Upgrade Facility or System Deliverability Upgrade purchased by the subsequent Developer. The economic value of this pro rata

share will be equal to the economic value of the earlier Entity's Headroom account that was extinguished by the subsequent Developer.

25.8.7.5 For Class Years 2001 and 2002, the ISO shall account for Headroom as provided by the Non-Financial Settlement. Developers in Class Year 2002 shall reimburse Class Year 2001 Developers in accordance with the terms of the Non-Financial Settlement.

25.8.7.6 The Developer of the subsequent Project shall pay the prior Entity within the five (5) business day period specified in Section 25.8.2.1 of this Attachment S. Headroom obligations related to a System Upgrade Facility that has been fully constructed must be satisfied by cash payment. Starting with Class Year 2012, all remaining Headroom obligations may be satisfied by a form of "Headroom Security" – a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the prior Entity, meeting the requirements of these cost allocation rules, and meeting the respective commercially reasonable requirements of the prior Entity. Headroom Security shall be posted to cover the period ending on the date on which full payment is made to the prior Entity for the Headroom obligation; provided, however, that Headroom Security may be posted with a term as short as one year, so long as such Headroom Security is replaced no later than fifteen (15) business days before its stated expiration. In the event Headroom Security is not replaced as required in the preceding sentence, the prior Entity shall be entitled to draw upon the Headroom Security and convert it to cash, which cash shall be held by the prior Entity for the account of the Developer.

25.8.8 Headroom Account Adjustments in the ATBA

In addition to the adjustments made by the ISO in Headroom accounts to reflect the impact of subsequent Projects, the ISO will make other adjustments to Headroom accounts when preparing for each Annual Transmission Baseline Assessment. The ISO will make these adjustments to reflect the impact of changes in the Existing System Representation modeled for the Annual Transmission Baseline Assessment that result from the installation, expansion or retirement of generation and transmission facilities for load growth and changes in load patterns. Such changes in the Existing System Representation can also result from changes in these rules or the criteria, methods or, software used to apply these rules.

25.8.8.1 No compensation will be paid as a result of these changes to the Existing System Representation. However, the ISO will adjust the ratios of dollars to electrical values in each Entity's account to maintain the economic value of the Entity's account that existed before the changes were made in the Existing System Representation.

25.8.8.2 The ISO will make no adjustments to Headroom accounts for the impact of subsequent generic solutions, except in those cases where the generic solution is a Class Year Project and the adjustment is made to reflect the impact of the Class Year Project.

25.8.9 Rate Base Facilities

With the exception of Developer use of Headroom created by Load Serving Entity funding of Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT, Developers are not charged for their use of any rate base facilities, except to the degree

applicable as customers taking service in accordance with the rates, if any, that apply to those facilities.

30.1 Definitions

Whenever used in these Large Facility Interconnection Procedures with initial capitalization, the following terms shall have the meanings specified in this Section 30.1. Terms used in these procedures with initial capitalization that are not defined in this Section 30.1 shall have the meanings specified in Section 1 of the ISO OATT, Section 25.1.2 of Attachment S of the ISO OATT, or in Article 2 of the ISO Services Tariff.

Additional SDU Study shall mean a study that a Developer may elect to pursue if the Class Year Deliverability Study identifies the need for a new System Deliverability Upgrade (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study) that requires additional study.

Affected System shall mean an electric system other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Operator shall mean the entity that operates an Affected System.

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachment P, Attachment X, Attachment Z, or Attachment S to the ISO OATT.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority, including but not limited to Environmental Law.

Applicable Reliability Councils shall mean the NERC, the NPCC and the NYSRC.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District, to which the Developer's Large Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Large Facility Interconnection Procedures.

Attachment Facilities shall mean the Connecting Transmission Owner's Attachment Facilities and the Developer's Attachment Facilities. Collectively, Attachment Facilities include all facilities and equipment between the Large Generating Facility or Class Year Transmission Project and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Large Facility to the New York State Transmission System. Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities, Distribution Upgrades, System Upgrade Facilities or System Deliverability Upgrades.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the ISO, Connecting Transmission Owner or Developer; described in Section 30.2.3 of the Large Facility Interconnection Procedures.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

Business Day shall mean Monday through Friday, excluding federal holidays.

Byway shall mean all transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities in Zone J and Zone K are Byways.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday.

Capacity Region shall mean one of four subsets of the Installed Capacity statewide markets comprised of: (1) Rest of State (*i.e.*, Load Zones A through F); (2) Lower Hudson Valley (*i.e.*, Load Zones G, H and I); (3) New York City (*i.e.*, Load Zone J); and (4) Long Island (*i.e.*, Load Zone K), except for Class Year Studies conducted prior to Class Year 2012, for which "Capacity Region" shall be defined as set forth in Section 25.7.3 of Attachment S to the ISO OATT.

Capacity Resource Interconnection Service ("CRIS") shall mean the service provided by the ISO to Developers that satisfy the NYISO Deliverability Interconnection Standard or that are otherwise eligible to receive CRIS in accordance with Attachment S to the ISO OATT; such service being one of the eligibility requirements for participation as an ISO Installed Capacity Supplier.

Class Year shall mean the group of Projects included in any particular Class Year Study (Annual Transmission Reliability Assessment and/or Class Year Deliverability Study), in accordance with the criteria specified in Attachment S and in Attachment Z for including such Projects.

Class Year CRIS Project: A Class Year Project with an executed Class Year Interconnection Facilities Study Agreement entering a Class Year Study for a CRIS evaluation, that thereby becomes one of the group of Class Year Projects included in the Class Year Deliverability Study.

A Class Year CRIS Project may be a “CRIS-only” Project that is entering a Class Year Study only for a CRIS evaluation, or it may be a Project seeking both ERIS and CRIS.

Class Year Deliverability Study shall mean an assessment, conducted by the ISO staff in cooperation with Market Participants, to determine whether System Deliverability Upgrades are required for Class Year CRIS Projects under the NYISO Deliverability Interconnection Standard.

Class Year Interconnection Facilities Study (“Class Year Study”) shall mean a study conducted by the ISO or a third party consultant for the Developer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Standard Large Facility Interconnection Procedures in this Attachment X.

Class Year Interconnection Facilities Study Agreement (“Class Year Study Agreement”) shall mean the form of agreement contained in Appendix 2 of the Large Facility Interconnection Procedures in this Attachment X for conducting the Class Year Study.

Class Year Project shall mean an Eligible Class Year Project with an executed Class Year Study Agreement that thereby becomes one of the group of Projects included in any particular Class Year Study (Annual Transmission Reliability Assessment and/or Class Year Deliverability Study), in accordance with the criteria specified in this Attachment S and in Attachment Z for including such Projects.

Class Year Start Date shall mean the deadline for Eligible Class Year Projects to enter a Class Year Study, determined in accordance with Section 25.5.9 of Attachment S.

Class Year Transmission Project shall mean a Developer’s proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Developer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Developer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection System Reliability Impact Study.

Commercial Operation shall mean the status of a Large Facility that has commenced generating or transmitting electricity for sale, excluding electricity generated or transmitted during Trial Operation.

Commercial Operation Date of a Large Facility shall mean the date on which the Large Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Confidential Information shall mean any information that is defined as confidential by Section 30.13.1 of the Large Facility Interconnection Procedures.

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System or Distribution System at the Point of Interconnection, and (iii) is a Party to the Standard Large Generator Interconnection Agreement.

Connecting Transmission Owner's Attachment Facilities shall mean all facilities and equipment owned, controlled or operated by the Connecting Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Connecting Transmission Owner's Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities.

Contingent Facilities shall mean those Attachment Facilities and System Upgrade Facilities and/or System Deliverability Upgrades associated with Class Year Projects upon which the Large Facility's Class Year Project Cost Allocations are dependent, and if delayed or not built, could impact the actual costs and timing of the Large Facility's Project Cost Allocation for System Upgrade Facilities or System Deliverability Upgrades.

Default shall mean the failure of a Party in Breach of the Standard Large Generator Interconnection Agreement to cure such Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

Developer's Attachment Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Large Generating Facility or Class Year Transmission Project and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Large Generating Facility or Class Year Transmission Project to the New York State Transmission System. Developer's Attachment Facilities are sole use facilities.

Dispute Resolution shall mean the procedure described in Section 30.13.5 of the Large Facility Interconnection Procedures for resolution of a dispute between the Parties.

Distribution System shall mean the Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the ISO's Large Facility Interconnection Procedures in this Attachment X or Small Generator Interconnection Procedures in Attachment Z to the ISO OATT under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Distribution Upgrades shall mean the modifications or additions to the existing Distribution System at or beyond the Point of Interconnection that are required for the proposed Project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Effective Date shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties, subject to acceptance by the Commission, or if filed unexecuted, upon the date specified by the Commission.

Eligible Class Year Project: Any Developer or Interconnection Customer that (1) satisfies the criteria for inclusion in the next Class Year Study, as those criteria are specified in Sections 25.5.9 and 25.6.2.3.1 of Attachment S to the OATT, Section 32.1.1.7 of Attachment Z to the OATT and/or Section 32.3.5.3.2 of Attachment Z to the OATT; or (2) that seeks evaluation in a Class Year Study to obtain or increase CRIS as permitted by Attachment S to the ISO OATT and satisfies the criteria for inclusion in the next Class Year Study specified in Section 25.5.9 of Attachment S to the OATT.

Energy Resource Interconnection Service ("ERIS") shall mean the service provided by the ISO to interconnect the Developer's Large Generating Facility or Class Year Transmission Project to the New York State Transmission System or to the Distribution System, in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive Energy and Ancillary Services from the Large Generating Facility or Class Year Transmission Project, pursuant to the terms of the ISO OATT.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes Connecting Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Environmental Law shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

External CRIS Rights: A determination of deliverability within the Rest of State Capacity Region (*i.e.*, Load Zones A-F), awarded by the ISO for a term of five (5) years or longer, to a specified number of Megawatts of External Installed Capacity that satisfy the requirements set forth in Section 25.7.11 of Attachment S to the ISO OATT, and that can be certified in a Bilateral Transaction used for the NYCA and not a Locality, or sold into the NYCA for an Installed Capacity auction and not in an Installed Capacity auction for a Locality.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully

established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Developer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Developer's Attachment Facilities or Distribution Upgrades.

Generating Facility Capacity shall mean the net seasonal capacity of the Generating Facility and the aggregate net seasonal capacity of the Generating Facility where it includes multiple energy production devices.

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over any of the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Developer, the ISO, Affected Transmission Owner, Connecting Transmission Owner, or any Affiliate thereof.

Hazardous Substances shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "radioactive substances," "contaminants," "pollutants," "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

Highway shall mean 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, and UPNY-ConEd, and their immediately connected, in series, Bulk Power System facilities in New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DFAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones which define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones which define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO Procedures.

Initial Synchronization Date shall mean the date upon which the Large Generating Facility or Class Year Transmission Project is initially synchronized and upon which Trial Operation begins.

In-Service Date shall mean the date upon which the Developer reasonably expects it will be ready to begin use of the Connecting Transmission Owner's Attachment Facilities to obtain back feed power.

Interconnection Request shall mean Developer's request, in the form of Appendix 1 to the Standard Large Facility Interconnection Procedures, in accordance with the Tariff, to interconnect a new Large Generating Facility or Class Year Transmission Project to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Generating Facility or Class Year Transmission Project that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Large Generating Facility, provided the Interconnection Request identifies a single Developer.

Interconnection Study shall mean any of the following studies: the Optional Interconnection Feasibility Study, the Interconnection System Reliability Impact Study, and the Class Year Study described in the Standard Large Facility Interconnection Procedures.

Interconnection System Reliability Impact Study ("SRIS") shall mean an engineering study that evaluates the impact of the proposed Large Generation Facility or Class Year Transmission Project on the safety and reliability of the New York State Transmission System and, if applicable, an Affected System, to determine what Attachment Facilities, Distribution Upgrades and System Upgrade Facilities are needed for the proposed Large Generation Facility or Class Year Transmission Project of the Developer to connect reliably to the New York State Transmission System or to the Distribution System in a manner that meets the NYISO Minimum Interconnection Standard. The scope of the SRIS is defined in Section 30.7.3 of the Large Facility Interconnection Procedures in this Attachment X.

IRS shall mean the Internal Revenue Service.

Large Facility shall mean either a Large Generating Facility or a Class Year Transmission Project.

Large Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW for the production and/or storage for later injection of electricity identified in the Interconnection Request if proposing to interconnect to the New York State Transmission System or Distribution System, but shall not include (i) facilities proposing to simply receive power from the New York State Transmission System or the Distribution System; (ii) facilities proposing to interconnect to the New York State Transmission System or the Distribution System made solely for the purpose of generation with no wholesale sale for resale nor to net metering; (iii) facilities proposing to the New York State Transmission System or the Distribution System made solely for the purpose of net metering; (iv) facilities proposing to interconnect to LIPA's distribution facilities; and (v) the Interconnection Customer's Interconnection Facilities. A facility comprised of multiple Generators will be treated as a single Large Generating Facility if the facility proposed in the Interconnection Request is comprised of

multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

Local System Upgrade Facilities shall mean the System Upgrade Facilities necessary to physically interconnect a proposed Project to the Connecting Transmission Owner's transmission system, consistent with applicable interconnection and system protection design standards. Local System Upgrade Facilities include any electrical facilities required to make the physical connection (*e.g.*, a new ring bus for a line connection or facilities required to create a new bay for a substation connection). Local System Upgrade Facilities also include any system protection or communication facilities that may be required for protection of the Connecting Transmission Owner's transmission facility (line or substation) involved in the interconnection. Local System Upgrade Facilities do not include System Upgrade Facilities required to mitigate any adverse reliability impact(s) of the Project(s) identified through analysis such as power flow, short circuit, or stability (*e.g.*, replacement of a circuit breaker at a nearby substation that becomes overdutied as a result of the Project(s)).

Material Modification shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

Merchant Transmission Facility shall mean a Developer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which the costs of construction will be recovered through negotiated rates instead of cost-based rates and not subject to the competitive evaluation and selection process for purposes of cost allocation under Attachment Y to the ISO OATT. Merchant Transmission Facilities shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Metering Equipment shall mean all metering equipment installed or to be installed at the Large Generating or Class Year Transmission Project pursuant to the Standard Large Generator Interconnection Agreement at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Standard Large Facility Interconnection Procedures, or the Standard Large Generator Interconnection Agreement or its performance.

NPCC shall mean the Northeast Power Coordinating Council or its successor organization.

NYISO shall mean the New York Independent System Operator, Inc.

NYISO Deliverability Interconnection Standard – The standard that must be met, unless otherwise provided for by Attachment S to the ISO OATT, by (i) any generation facility larger than 2MW in order for that facility to obtain CRIS; (ii) any Class Year Transmission Project; (iii) any entity requesting External CRIS Rights, and (iv) any entity requesting a CRIS transfer pursuant to Section 25.9.5 of Attachment S to the ISO OATT. To meet the NYISO Deliverability Interconnection Standard, the Interconnection Customer must, in accordance with

the rules in Attachment S to the ISO OATT, fund or commit to fund any System Deliverability Upgrades identified for its Project in the Class Year Deliverability Study.

NYISO Minimum Interconnection Standard – The reliability standard that must be met by any generation facility or Class Year Transmission Project that is subject to ISO’s Large Facility Interconnection Procedures in this Attachment X to the ISO OATT or the ISO’s Small Generator Interconnection Procedures in Attachment Z, that is proposing to connect to the New York State Transmission System or Distribution System, to obtain ERIS. The Standard is designed to ensure reliable access by the proposed Project to the New York State Transmission System or to the Distribution System. The Standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

Open Class Year shall mean the Class Year open for new members pursuant to the Class Start Date deadline specified in Section 25.5.9 of Attachment S.

Optional Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Large Generating Facility or Class Year Transmission Project to the New York State Transmission System or to the Distribution System, the scope of which is described in Section 30.6 of the Standard Large Facility Interconnection Procedures.

Optional Interconnection System Reliability Impact Study shall mean a sensitivity analysis based on assumptions specified by the Developer in the Optional Interconnection System Reliability Impact Study scope.

Other Interfaces shall mean the following interfaces into Capacity Regions: Lower Hudson Valley [*i.e.*, Rest of State (Load Zones A-F) to Lower Hudson Valley (Load Zones G, H and I)]; New York City [*i.e.*, Lower Hudson Valley (Load Zones G, H and I) to New York City (Load Zone J)]; and Long Island [*i.e.*, Lower Hudson Valley (Load Zones G, H and I) to Long Island (Load Zone K)], and the following Interfaces between the NYCA and adjacent Control Areas: PJM to NYISO, ISO-NE to NYISO, Hydro-Quebec to NYISO, and Norwalk Harbor (Connecticut) to Northport (Long Island) Cable.

Party or Parties shall mean NYISO, Connecting Transmission Owner, or Developer or any combination of the above.

Permissible Technological Advancement shall mean advancements to turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Request, provided that such advancements result in electrical performance that is equal or better than the electrical performance prior to the technological change and do not (i) increase the capability of the Large Facility by more than two (2) megawatts, (ii) change the generation technology or fuel type of the Large Facility, (iii) have a material adverse impact on the New York State Transmission System or Distribution System, and (iv) degrade the electrical characteristics of the generating equipment proposed in the Interconnection Request (*e.g.*, the ratings, impedances, efficiencies, capabilities, and performance of the equipment under steady state and dynamic conditions).

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Developer's Attachment Facilities connect to the Connecting Transmission Owner's Attachment Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Attachment Facilities connect to the New York State Transmission System or to the Distribution System.

Project: The proposed facility as described in a single Interconnection Request, to the extent permitted by Attachments X or Z to the ISO OATT, as applicable. For facilities not subject to the ISO's Large Facility Interconnection Procedures in Attachment X to the ISO OATT or Small Generator Interconnection Procedures in Attachment Z to the ISO OATT, the Project refers to the facility as described in a single Class Year Study Agreement or Expedited Deliverability Studies Agreement, to the extent permitted by Attachment S to the ISO OATT.

Provisional Interconnection Service shall mean interconnection service provided by the ISO associated with interconnecting the Developer's Large Facility to the New York State Transmission System (or Distribution System as applicable) and enabling the transmission system to receive electric energy from the Large Facility at the Point of Interconnection, pursuant to the terms of the Provisional Large Facility Interconnection Agreement and, if applicable, the ISO OATT.

Provisional Large Facility Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between the ISO, Connecting Transmission Owner(s) and the Developer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes and type of facility.

Queue Position shall mean the order of a valid Interconnection Request, Study Request, or Transmission Interconnection Application relative to all other such pending requests, that is established based upon the date and time of receipt of the valid request by the ISO, unless specifically provided otherwise in an applicable transition rule set forth in Attachment P, Attachment X or Attachment Z to the ISO OATT.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Facility Interconnection Procedures or Standard Large Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Developer, the ISO and Connecting Transmission Owner conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

Services Tariff shall mean the NYISO Market Administration and Control Area Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff thereto.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Large Generating Facility or Class Year Transmission Project; (2) an option to purchase or acquire a leasehold site for such purpose; or (3) an exclusivity or other business relationship between Developer and the entity having the right to sell, lease or grant Developer the right to possess or occupy a site for such purpose.

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that are not part of an Affected System that a Developer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. The ISO, the Connecting Transmission Owner and the Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If the ISO, the Connecting Transmission Owner and the Developer disagree about whether a particular System Upgrade Facility is a Stand Alone System Upgrade Facility, the ISO and the Connecting Transmission Owner must provide the Developer a written technical explanation outlining why the ISO and the Connecting Transmission Owner does not consider the System Upgrade Facility to be a Stand Alone System Upgrade Facility within fifteen (15) days of its determination.

Standard Large Facility Interconnection Procedures (“Large Facility Interconnection Procedures” or “LFIP”) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility or Class Year Transmission Project that are included in this Attachment X of the ISO OATT.

Standard Large Generator Interconnection Agreement (“LGIA”) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility, that is included in this Attachment X of the ISO OATT.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System that are required for the proposed Project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard for Capacity Resource Interconnection Service.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to (1) protect the New York State Transmission System from faults or other electrical disturbances occurring at the Large Generating Facility or Class Year Transmission Project and (2) protect the Large Generating Facility or Class Year Transmission Project from faults or other electrical system disturbances occurring on the New York State Transmission System or on other delivery systems or other generating systems to which the New York State Transmission System is directly connected.

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with good utility practice and Applicable Reliability Requirements, to make the modifications to the existing transmission

system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; and (ii) proposed interconnections. In the case of proposed interconnections, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed Project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Tariff shall mean the NYISO Open Access Transmission Tariff (“OATT”), as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Trial Operation shall mean the period during which Developer is engaged in on-site test operations and commissioning of the Large Generating Facility or Class Year Transmission Project prior to Commercial Operation.