

### **23.8 Generator-Specific Mitigation Measure**

The following mitigation measure only applies to the Saranac, Sterling and Batavia Generators.

If provisions 1 and 2 below are met, when calculating a daily Bid Production Cost guarantee for a New York Control Area Generator that is located outside the New York City Constrained Area, the ISO shall substitute a reference level (determined in accordance with Attachment H to the Services Tariff) for each Bid or component of a Bid for which the applicable threshold specified in provisions 3(a) through 3(e) below is exceeded:

1. the Generator was committed to protect or maintain New York Control Area or local system reliability as a Day-Ahead Reliability Unit (“DARU”) or via a Supplemental Resource Evaluation (“SRE”), or was committed as a DARU or via SRE and is also dispatched Out-of-Merit to protect or maintain New York Control Area or local system reliability; and
2. the Supplier that owns or offers the Generator is the only Supplier that can, or is the Supplier that has been designated to, solve the reliability need for which the Generator was committed or dispatched; and
3. the Bids or Bid components submitted for the Generator that were accepted to protect or maintain New York Control Area or local system reliability:
  - a. exceeded the Generator’s Minimum Generation Bid reference level by the greater of 10% or \$10/MWh, or
  - b. exceeded the Generator’s Incremental Energy Bid reference level by the greater of 10% or \$10/MWh, or
  - c. exceeded the Generator’s Start-Up Bid reference level by 10%, or

- d. exceeded the Generator's minimum run time reference level by more than one hour, or
- e. exceeded the Generator's minimum generation MW reference level by more than 10%.

#### **23.8.1 Overlap with Other Mitigation Measures.**

A Generator that is subject to this mitigation measure remains subject to the other provisions of these Mitigation Measures. This mitigation measure shall not be applied to mitigate a Bid or Bid component that has already been mitigated in accordance with a different Mitigation Measure.

#### **23.8.2 Notice of Intent to Apply This Mitigation Measure to Bids Submitted for Other Generators.**

The ISO shall send an electronic copy of its filing proposing to apply this mitigation measure to Bids submitted for a Generator other than Saranac, Sterling or Batavia to the Market Party that is identified as being financially responsible for that Generator in the ISO's settlement systems.

#### **23.8.3 Consultation Regarding Proposed Mitigation.**

The ISO shall electronically inform the Market Party that is identified as being financially responsible for a Generator in the ISO's settlement systems each time it determines that a Bid, or Bids, or Bid components submitted for the Generator may be subject to mitigation under this Rate Schedule. The ISO's notification shall be issued within 10 business days of the relevant market day, and shall identify the particular day(s) and Bid(s) or Bid component(s) that the ISO is proposing to mitigate. Following the ISO's identification of Bids or Bid components

that are potentially subject to mitigation, the ISO and the Market Party shall follow the consultation process and timeline set forth in Section 23.3.3.3.1 of these Mitigation Measures.

The permissible bases for challenging, or requesting a modification to mitigation applied in accordance with this Rate Schedule shall be that (a) the costs associated with operating the Generator exceeded the reference level that the ISO employed when determining the mitigation, or (b) the ISO made a mathematical error when determining that mitigation was appropriate or in calculating the settlement impact of a mitigation.