

Attachment II

30.4 Queue Position

30.4.1 General

The NYISO shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and the Developer provides such information in accordance with Section 30.3.3.3, then the NYISO shall assign the Developer a Queue Position based on the date the application form was originally filed. The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies. A higher queued Interconnection Request is one that has been placed “earlier” in the queue in relation to another Interconnection Request that is lower queued.

30.4.2 Clustering

At NYISO’s option, Interconnection Requests may be studied serially or in clusters for the purpose of the Interconnection System Reliability Impact Study.

Clustering shall be implemented on the basis of Queue Position. If the NYISO elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the “Queue Cluster Window” shall be studied together. Deadlines for completing all Interconnection System Reliability Impact Studies for which an Interconnection Study Agreement has been executed during a Queue Cluster Window shall be in accordance with Section 30.7.4, for all Interconnection Requests assigned to the same Queue Cluster Window. The NYISO may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Facility.

Clustering Interconnection System Reliability Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the New York State Transmission System capabilities at the time of each study.

The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on the NYISO's OASIS beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.

30.4.3 Transferability of Queue Position

A Developer may transfer its Queue Position to another entity only if such entity acquires the specific Large Facility identified in the Interconnection Request and the Point of Interconnection does not change. As a result of such a transfer, the acquiring entity shall become the Developer of the specific Large Facility identified in the Interconnection Request.

30.4.4 Modifications

The Developer shall submit to the NYISO, in writing, modifications to any information provided in the Interconnection Request. The Developer shall retain its Queue Position if the modifications are permitted in accordance with Sections 30.4.4.1, 30.4.4.2, 30.4.4.5 or 30.4.4.6, or are determined not to be Material Modifications pursuant to Section 30.4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either the Developer or the NYISO or Connecting Transmission Owner may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the New York State Transmission System to accommodate the

Interconnection Request. To the extent the identified changes are acceptable to the NYISO, Connecting Transmission Owner and Developer, such acceptance not to be unreasonably withheld, NYISO shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with Section 30.6.4, Section 30.7.6 and Section 30.8.5 as applicable and Developer shall retain its Queue Position.

30.4.4.1 Prior to the return of the executed Interconnection System Reliability Impact Study Agreement to the NYISO, modifications permitted under this section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Large Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of study analysis.

30.4.4.2 Prior to the return of the executed Interconnection Facility Study Agreement to the NYISO, the modifications permitted under this section shall include specifically: (a) additional 15 percent decrease of electrical output (MW), (b) Large Facility technical parameters associated with modifications to Large Facility technology and transformer impedances; and (c) a reduction in the number of MWs the Developer requests to be evaluated for CRIS; provided, however, the incremental Interconnection Study costs associated with those modifications are the responsibility of the requesting Developer.

30.4.4.3 Prior to making any modification other than those specifically permitted by Sections 30.4.4.1, 30.4.4.2, 30.4.4.5 and 30.4.4.6, Developer may first request that the NYISO evaluate whether such modification is a Material Modification. In response to Developer's request, the NYISO shall evaluate the proposed modifications prior to making them and inform the Developer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection except those deemed acceptable under Section 30.4.4.1, 30.6.1, 30.7.2 or so allowed elsewhere shall constitute a Material Modification. The Developer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

30.4.4.4 Upon receipt of Developer's request for modification permitted under this Section 30.4.4, the NYISO shall commence and perform any necessary additional studies as soon as practicable, but in no event shall the NYISO commence such studies later than thirty (30) Calendar Days after receiving notice of Developer's request. Any additional studies resulting from such modification shall be done at Developer's cost.

30.4.4.5 Extensions of the proposed Commercial Operation Date will not be Material Modifications if:

30.4.4.5.1 The proposed Commercial Operation Date is within four (4) years from the following date:

30.4.4.5.1.1 For all Large Facilities and for Small Generating Facilities subject to Attachment S, the date the Developer and all other Developers remaining in the

Class Year post security as part of a Class Year Interconnection Facilities Study
(i.e., completion of the Class Year).

30.4.4.5.1.2 For Small Generating Facilities not subject to Attachment S, the date the
NYISO tenders the SGIA to the Interconnection Customer.

30.4.4.5.2 Developer may request an extension of its Commercial Operation Date
beyond the limit specified in Section 30.4.4.5.1. Such request will not be a
Material Modification only if the following conditions have been met:

30.4.4.5.2.1 Developer must have an executed Interconnection Agreement for the
project or have an unexecuted Interconnection Agreement jointly filed at FERC
by the NYISO and Connecting Transmission Owner; and

30.4.4.5.2.2 Developer must demonstrate (via an Officer certification) that it has made
reasonable progress against milestones set forth in the Interconnection Agreement
(e.g., completion of engineering design, major equipment orders, commencement
and continuation of construction of the Large Facility and associated System
Upgrade Facilities, as applicable). If Developer has requested an unexecuted
Interconnection Agreement be filed with FERC, Developer must meet this
requirement within sixty (60) days of a FERC Order on the unexecuted
Interconnection Agreement.

30.4.4.5.3 For projects in the NYISO ~~I~~nterconnection ~~Q~~ueue that as of February
18, 2013 have accepted Project Cost Allocations and posted Security for System
Upgrade Facilities from the final round of a Class Year Interconnection Facilities
Study, the following criteria must be satisfied with respect to the proposed
Commercial Operation Date:

30.4.4.5.3.1 The project's proposed Commercial Operation Date posted on the NYISO interconnection queue as of February 18, 2013 must be within the limit specified in Section 30.4.4.5.1; or

30.4.4.5.3.2 The project's proposed Commercial Operation Date posted on the NYISO interconnection queue as of February 18, 2013 must have been ~~re~~viewed by the NYISO and determined not to be a Material Modification prior to February 18, 2013; or

30.4.4.5.3.3 If the project's proposed Commercial Operation Date posted on the NYISO interconnection queue as of February 18, 2013 is beyond the limit specified in Section 30.4.4.5.1 and the project has not satisfied Section 30.4.4.5.3.~~1~~2, the following conditions must be satisfied or the project will be withdrawn from the NYISO ~~I~~nterconnection queue:

30.4.4.5.3.3.1 Within sixty (60) days of February 18, 2013, Developer must either (1) have an executed Interconnection Agreement for the project; or (2) have an unexecuted Interconnection Agreement jointly filed at FERC by the NYISO and Connecting Transmission Owner; and

30.4.4.5.3.3.2 Within sixty (60) days of execution of an Interconnection Agreement or a FERC Order on an unexecuted Interconnection Agreement, as applicable, Developer must demonstrate (via an Officer certification) that it has made reasonable progress against milestones set forth in the Interconnection Agreement (*e.g.*, completion of engineering design, major equipment orders, commencement and continuation of construction of the Large Facility and associated System Upgrade Facilities, as applicable).

30.4.4.5.3.24 For a project that is subject to Section 30.4.4.5.3, Subsequent requests for an extension of the project's Commercial Operation Date (i.e., requests submitted to the NYISO after February 18, 2013) ~~beyond the limit specified in Section 30.4.4.5.1~~ will not be a Material Modification only if Developer satisfies the requirements set forth in Section 30.4.4.5.2 ~~demonstrates (via an Officer certification) that it has made reasonable progress against milestones set forth in the Interconnection Agreement (e.g., execution of an Engineering and Procurement Agreement, completion of engineering design, major equipment orders, commencement and continuation of construction of the Large Facility and associated System Upgrade Facilities, as applicable).~~

30.4.4.5.4 Prior to the expiration of the proposed Commercial Operation Date or In-Service Date posted on the NYISO interconnection queue, as applicable,

Developer is obligated to provide the NYISO with notice of any proposed extensions of proposed In-Service Date or proposed Commercial Operation Date, as applicable, as soon as it becomes apparent to Developer that the most recent proposed In-Service Date or proposed Commercial Operation Date ~~submitted to the NYISO~~ posted on the NYISO's interconnection queue is infeasible ~~and in no case may Developer provide notice of a change in proposed In-Service Date or proposed Commercial Operation Date after the proposed In-Service Date or proposed Commercial Operation Date reflected in the NYISO's Interconnection Queue.~~

30.4.4.6 Any increase by the Developer, when it executes the Class Year Interconnection Facilities Study Agreement, in the number of MWs of Installed

Capacity that it previously requested to be evaluated for CRIS shall constitute a Material Modification. Any decrease in the number of MWs the Developer requests, pursuant to Section 25.7.7.1 of Attachment S to the OATT, to be evaluated for CRIS after it executes the Class Year Interconnection Facilities Study Agreement, shall not constitute a Material Modification.