



Manual 4

Installed Capacity Manual

Issued: September, 2019

4.4.5. (This Section intentionally left blank)

4.4.6. Intermittent Power Resources

Intermittent Power Resources shall report to the NYISO data pertaining to their net dependable Capacity, actual generation, maintenance outage hours, planned outage hours, and other information as may be reasonably requested by the NYISO, such as the location and name of the Intermittent Power Resource, so that such data and information is received by the NYISO no later than the 20th day of each month. Intermittent Power Resources shall report actual operating data pertaining to the previous month on or before the 20th day of each month and in accordance with [Attachment K](#) of this *ICAP Manual*. For example, data from Intermittent Power Resources shall be received on or before May 20 pertaining to their operations during the month of April.

4.4.7. Special Case Resources (Section 4.12 of this *ICAP Manual*)

RIPs shall report the performance data of each individual SCR directly into the DRIS, as specified in Section 4.12.4.8, each time the SCR is called upon to operate, using an import file formatted as specified in the *NYISO Demand Response Information System User's Guide* (available from the NYISO Web site at <https://www.nyiso.com/manuals-tech-bulletins-user-guides>).

4.4.7.1. Reporting of SCR Operating Data

The NYISO will treat the SCR-specific operating data that is received by the NYISO as confidential Transmission System Information and shall provide copies of such resource-specific (disaggregated) operating data to the transmission function of the Transmission Owner in whose transmission district the SCR is located in accordance with Section 4.0 of the NYISO's Code of Conduct (Attachment F to the *NYISO OATT*).

4.4.8. Municipally Owned Generation

Municipally owned generation shall report to the NYISO GADS Data or data equivalent to GADS Data pertaining to the previous month so that it is received by the NYISO no later than the 20th day of each month. For example, municipally owned generation shall report to the NYISO, which must be received by the NYISO on or before May 20, data equivalent to GADS Data pertaining to their operations during the month of April.

4.4.9. Resources Capable of Supplying Unforced Capacity in New York

This subsection applies to Resources that (1) have not previously been in operation in the NYCA, (2) are not subject to the requirements of Subsection [4.4.1](#) through Subsection [4.4.8](#) of this *ICAP Manual*, and (3) want to supply Unforced Capacity to the NYCA in the future.

No later than the tenth (10th) day of the month preceding the month when a Resource wants to supply Unforced Capacity to the NYCA, the NYISO must receive from a Resource the appropriate Operating Data pertaining to its operations over the previous 17 months, if it was in operation. A Resource that wants to continue to supply Unforced Capacity in the NYCA immediately thereafter shall report the appropriate Operating Data, and such data must be received by the NYISO on or before 5:00:00 P.M. on the twentieth (20th) day of each month.

For example, a Resource that wants to supply Unforced Capacity during the month of July 2008, must report to the NYISO Operating Data pertaining to January 2007 to May 2008, inclusively, so that the NYISO receives such data on or before 5:00:00 P.M. on June 10. Thereafter, the NYISO must receive the Resource's Operating Data in accordance with Subsections [4.4.1](#) through [4.4.8](#) of this *ICAP Manual*, as applicable.

If an Installed Capacity Supplier intends to request rights to import Installed Capacity from a neighboring control area (as defined by and in accordance with this *ICAP Manual*, "Import Rights") in accordance with this *ICAP Manual*, the NYISO must receive the results of an appropriate demonstration test of the Resource (i.e., DMNC test data) and Operating Data pertaining to its operations covering at least the previous 17 months, if it was in operation, as prescribed by this *ICAP Manual*, and in the above paragraph, no later than 5:00:00 P.M. at least seven (7) business days before such Import Rights are to be requested.

4.4.10. Resources not in Operation for the Past 17 Months

A Resource that is required to report GADS Data or data equivalent to GADS Data that was not in operation for the past 17 months and that wants to qualify as an Installed Capacity Supplier shall report monthly Operating Data so that the NYISO receives it no later than 5:00:00 P.M. on thirtieth (30th) day after that Resource commenced commercial operation, in accordance with Subsections [4.4.1](#) through [4.4.8](#) of this *ICAP Manual*, as applicable.

4.4.11. Temporary Interruption in Availability

If a Generator in an otherwise operational state at the time of notice (that is, not otherwise forced out) does not sell or certify its Unforced Capacity (UCAP) on a temporary basis (i.e., elects

not to participate in the UCAP Market or is not successful in selling its UCAP at auction or in a bilateral transaction), such interruption in availability of UCAP shall be taken on a monthly basis and may be treated for purposes of calculating the Equivalent Demand Forced Outage Rate (EFORd) for that unit as a maintenance outage with prior notification to the NYISO. If the Generator elects to bid the unit into the NYISO energy markets during such period, all such service hours and forced outage hours shall be included in the computation of the unit's EFORd, but periods where the unit is not selected may be reported as Reserve Shutdown Hours, as defined in [Attachment J](#).

4.4.12. Generating Units that are Retired, Mothballed, in Inactive Reserves or in a Forced Outage or ICAP Ineligible Forced Outage

With the effective date of Section 5.18 of the Services Tariff, the NYISO Services Tariff defines five outage states; Inactive Reserve (IR), Mothballed (MB) or Retired (RU), ICAP Ineligible Forced Outage and Forced Outage. The outage states of Inactive Reserves, Mothball and Retired are considered to be "Inactive states". A Resource that is a Generator that is in an Inactive state or in an ICAP Ineligible Forced Outage is not qualified to participate in the NYISO Installed Capacity Market. A Market Participant that has a Generator defined to be in an Inactive state, ICAP Ineligible Forced Outage or Forced Outage state shall be required to comply with all requirements detailed in Section 5.18 of the NYISO Services Tariff as of the effective date of those requirements including, for purposes of this Manual, reporting requirements.

A Generator beginning a Forced Outage on or after the effective date of Section 5.18 of the Services Tariff shall have its Forced Outage expire on the last day of the month which contains the 180th day of its Forced Outage unless the Generator has Commenced Repair in accordance with Section 5.18 of the Services Tariff. Generators that have Commenced Repair may remain in the ICAP market in a Forced Outage state provided the repairs have not ceased or been unreasonably delayed. The Forced Outage of a Generator that Commenced Repair shall terminate on the last day of the month containing the date that the repairs ceased or were unreasonably delayed and the Generator shall be placed in an ICAP Ineligible Forced Outage.

A Generator whose Forced Outage has expired or been terminated shall be placed in an ICAP Ineligible Forced Outage on the day following the day its Forced Outage expired or was terminated.

A unit in an ICAP Ineligible Forced Outage shall report its status as a Forced Outage in its GADS Data submitted to the NYISO.

A Generator may voluntarily reclassify itself from a Forced Outage to an ICAP Ineligible Forced Outage if the Generator has been in a Forced Outage for at least sixty (60) days. Such Generator

shall begin its ICAP Ineligible Forced Outage on the first day of the month following the month in which it voluntarily reclassified its outage.

A Generator in an ICAP Ineligible Forced Outage or in a Mothball Outage shall be Retired if either the CRIS rights for the unit have expired or if the unit has been in an ICAP Ineligible Forced Outage or Mothball Outage for 36 consecutive months in accordance with Section 5.18 of the NYISO Services Tariff unless the tolling provisions of Sections 5.18.2.3.2 or 5.18.3.3.2 apply. A Generator in an ICAP Ineligible Forced Outage or in a Mothball Outage that has qualified for and is in a tolling period pursuant to the provisions of Sections 5.18.2.3.2 or 5.18.3.3.2 , respectively, shall be Retired on the earlier of i) 120 days from the date the outage would have otherwise expired or an ii) NYISO determination that the repairs have ceased or been unreasonably delayed.

A Generator in an Inactive Reserve state is unavailable for service for a limited period of time not to exceed six months for reasons that are not equipment related and that do not meet the criteria for classification of the Generator as in any other outage. This does not include units that may be idle because of equipment failure or reserve shutdown. A unit that is unavailable for reasons that are equipment related should be on a forced, maintenance or planned outage and remain on that outage until the proper repairs are completed and the unit can operate. With the effective date of Section 5.18 of the Services Tariff, Generators in Inactive Reserves are ineligible to participate in the ISO Installed Capacity market.

4.4.13. Units that have taken substantial actions inconsistent with an intention to Operate

With the effective date of Section 5.18 of the Services Tariff, a unit that has taken substantial actions inconsistent with an intention to return the Generator to operations and the Energy market shall be in an ICAP Ineligible Forced Outage as of the day following the day such actions began. Substantial actions inconsistent with an intention to return the Generator to operations and the Energy market include dismantling or disabling essential equipment without an active replacement plan. ICAP ineligibility continues until the actions taken that were inconsistent with an intention to return the Generator to operations and the Energy market have ceased and the generator demonstrates it has returned to the market.

4.5. Calculation of the Amount of Unforced Capacity each Resource may Supply to the NYCA (Section 5.12.6.2 NYISO Services Tariff)

(a) Definitions

For purposes of Sections 4.5 and 4.5.1:

“Solar Farm” means a collection of solar installations with its electrical output metered at the interconnection with the NYCA Transmission System and which metering determines the Solar Farm’s delivery to the NYCA.

(b) Calculation Procedure

The NYISO will calculate the amount of Unforced Capacity that Resources are qualified to supply to the NYCA for each Capability Period. The Unforced Capacity methodology estimates the probability that a Resource will be available to serve Load, taking into account forced outages and forced deratings. To evaluate this probability, the NYISO will use the Operating Data submitted by each Resource in accordance with Section [4.4](#) of this *ICAP Manual*, and the mathematical formulae included in [Attachment J](#) of this *ICAP Manual*. The value (termed "CRIS-adjusted DMNC") used in determining the ICAP equivalent of the Unforced Capacity will be the smaller of the then currently-effective DMNC rating or the CRIS value, as applicable. Unforced Capacity values will remain in effect for the entire Capability Period, except in cases where corrections to historical data are necessary.

A Generator returning to the market after being in Inactive Reserves or before its Mothball Outage or ICAP Ineligible Forced Outage has expired that returns with modifications to its operating characteristics determined by the NYISO to be material, and which, therefore, require the submission of a new Interconnection Request will receive, as the initial derating factor for calculation of the Generator’s Unforced Capacity upon its return to service, the derating factor it would have received as a newly connected unit in lieu of a derating factor developed from unit-specific data.

A Generator returning to the market after being in an Inactive Reserves or before its Mothball Outage or ICAP Ineligible Forced Outage has expired that, upon its return, uses as its primary fuel a fuel not previously used at the facility for any purpose other than for ignition purposes will receive, as the initial derating factor for calculation of the Generator’s Unforced Capacity upon its return to service, the NERC class average derating factor in lieu of a derating factor developed from unit-specific data even if the modifications to allow use of a new primary fuel are not material and do not require the submission of a new Interconnection Request.

For each Capability Period, the NYISO will base the amount of Unforced Capacity a generating Resource is qualified to supply on the average of EFORD values calculated for that Resource covering the 12-month periods ending in January, February, March, April, May and June for the subsequent Winter Capability Period and the average of EFORD calculations for that Resource

covering the 12-month periods ending in July, August, September, October, November and December for the subsequent Summer Capability Period. Detailed procedures for calculating the 12-month EFORD values are described in [Attachment J](#) of this *ICAP Manual*. Such EFORD values shall be for the same interval used to determine the Minimum Installed Capacity Requirement to Minimum Unforced Capacity Requirement translation for a given Capability Period, as noted in Sections [2.5](#) and [2.6](#) of this *ICAP Manual*. For a Generator in Inactive Reserves, a Mothball Outage or an ICAP Ineligible Forced Outage that started on or after the effective date of Section 5.18 of the Services Tariff and that precluded its eligibility to participate in the Installed Capacity market at any time during any month from which GADS or other operating data would otherwise be used to calculate an individual Equivalent Demand Forced Outage Rate, the ISO shall replace such month's GADS or other operating data with GADS or other operating data from the most recent prior month in which the Generator was not in an outage state that precluded its eligibility to participate in the Installed Capacity market.

For Special Case Resources, Unforced Capacity values will be based on two successive seasonal performance factors of each individual Special Case Resource as described in Section [4.12](#) of this *ICAP Manual*.

The NYISO shall compute the amount of Unforced Capacity that each Limited Control Run-of-River Hydro Resource is authorized to provide in the NYCA separately for Summer and Winter Capability Periods. The amount for each Capability Period shall be equal to the rolling average of the hourly net Energy provided by each Limited Control Run-of-River Hydro Resource during the twenty (20) highest NYCA-integrated real-time load hours in each of the five (5) previous Summer or Winter Capability Periods, as appropriate, stated in megawatts. For a Limited Control Run-of-River Hydro Resource in an outage state that started on or after the effective date of Section 5.18 of the NYISO Services Tariff and that precluded its eligibility to participate in the Installed Capacity market during one of the 20 highest NYCA integrated real-time load hours in any one of the five previous Summer or Winter Capability Periods, the ISO shall replace the 20 highest NYCA integrated real-time load hours from that Winter or Summer Capability Period, as appropriate, with the 20 highest NYCA integrated real-time load hours from the next most recent Winter or Summer Capability Period such that the rolling average of the hourly net Energy provided by each such Resource shall be calculated from the 20 highest NYCA integrated real-time load hours in the five most recent prior Summer or Winter Capability Periods in which the Resource was not in an outage state that precluded its eligibility to participate in the Installed Capacity market on one of the 20 highest NYCA integrated real-time load hours in that Capability Period.

Intermittent Power Resource Unforced Capacity values will have Unforced Capacity values based on seasonal performance factors calculated in accordance with section 4.5.1 of this *ICAP Manual*. Unforced Capacity from an Intermittent Power Resource for the summer capability period shall be based on the average production during the 14:00 to 18:00 hours for the months of June, July and August during the Prior Equivalent Capability Period. Unforced Capacity from an Intermittent Power Resource for the winter Capability Period shall be based on the average production during the 16:00 to 20:00 hours for the months of December, January, and February during the Prior Equivalent Capability Period. This calculation shall not include hours in any month that the Intermittent Power Resource was in an outage state that started on or after the effective date that precluded its eligibility to participate in the ICAP market in accordance with section 5.12.6.1 of the NYISO Services Tariff.

Initial Unforced Capacity values for new generating Resources will be based on NERC class average EFORD values for Resources of the same type. If no NERC class average exists, the NYISO will estimate a class average using capacity values for Resources of the same type currently providing capacity in the NYISO market; provided however, that for a new Intermittent Power Resource that depends upon wind as fuel, the initial Unforced Capacity value (which is to be measured as the amount of capacity it can reliably provide during system peak Load hours) will be the product of the applicable Unforced Capacity percentage in the Table shown below and that resource’s DMNC value (nameplate rating net of station power). The Unforced Capacity percentages set forth below are taken from the Report on Phase II System Performance Evaluation “The Effects of Integrating Wind Power on Transmission System Planning, Reliability, and Operations” prepared by GE Energy, March 4, 2005.

Unforced Capacity values for BTM:NG Resources are net values (i.e., Generation - Load), and will be based on two separate derating factors: (1) the EFORD for the Generator of BTM:NG Resource, as described in this section above, and (2) the NYCA Translation factor as described in Section 2.5 of this ICAP Manual. Detailed procedures for calculating the Unforced Capacity values are described in Section 4.15.3.2 of this *ICAP Manual*.

Unforced Capacity Percentage – Wind			
	Zones A through J	Zone K (land-based)	Zone K (off-shore)
Summer	10%	10%	38%

Winter	30%	30%	38%
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For a new Intermittent Power Resource that is a Solar Farm, the Unforced Capacity value shall be equal to the product of (a) the Summer or Winter Unforced Capacity percentage for the Solar Farm based on the characteristics at the time the Unforced Capacity value is determined using the Tables in this Section, (i) if a fixed array, the Unforced Capacity Percentage for fixed tilt arrays determined using the azimuth angle and the tilt angle for the Solar Farm, (ii) if a tracking array, the Unforced Capacity Percentage for tracking arrays, (b) the solar inverter and transformer efficiency multiplier determined based on the inverter efficiency supplied by the Installed Capacity Supplier on behalf of the Intermittent Power Resource, and (c) the sum of the nameplate DC power rating for all installations within the Solar Farm.

Summer Unforced Capacity Percentage – Solar (Fixed Tilt Arrays)											
Azimuth Angle (Degrees)	Tilt Angle (Degrees)										
	Below 3	3 - 7	8 - 12	13 - 17	18 - 22	23 - 27	28 - 32	33 - 37	38 - 42	43 - 47	Above 47
Below 163	36%	36%	36%	35%	35%	34%	33%	31%	30%	28%	26%
163 - 167	36%	36%	36%	36%	35%	35%	34%	33%	31%	30%	28%
168 - 172	36%	37%	37%	36%	36%	36%	35%	34%	33%	31%	30%
173 - 177	36%	37%	37%	37%	37%	36%	36%	35%	34%	33%	31%
178 - 182	36%	37%	37%	37%	37%	37%	37%	36%	35%	34%	33%
183 - 187	36%	37%	38%	38%	38%	38%	38%	37%	36%	36%	34%
188 - 192	36%	37%	38%	38%	39%	39%	39%	38%	38%	37%	36%
193 - 197	36%	37%	38%	39%	39%	40%	39%	39%	39%	38%	37%
198 - 202	36%	37%	39%	39%	40%	40%	40%	40%	40%	39%	38%
203 - 207	36%	38%	39%	40%	40%	41%	41%	41%	41%	40%	39%
208 - 212	36%	38%	39%	40%	41%	41%	42%	42%	42%	41%	41%
213 - 217	36%	38%	39%	40%	41%	42%	42%	42%	42%	42%	41%
Above 217	36%	38%	39%	41%	42%	42%	43%	43%	43%	43%	42%

Winter Unforced Capacity Percentage – Solar (Fixed Tilt Arrays)											
Azimuth Angle (Degrees)	Tilt Angle (Degrees)										
	Below 3	3 - 7	8 - 12	13 - 17	18 - 22	23 - 27	28 - 32	33 - 37	38 - 42	43 - 47	Above 47
Below 163	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
163 - 167	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%
168 - 172	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%
173 - 177	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
178 - 182	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
183 - 187	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%	1%
188 - 192	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%	1%
193 - 197	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%	1%
198 - 202	0%	0%	1%	1%	1%	1%	1%	1%	1%	1%	2%
203 - 207	0%	0%	1%	1%	1%	1%	1%	1%	1%	2%	2%
208 - 212	0%	0%	1%	1%	1%	1%	1%	1%	2%	2%	2%
213 - 217	0%	0%	1%	1%	1%	1%	1%	1%	2%	2%	2%
Above 217	0%	0%	1%	1%	1%	1%	1%	2%	2%	2%	2%

Unforced Capacity Percentage – Solar (Tracking Arrays, 1 or 2 Axis)	
Summer	46%
Winter	2%

Solar Inverter and Transformer Efficiency Multiplier											
Inverter Efficiency	0.88	0.89	0.90	0.91	0.92	0.93	0.94	0.95	0.96	0.97	0.98
Applicable Multiplier	0.96	0.97	0.98	0.99	1	1.01	1.02	1.03	1.04	1.05	1.07

4.5.1. Calculation of UCAP for Intermittent Power Resources

This section describes the general procedure for calculating Unforced Capacity values for Intermittent Power Resources which include generators that depend on wind, solar, and landfill gas for their fuel.

(a) Definitions

For purposes of this Section 4.5.1:

“Unforced Capacity” means that amount of generating capacity, expressed to the nearest tenth of a MW, that an Intermittent Power Resource can reasonably be expected to contribute during summer or winter peak hours, as applicable.

“Production Factor” for an Intermittent Power Resource means a factor based on historic operating data, except for Intermittent Power Resources with less than sixty (60) days of historic operating data in the Prior Equivalent Capability Period (i) those fueled by wind or solar , initial Unforced Capacity will be determined using the factors defined in Section 4.5 above and in this Section 4.5.1, and (ii) those fueled by land fill gas, initial Unforced Capacity will be determined in accordance with Section 4.5(b) similar to other types of generating resources.

“Installed Capacity” means the sum of the nameplate ratings of the individual generating units in the Intermittent Power Resource.

“Hourly Output” means the metered output of the Intermittent Power Resource expressed to the nearest tenth of a MW and integrated over a one-hour period.

“Summer Peak Hours” means the hours beginning 14, 15, 16, and 17 during the three-month period from June 1 through August 31, inclusive.

“Winter Peak Hours” means the hours beginning 16, 17, 18 and 19 during the three-month period from December 1 through the last day of February.

(b) Calculation Procedure

Generally, the calculation of the Production Factor for an Intermittent Power Resource in a Capability Period is a two-step process that is based on its operating data for the Prior Equivalent Capability Period. For facilities with less than sixty (60) days of historic operating data in the Prior Equivalent Capability Period, the initial Intermittent Power Resource Unforced Capacity will use the

factors in Section 4.5. The Production Factor, when multiplied by the current Intermittent Power Resource's Installed Capacity yields the Unforced Capacity for that Intermittent Power Resource.

$UCAP^Q_{gm}$, the amount of Unforced Capacity that Resource g is qualified to provide in month m , is calculated as follows:

$$UCAP^Q_{gm} = ProdF_{gm} \times NC_{gm},$$

where:

$ProdF_{gm}$ is the production factor used in the calculation of the amount of Unforced Capacity that Resource g is qualified to provide in month m ; and

NC_{gm} is the nameplate capacity of Resource g that is applicable when determining the amount of Unforced Capacity that Resource g is qualified to provide in month m .

$ProdF_{gm}$, in turn, is calculated as follows:

$$ProdF_{gm} = \frac{\sum_{h \in CPPH_{gm}} E_{gh}}{\sum_{h \in CPPH_{gm}} NC_{gh}},$$

Where:

$CPPH_{gm}$ is the set of all Summer Peak Hours during the most recent Summer Capability Period preceding the Capability Period containing month m (if month m is part of a Summer Capability Period) during which Resource g was available for commercial operation, or the set of all Winter Peak Hours during the most recent Winter Capability Period preceding the Capability Period containing month m (if month m is part of a Winter Capability Period) during which Resource g was available for commercial operation;

E_{gh} is the amount of Energy delivered to the NYCA transmission system by Resource g during hour h ; and

NC_{gh} is the nameplate capacity of Resource g that was applicable when determining the amount of Unforced Capacity that Resource g was qualified to provide in hour h ;

except that for new Intermittent Power Resource for which less than sixty (60) days of production data are available to calculate $ProdF_{gm}$ using the equation above, $ProdF_{gm}$ instead will be calculated in accordance with Section 4.5.

4.6. Operating Data Default Value and Exception for Certain Equipment Failures (Section 5.12.6.3 and 5.12.6.4 NYISO Services Tariff)

4.6.1. Default Value

In its calculation of the amount of Unforced Capacity that each Resource is qualified to supply to the NYCA and notwithstanding the provisions of Section [4.5](#) of this *ICAP Manual*, the NYISO will deem a Resource to be completely forced out during each month for which the Resource has not submitted its Operating Data in accordance with Section [4.4](#) of this *ICAP Manual*. Pursuant to Section 5.12.12 of the *NYISO Services Tariff* (available from the NYISO Web site at <https://www.nyiso.com/regulatory-viewer>), Resources that do not comply with Section [4.4](#) of this *ICAP Manual* also are subject to information submission requirements sanctions.

Resources that are deemed to be completely forced out during any month may submit new Operating Data to the NYISO at any time. The format and substance of the new Operating Data shall comply with the requirements set forth in Sections [4.4.1](#) through [4.4.8](#), as applicable. Within ten (10) calendar days of receipt of new Operating Data that comply with such requirements, the NYISO shall use this new Operating Data to recalculate the amount of Unforced Capacity that such Resources may supply to the NYCA.

Upon a showing of extraordinary circumstances, the NYISO retains the discretion to accept at any time Operating Data which have not been submitted in a timely manner, or which do not fully conform with Section [4.4](#) of this *ICAP Manual*.

4.6.2. Exception for Certain Equipment Failures

When a Generator, Energy/Capacity Limited Resource, System Resource, Intermittent Power Resource or Control Area System Resource is forced into an outage by an equipment failure that involves equipment located on the electric network beyond the step-up transformer, and including such step-up transformer, the NYISO shall not treat the outage as a forced outage for purposes of calculating the amount of Unforced Capacity such Installed Capacity Suppliers are qualified to supply in the NYCA. This exception is not limited to equipment failures that occur on the New York State electrical network and extends to equipment failures that occur on electrical networks operated by External Control Areas

This exception is limited to an equipment failure that involves equipment located on the electric network beyond the generator step-up transformer, and including such step-up transformer on the output side of the Generator, Energy/Capacity Limited Resource, System

Resource, Intermittent Power Resource or Control Area System Resource. This exception does not apply to fuel related outages or derates or other cause codes that might be classified as Outside Management Control in the NERC Data reporting Instructions. In reporting Operating Data (GADS data), a Generator, Energy/Capacity Limited Resource, or System Resource shall report a generator outage or derating caused by an equipment failure that involves equipment located on the electric network beyond the step-up transformer, and including such step-up transformer, in accordance with normal outage reporting procedures and document them as a forced outage (U1, U2, U3, D1, D2 or D3) with a cause code of 9300.

Intermittent Power Resources will report generator outage and derated hours caused by an equipment failure that involves equipment located on the electric network beyond the step-up transformer, and including such step-up transformer, in accordance with normal outage reporting procedures and document them in accordance with instructions for Intermittent Power Resources to be found in [Attachment K](#) to this *ICAP Manual*.

If an outage occurs on the transmission system beyond the generator step-up transformer, and including such step-up transformer, at a time when a Generator has not placed its unit on a maintenance outage, such interruption in availability shall be treated for purposes of calculating the unit's EFORD rating as a maintenance outage (MO) in the case of a forced outage (U1, U2, U3) or as a maintenance derate (D4) in the case of a forced derating (D1, D2, D3).

If an outage occurs on the transmission system beyond the generator step-up transformer, and including such step-up transformer, at a time when a Generator is on a maintenance outage, such interruption in availability shall be treated for purposes of calculating the unit's EFORD rating as a maintenance outage. In the event that service resumes on the transmission system but the unit categorized as being on a reserve shutdown is not able to perform, the unit shall be charged with a forced outage from the time that the transmission outage ended until the time it resumes operations (the "post transmission outage period"); provided however, that if the unit had been scheduled to take a maintenance outage during the post transmission outage period, the unit shall be charged with a Forced Outage, as defined in [Attachment J](#), until the scheduled start date of its maintenance outage, at which time it will be charged with a maintenance outage until the end of its scheduled maintenance period.

If a forced outage or derate extends into a previously approved scheduled outage, or an equipment failure or problem beyond the scope of a previously approved scheduled outage extends beyond the scheduled return date from such a scheduled outage, the GADS data must address both

outage types by breaking the outage into a maintenance outage and a forced outage with the duration of the forced outage properly reflected in the data. For further explanation, refer to the NERC Data Reporting Instructions at:

<http://www.nerc.com/page.php?cid=4|43|45>

4.7. Monthly Installed Capacity Supplier Certification

Each Installed Capacity Supplier must certify its Unforced Capacity to the NYISO no later than the deadline for monthly certification as provided in the detailed ICAP Event Calendar that can be found by selecting the link provided: (http://icap.nyiso.com/ucap/public/evt_calendar_display.do), demonstrating that the Unforced Capacity it is supplying is not already committed to meet the Minimum Installed Capacity Requirement of an External Control Area.

Each Installed Capacity Supplier holding rights to UDRs from an External Control Area that has made such an election shall confirm to the NYISO no later than the deadline for monthly certification for May as provided in the detailed ICAP Event Calendar that it will not use as self-supply or offer, and has not sold, Installed Capacity associated with the quantity of MW for which it has made its one time capability adjustment year election.

In addition, each Installed Capacity Supplier that has been derated (i.e., has had an amount of Unforced Capacity it is authorized to supply in the NYCA reduced by the NYISO in accordance with section [4.5](#) of this *ICAP Manual*) shall demonstrate in its monthly certification that it has procured sufficient additional Unforced Capacity to cover any shortage, due to such de-rating, of Unforced Capacity it has previously committed to supply in the following month or go into the ICAP Spot Market Auction.

If an Installed Capacity Supplier has sold UCAP and subsequently sells those UCAP assets on a date prior to the expiration of the UCAP sale, the responsibility for certifying the sold UCAP remains with the Installed Capacity Supplier that initially sold the UCAP. It is the responsibility of the selling Installed Capacity Supplier to either (1) arrange a bilateral agreement with the new owner of the UCAP assets to cover this requirement or (2) purchase the requirement through another bilateral transaction or through the NYISO-administered auctions.

If an Installed Capacity Supplier has sold UCAP that includes New Special Case Resources (as defined in subsection [4.12.2](#) of this *ICAP Manual*) in a Capability Period Auction, Monthly Auction,

or Bilateral Transaction, the responsibility for certifying the sold UCAP remains with the Installed Capacity Supplier that sold the UCAP.

If a bilateral transaction is certified by an Installed Capacity Supplier, but is not confirmed by the second party to the transaction, the bilateral transaction submitted by the Installed Capacity Supplier remains unconfirmed at the close of the certification period. The UCAP associated with the unconfirmed bilateral transaction sale remains with the Installed Capacity Supplier that submitted the bilateral transaction for certification.

4.8. Bidding, Scheduling, and Notification Requirements (Sections 5.12.7 and 5.12.11 NYISO Services Tariff)

On any day for which it supplies Unforced Capacity, each Installed Capacity Supplier (except as noted below) must schedule or Bid into the Day-Ahead Market, or declare to be unavailable an amount of Energy that is not less than the Installed Capacity Equivalent of the amount of Unforced Capacity it is supplying to the NYCA from each Resource that it uses to supply Unforced Capacity. Planned or Maintenance outages must be scheduled (“scheduled outages”) in advance of any Day-Ahead bidding. Any declared or unavailable Energy/Capacity not previously scheduled and approved as out of service must be reported as a Forced Outage or Forced Derating in accordance with the operating data reporting requirements in Section 4.4 and [Attachment K](#) of this *ICAP Manual*. Each Installed Capacity Supplier that utilized a UDR or EDR for an Unforced Capacity obligation for a month must report scheduled and Forced Outages and Forced Deratings of each generator associated with its UDRs and EDRs in the AMS, but it is not required by this provision to report outages of the UDR or EDR transmission facility. Nothing in this Installed Capacity Manual relieves the owner or operator of the UDR or EDR facility from its reporting obligations.

Each Installed Capacity Supplier providing Unforced Capacity must designate the entity that will be responsible for complying with these bidding, scheduling, and notification requirements.

4.8.1. Generators and System Resources

For every hour of any day for which Generators and System Resources supply Unforced Capacity, they must provide the Installed Capacity Equivalent of the amount of Unforced Capacity they are supplying to the NYCA through a combination of scheduling or Bidding in the Day-Ahead Market, or in accordance with the notification procedure below. See the NYISO’s *Day-Ahead Scheduling Manual* (available from the NYISO Web site at <https://www.nyiso.com/manuals-tech-bulletins-user-guides>) and *Market Participants User Guide* (available from the NYISO Web site at

<https://www.nyiso.com/manuals-tech-bulletins-user-guides>) for scheduling and bidding procedures.

For any hour of any day that the Installed Capacity Supplier cannot provide the full amount of Energy associated with its Installed Capacity Equivalent, due to maintenance or forced outage, the supplier must notify the NYISO Operations department in accordance with the *Outage Scheduling Manual* (available from the NYISO Web site at <https://www.nyiso.com/manuals-tech-bulletins-user-guides>).

4.8.2. Energy Limited and Capacity Limited Resources

Energy and Capacity Limited Resources that are Installed Capacity Suppliers must be able to provide the Installed Capacity Equivalent of the amount of Unforced Capacity they are supplying to the NYCA as well as conform to all of the requirements of [Attachment M](#) to this *ICAP Manual*. Energy Limited Resources must be able to provide, and provide if scheduled, the Installed Capacity Equivalent of the amount of Unforced Capacity they are supplying to the NYCA for a minimum of four (4) hours each day, or for a period of time longer than four (4) hours that is specified by the NYISO after consultation with the Supplier. Energy/Capacity Limited Resources must Bid or schedule in the Day-Ahead Market each day in such a way as to enable the NYISO to schedule them for the period in which they are capable of providing the Energy. See [Attachment M](#) to this *ICAP Manual* for additional details on qualifying Energy/Capacity Limited Resources and bidding and scheduling procedures for these resources.

4.8.3. [This Section intentionally left blank]

4.8.4. Existing Municipally-Owned Generation

Existing municipally-owned generators that qualify as Installed Capacity Suppliers pursuant to Section 5.12.11.2 of the *NYISO Services Tariff* (available from the NYISO Web site at <https://www.nyiso.com/regulatory-viewer>) and Section [4.13](#) of this *ICAP Manual* are not required to Bid or schedule in the Day-Ahead Market but will be required to respond to a NYISO request to make available the uncommitted portion of the Installed Capacity Equivalent of the Unforced Capacity they are qualified to supply.

4.8.5. Special Case Resources (Section 4.12 of this *ICAP Manual*)

SCRs are not subject to daily bidding, scheduling, and notification requirements.

For every month in which a SCR supplies Unforced Capacity, the RIP must offer to reduce Load equal to the Installed Capacity Equivalent of the amount of Unforced Capacity the SCR is supplying to the NYCA. The NYISO must receive from the RIP a Minimum Payment Nomination associated with such Unforced Capacity. This Minimum Payment Nomination will act as a strike price, allowing the NYISO to call on a specific amount of SCRs to perform, based on price and NYCA zone in accordance with the NYISO Emergency Operations Manual. The Minimum Payment Nomination will remain in effect through the month and is not subject to change. SCR Minimum Payment Nomination submission procedures are detailed in Section [4.12.3](#).

A RIP must notify the NYISO if a SCR is not able to provide the full amount of Load reduction associated with the Unforced Capacity that was uploaded to the Demand Response Information System (DRIS) in the enrollment file. See Sections [4.3.3](#) of this *ICAP Manual*.

4.8.6. Intermittent Power Resources

As set out in Section 5.12.11.4 of the *NYISO Services Tariff* (available from the NYISO Web site at <https://www.nyiso.com/regulatory-viewer>), Intermittent Power Resources that depend on wind or solar energy as their fuel may qualify as Installed Capacity Suppliers, without having to comply with the daily bidding and scheduling requirements set forth in Section 5.12.7 of the *NYISO Services Tariff*. To qualify as Installed Capacity Suppliers, such Intermittent Power Resources shall comply with the notification requirement of Section 5.12.7 of the *NYISO Services Tariff* by notifying the NYISO of all outages.

4.9. External Resources, Imports, Exports and Wheels Through

External Generators, System Resources, Control Area System Resources, and entities purchasing Installed Capacity from them may participate in the NYCA Installed Capacity market. With the exception of those requirements and procedures regarding Summer Transitional Grandfathered Import Rights, External Installed Capacity Suppliers using UDRs or EDRs must comply with the requirements and procedures identified in this section 4.9. Refer to section [4.14](#) of this *ICAP Manual* for additional Installed Capacity Supplier requirements and procedures associated with the use of UDRs and EDRs.

4.9.1. Requirements to Qualify as an External Installed Capacity Supplier

Prior to supplying Unforced Capacity to the NYCA, External Generators, System Resources, Control Area System Resources and entities purchasing Installed Capacity from them must qualify

as External Installed Capacity Suppliers. In addition to satisfying the requirements for External Installed Capacity specified in Section [2.7](#) of this *ICAP Manual*, to qualify as External Installed Capacity Suppliers such entities must provide the following information to the NYISO:

1. Name and location of the Resource (if multiple units are involved, identify each unit);
2. Assurance that the External Control Area in which the Resource is located either:
 - a. Will not recall or curtail, for the purposes of satisfying its own Resource Adequacy needs, exports from that External Control Area to the NYCA of an amount of Energy equal to the Installed Capacity Equivalent of the amount of Unforced Capacity that Resource is supplying to the NYCA; or
 - b. In the case of Control Area System Resources, will afford NYCA Load the same pro-rata curtailment priority that it affords its own Control Area Load;
3. Documentation of a DMNC test, or its equivalent, in accordance with the procedures found in Section [4.2](#) or [4.10.3](#) of this *ICAP Manual*;
4. Submission of Operating Data for the prior 24 months in accordance with Sections [4.4](#) and [4.4.9](#), and [Attachment K](#) of this *ICAP Manual*;
5. Documentation which satisfies the Maintenance Scheduling Requirements in Section [4.3](#) of this *ICAP Manual*; and
6. Expected return dates from full or partial outages.
7. Demonstration of deliverability to the NYCA border, pursuant to Section [4.9.3](#) of this *ICAP Manual*.
8. Execution of the Letter Certifying Contractual Control or External Customer Registration Agreement if the External Installed Capacity Supplier does not own the resource being sold.

All of the information required by this Section [4.9.1](#) must be in accordance with the *ICAP Manual* sections referenced in the items above, and received by the NYISO not later than the date and time set forth in those sections and as further specified on the ICAP Event Calendar, and at such additional times as required by the NYISO and this *ICAP Manual*.

The NYISO may verify this data with the appropriate External Control Area.

4.9.2. External Capacity Processes and Information

Section 4.9.2.4 shall be in effect for all Capability Periods. Nothing in this Section [4.9.2](#) shall be construed to prohibit or limit revisions to this *ICAP Manual* or create a precedent for any future changes.

4.9.2.1. [This Section intentionally left blank]

4.9.2.2. [This Section intentionally left blank]

4.9.2.3. [This Section intentionally left blank]

4.9.2.4. Allocation of Import Rights – Winter 2010-2011 through Winter 2018-2019

This Section 4.9.2.4 in its entirety, and the clauses herein jointly or collectively, shall not apply to the Summer 2010 Capability Period.

The NYISO establishes the maximum amount of Unforced Capacity that can be provided to the NYCA by Resources located in each neighboring Control Area according to the procedures contained in Section [2.7](#) of this *ICAP Manual*. Once the NYISO determines this amount for each neighboring Control Area, the allocation among NYISO customers of Import Rights to all External Unforced Capacity supply is determined according to the following procedures consistent with modeling in the Installed Reserve Margin study and the Import Rights limit study as defined in Section 2.7, for the associated Capability Period.

Grandfathered External Installed Capacity Rights

Details concerning Grandfathered External Installed Capacity rights are provided in [Attachment E](#) to this *ICAP Manual*.

Other Allocations

After accounting for Grandfathered External Installed Capacity rights and External CRIS Rights, the NYISO will allocate the rights for External Unforced Capacity supply on a first-come, first-serve basis to the limits established in accordance with this Section [4.9.2.4](#). Import Rights may ultimately only be used by LSEs located within the NYCA, but any NYISO Customer may submit a request, along with all required supporting documents, for External Installed Capacity Import Rights.

On or prior to the fifteenth calendar day prior to the date of submission of requests for Import Rights for the upcoming Capability Period, New York State Electric & Gas Corporation, Inc. ("NYSEG") shall notify the NYISO in writing of its intent to use a specified quantity of its ETCNL rights for each month of the upcoming Capability Period.

Completion of the Import Rights Deliverability Study for the Upcoming Capability Year

Prior to the date of submission of requests for Import Rights for the upcoming Summer Capability Period, the NYISO will perform the Import Rights Deliverability Study to determine the MW amount of imports that are deliverable for the Capability Year. The NYISO will model in the base case both (a) the ETCNL quantities set forth in the NYSEG notice for the Summer Capability Period, and (b) all External CRIS Rights awards. The NYISO will then determine the MW amount of deliverability headroom available and compute shift factors for each external interface on a set of internal constraints that could limit the level of imports that are deliverable. The NYISO will use the shift factors determined in the annual Import Rights Deliverability Study to determine headroom available for the Winter Capability Period based upon the quantity of MW in NYSEG's ETCNL notice submitted prior to the Winter Capability Period.

Request for Import Rights

Requests for Import Rights for one or more months within the upcoming Capability Period will be received by facsimile by the NYISO (at the number listed below) during the time period specified below. A request sheet for Import Rights is available from the ICAP Market page from the NYISO's public website, under ICAP Auctions for the current Capability Period the following location:

<https://www.nyiso.com/installed-capacity-market>.

- Beginning at 8:00 A.M. ET
 - For Summer Capability Period: with at least one business day notice to the NYISO ISO Tie List and posting to the ICAP Event Calendar;
 - For Winter Capability Period: on the first business day not more than thirty (30) days prior to a Capability Period Auction, and
- Ending at 5:00 P.M. ET five (5) business days prior to a Capability Period Auction.

If Import Rights are not fully allocated after the Capability Period Auction has concluded, the NYISO will open another period of first-come, first-serve allocations prior to each Monthly Auction for the month or months in which Import Rights remain available, and the NYISO will post the quantity of remaining available Import Rights after each Monthly Auction.

For each month within a Capability Period, requests for Import Rights will be received by facsimile to the NYISO (at the number listed below) during the times identified in the ICAP Event Calendar at http://icap.nyiso.com/ucap/public/evt_calendar_display.do.

Start Time for Submission of Requests

As described above, receipt by facsimile of requests for Import Rights, whether prior to the start of a Capability Period or prior to the start of a Monthly Auction, may be made only after the occurrence of the start time of 8:00 A.M. ET.

This procedure will be implemented by programming of the NYISO's facsimile machine (the "FAX Machine") to begin receiving faxes only after the occurrence of 8:00 A.M. ET based on the synchronization of the clock in the FAX Machine with a Network Time Protocol (NTP) server that is, in turn, synchronized with the U.S. atomic clock. However, the clock in the FAX Machine will establish, for Import Rights allocation purposes, the occurrence of the start time of 8:00 A.M. ET. The FAX Machine will create a log of received faxes and place a date/time stamp on each request.

A clock displaying Eastern (EST/EDT) time in hours, minutes and seconds (HH:MM:SS) will be visible on the NYISO Web site. This clock will be synchronized with a NTP server that is, in turn, synchronized to the US atomic clock. This NYISO Web site clock display is for the convenience of Customers only and does not govern the start time for the Import Rights allocation process. Instead, as set forth above, the FAX Machine establishes the start time of the Import Rights allocation process.

Contents of Request for Import Rights

Each request must contain the following information:

1. The identity of the NYISO Customer making the request;
2. The identity of the External Installed Capacity Supplier;
3. The name and location of the Resource;
4. The Control Area in which the Resource for which the Installed Capacity Supplier seeks rights is located;
5. The NYCA external interface where the requested Import Rights will be offered in the DAM;
6. The megawatt amount requested at each external interface, equal to the Installed Capacity Equivalent of the Unforced Capacity sale to the NYCA from the Resource designated in (3) above. (For example, a request for 100 MW of Import Rights from a Resource with a 10% EFORd will support a UCAP sale of 90 MW);
7. The time period, in blocks of whole months, for which the rights are requested;
8. E-mail address of the requesting party to which the NYISO can respond.

The information listed above must be received as a “Request for External Installed Capacity Import Rights” by the NYISO’s Manager of ICAP Market Operations via facsimile to the following NYISO Fax Machine number: 518-356-6208.

If the NYISO determines that the information provided in the request is incomplete or inadequate, the NYISO will notify the requesting party. By 5:00 P.M. of the day on which requests are received, the NYISO will notify all requestors from which the NYISO has received a complete and adequate request for Import Rights of their priority.

Priority

Only complete requests received on the date and within the time specified in the ICAP Event Calendar (consistent with the time periods specified above) will be evaluated by the NYISO. A facsimile transmission that is shown on the FAX Machine log as incomplete will result in the treatment as incomplete of any requests included in any portion of the facsimile transmission that is received. The start time for these time periods will be established in the manner described in the “Determination of Start Time for Submission of Requests” section above. The time/date stamp provided by the FAX Machine (as described in that section) will determine the relative priority among the requests received following the start time; however, the maintenance of a Customer’s priority is contingent upon the NYISO’s receipt from the Customer of the supporting documents within the time period set forth in the “Supporting Documents” section below. If the complete and adequate supporting documents are not received by the NYISO within that time period, the corresponding request will be automatically rejected upon expiration of that time period.

If multiple requests are received by the NYISO from a Customer in multiple separate facsimile transmissions within a single request period with the intent that the ISO evaluate each request individually, the Customer must notify the ISO of that intent separately and in writing (by e-mail to: ICAP_Info@nyiso.com), and such notification must be received by the NYISO at least one hour prior to the start time for the request period. If a Customer’s request (by separate facsimile transmission) changes the content of a prior request by that Customer in an earlier facsimile transmission within the same request period without prior notice of intent to make separate requests for individual evaluation, or if an identical request is received by the NYISO more than once in multiple facsimile transmissions, the latest time stamp will determine its priority relative to other Customers’ requests. If duplicate requests are received by the NYISO in the same facsimile transmission, they must be identified as duplicates or they will be treated by the NYISO as requests for a cumulative megawatt amount.

Following the receipt of requests submitted via FAX for the upcoming Capability Period, the NYISO will perform the following steps:

1. In the order of FAX receipt, the NYISO will process each request and allocate Import Rights up to and including but not exceeding either the deliverability headroom or the applicable interface Import Limit. A request's usage of the deliverability headroom will be calculated. After granting a request, the NYISO will reduce the deliverability headroom taking into account the Import Rights allocated to that point and the shift factors determined in the import rights deliverability study.
2. After the completion of step 1 (immediately preceding this step 2), import limits at each external interface will be calculated for each month of the upcoming Capability Period ("Capability Period Import Limits") based on the remaining deliverability headroom in each month ("Remaining Monthly Headroom").
 - a. For each month, the Remaining Monthly Headroom shall be prorated among all external interfaces in proportion to the column labeled Remaining (MW) in ICAP Manual Section [4.9.6](#) of this *ICAP Manual*. In no event shall the Capability Period Import Limit be greater at an external interface than the megawatt quantity set forth in Section [4.9.6](#). Accordingly, to the extent the prorated amount at an external interface for a month exceeds the quantity for the external interface set forth in Section [4.9.6](#), the Capability Period Import Limit for the external interface shall be fixed for the month at the limit stated in Section [4.9.6](#) for the interface. In such a case, the excess will be reallocated on a proportional basis to the other external interfaces, provided that the megawatt quantity set forth in Section [4.9.6](#) for each external interface may not be exceeded.
 - b. For the Capability Period Auction only, the import limits at all external interfaces for all months of the upcoming Capability Period will be set at the import limits calculated in 2(a), above, for the month in the Capability Period with the lowest Remaining Monthly Headroom.
3. For the Monthly Auctions or ICAP Spot Auctions during the upcoming Capability Period and all related FAX processes in any month within the upcoming Capability Period, requests for remaining Import Rights at an external interface may be requested and will be allocated up to the Capability Period Import Limit established for the external interface in Subsection 2(a), above.

Supporting Documents

The requestor of Import Rights must provide documentation of the bilateral agreements for which External Capacity Import Rights are being requested, with pricing redacted, between a qualified External Installed Capacity Supplier or a marketer with a contract with a qualified External Installed Capacity Supplier and:

- a. a LSE within the NYCA; or,
- b. a marketer that is not an affiliate of the External Installed Capacity Supplier.

The supporting documentation of bilateral agreements must be received by the time specified in the ICAP Event Calendar on the business day following the day in which the requests for Import Rights are received by the NYISO.

If the NYISO determines that the information it received as supporting documentation is incomplete or inadequate, the NYISO will notify the requesting party. The receipt of incomplete or inadequate information does not alter the time frame in which such documents are due. For example, a requestor from which incomplete or inadequate supporting documentation was received has until the time specified in the ICAP Event Calendar on the business day following the day in which the requests for Import Rights are received by the NYISO to provide adequate and complete supporting documentation.

Response from the NYISO

Upon receipt of supporting documentation of a bilateral transaction, the NYISO will respond by the time specified in the ICAP Event Calendar on the second business day following the day in which the requests for Import Rights are received by the NYISO.

The NYISO will notify the requesting party if its request has been accepted or rejected, with reasons for rejection, if such be the case, within the time period specified above. If accepted, the NYISO will provide a confirmation number. A rejection may be based on any of the following:

- Incomplete or inadequate information;
- Fully subscribed External Installed Capacity Import Rights;
- Late receipt of supporting documentation of bilateral agreements;
- Unqualified External Installed Capacity Resources; or,
- The MW amount provided in the supporting documentation is less than the MW amount included in the Import Rights request.

If a request is rejected, the allocation of ICAP Import Rights proceeds using the assigned priorities as if that request had never been submitted.

Tally of Import Rights

The NYISO will maintain a tally of the available Import Rights for each month within a Capability Year and will post these figures on the NYISO Automated Market System.

If at any time, the NYISO has allocated all of the Import Rights that are available to permit the import of Installed Capacity from one or more control areas for one or more months, the NYISO will promptly issue an announcement to all Market Participants, alerting them to this fact. Recipients of these Import Rights will have until 12:00 P.M. ET two business days following the issuance by the NYISO of this announcement or until 5:00 P.M. ET on the last business day that precedes the beginning of the Capability Period Auction by at least 15 days, if that is later, either to decide to keep these Import Rights, or to return these Import Rights to the NYISO. The NYISO may exhaust its supply of Import Rights for different Control Areas and different months at different times, so this deadline may differ from Control Area to Control Area within a month, and it may vary from month to month for a given Control Area.

Entities that had requested those Import Rights, but which elect to return them to the NYISO prior to this deadline, will be under no further obligation associated with those Import Rights. Likewise, if the NYISO never makes such an announcement pertaining to Import Rights to import Installed Capacity from a given Control Area for a given month (because the NYISO never allocated all of the Import Rights that were available to permit the import of Installed Capacity from those Control Areas in those months), then the recipients of those Import Rights will be under no obligation to use those Import Rights to support the import of Installed Capacity to a New York LSE, nor will they be required to offer Installed Capacity into any NYISO-administered auctions. The NYISO will notify all Market Participants when Import Rights have been made available due to Import Rights that have been returned back to the NYISO from previously awarded Import Rights recipients via the ICAP AMS. Any Import Rights that are returned to the NYISO shall be available for allocation to market participants using the same procedures for other Import Rights that are then remaining in the Capability Period.

Entities that elect not to return those Import Rights by the deadline described above after such an announcement is made, and entities that are allocated Import Rights to import Installed Capacity from a Control Area for a given month after such an announcement has been issued for that Control

Area and that month by the NYISO, shall demonstrate to the NYISO no later than the deadline for monthly certification, as provided by the applicable Capability Period on the Installed Capacity (ICAP) Market page of the NYISO Web site (http://icap.nyiso.com/ucap/public/evt_calendar_display.do), that they have used those Import Rights to support the import of Installed Capacity from the relevant Control Area into New York to meet the LSE Unforced Capacity Obligation of an LSE serving load in the NYCA. If, by that time, the NYISO has not received from a holder of such Import Rights documentation of a certified bilateral agreement to supply Installed Capacity to a New York LSE using those Import Rights and an associated MIS transaction number to deliver that capacity in accordance with [Section 4.9.3](#), the associated Installed Capacity will be offered for sale into the ICAP Spot Market Auction as price taker, i.e., at a price of \$0/MW. The Supplier will be paid the market-clearing price for the Unforced Capacity, with such amount determined in accordance with this *ICAP Manual*.

External Installed Capacity Sales in NYISO Administered Auction

All purchasers of Unforced Capacity that is located in an External Control Area in an NYISO-administered auction shall receive the External Installed Capacity Import Rights necessary in order to permit that Unforced Capacity to count towards the LSE Unforced Capacity Obligation; consequently, in order to ensure that there are sufficient External Installed Capacity Import Rights available, the NYISO shall limit the number of MW of Unforced Capacity that can be purchased in any External Control Area in each auctions. In each Capability Period Auction, the NYISO shall limit the number of MW of Unforced Capacity that can be purchased in any External Control Area to the number of MW of Unforced Capacity that can be provided by Installed Capacity Suppliers located in that Control Area and that satisfies the deliverability requirements in the NYISO's tariffs and this *ICAP Manual*, less all External Installed Capacity Import Rights that have been requested for that External Control Area under the provisions of this section.

In the Monthly Auctions, the NYISO shall limit the number of MW of Unforced Capacity that can be purchased in any External Control Area to the number of MW of Import Rights that the NYISO makes available for the Capability Period from that Control Area and that satisfies the deliverability requirements in the NYISO's tariffs and this *ICAP Manual*, less the number of MW of Unforced Capacity purchased in that External Control Area for that month in preceding Monthly Auctions and the Capability Period Auction, less all External Installed Capacity Import Rights that have been requested to support external Bilateral Transactions for that month.

The NYISO will reduce External Installed Capacity Import Rights eligible to be used in the Capability Period Auction based on the allocations made according to the above procedures.

4.9.2.5. Allocation of Import Rights – Summer 2019 and Beyond

The NYISO establishes the maximum amount of External Installed Capacity that may be imported to the NYCA from each neighboring External Control Area for the upcoming Capability Year according to the procedures in Section 2.7 of this *ICAP Manual* and consistent with the modeling of the Installed Reserve Margin. The NYISO then sets the Import Rights limit at the amount of External Installed Capacity that is deliverable to the NYCA across any individual External Interface and across all of those External Interfaces taken together (collectively, the “NYCA Interface”) consistent with the procedures in Section 4.9.2.5.2 of this *ICAP Manual*. The NYISO shall make such Import Rights, up to and including, but not exceeding, the Import Rights limit for the NYCA interface, available for allocation to Market Participants, after identifying the portion of the NYCA interface amount that is available at each individual External Interface. The NYISO will make the Import Rights available to Market Participants through the first-come, first-served (FCFS) Import Right request and allocation process, and if any are remaining thereafter, through the opportunity to offer Unforced Capacity from an External Control Area across an External Interface into an Installed Capacity auction.

4.9.2.5.1. New York State Electric & Gas Corporation, Inc. (“NYSEG”) Existing Transmission Capacity for Native Load (“ETCNL”)

New York State Electric & Gas Corporation, Inc. (NYSEG) shall notify the NYISO in writing of its election to use a specified quantity of its Existing Transmission Capacity for Native Load (ETCNL) for each month of the upcoming Capability Period. This notification must be received by the NYISO prior to the fifteenth calendar day before the date on which the NYISO will first receive FCFS Import Right requests for the upcoming Capability Period, as identified by the ICAP Event Calendar.

4.9.2.5.2. Annual External Installed Capacity Deliverability Test for the Upcoming Capability Year

The NYISO will complete the annual External Installed Capacity deliverability test for the upcoming Capability Year prior to the date on which the NYISO will first receive FCFS Import Right requests for the upcoming Summer Capability Period, as identified by the ICAP Event Calendar. The

deliverability test will determine the amount of Import Rights that are deliverable across any individual External Interface and for the NYCA Interface for the upcoming Capability Year. In the deliverability test, the NYISO will model the ETCNL quantities set forth in the NYSEG notice, all External CRIS Rights (ECRs), and External-to-ROS Deliverability Rights (EDR) as deliverable. The deliverability test will determine the MW amount of headroom remaining on a set of internal interfaces. If the deliverability test determines that the maximum MW amount of External Installed Capacity determined by the ISO procedures causes the transfer capability across any of a set of internal interfaces to be degraded, then the NYISO will compute shift factors for each External Interface on the internal interface(s) that limit the deliverability of External Installed Capacity.

For each Capability Period, the NYISO will use the maximum allowances for External Installed Capacity to be imported into the NYCA, set forth in Section 4.9.6 of this *ICAP Manual*, and, if necessary, the shift factors computed in the annual deliverability test described in the preceding paragraph to determine the amount of Import Rights that are deliverable at each External Interface individually and simultaneously so that they do not exceed the total for the NYCA Interface.

4.9.2.5.3. FCFS Import Right Request and Allocation Period

FCFS Import Rights may be secured within a FCFS Import Right request and allocation period (“FCFS R&A Period”), on the date identified by the ICAP Event Calendar. The Installed Capacity Supplier that will have the obligation to the NYISO to supply the External Installed Capacity, referred to in this section of the *ICAP Manual* as the “seller”, can request the FCFS Import Right in the ICAP AMS and must name the counterparty that will be the purchaser (*i.e.*, the LSE or the Installed Capacity Marketer that is not an Affiliate of the seller), referred to in this section of the *ICAP Manual* as the “buyer”. A FCFS Import Right request shall only be received by the NYISO in the ICAP AMS and only within the applicable FCFS Request Period. Any request that is sent to or received by the NYISO by any other means or that is received outside of such applicable FCFS Request Period will not be a valid FCFS Import Right request and shall not be considered for allocation of Import Rights. A FCFS Import Right request must be backed by a written and duly authorized bilateral transaction. FCFS Import Rights can only be used to supply External Unforced Capacity to satisfy an LSE’s NYCA Minimum Unforced Capacity Requirement.

Prior to each Capability Period Auction and as identified by the ICAP Event Calendar, the NYISO will open a FCFS Import Right R&A Period for all months within the upcoming Capability Period. The FCFS R&A Period will open not more than thirty (30) days prior to the Capability Period Auction. Prior to each Monthly Auction, the NYISO will open a FCFS R&A Period for any or all

months remaining in the Capability Period for which the certification deadline has not passed and Import Rights remain available. After the Monthly Auction results are posted, and prior to the close of the certification period each month, the NYISO will open a FCFS R&A Period for any or all months remaining in the Capability Period for which Import Rights remain available.

If there is a change to the MW amount of remaining available Import Rights following the completion of each FCFS R&A Period, or after the posting of results for each Capability Period and Monthly Auction, the remaining available Import Rights will be posted in the ICAP AMS.

4.9.2.5.3.1. FCFS Import Right Request Period and Confirmation Period

Within each FCFS R&A Period, the NYISO will open a FCFS Import Right Request Period for one business day, as identified in the ICAP Event Calendar. On the following business day, the NYISO will open a FCFS Import Right Confirmation Period for one business day, and within the timeframe shown in the ICAP Event Calendar a buyer must confirm the FCFS Import Right requests to which they are a counterparty. If the buyer does not confirm the Imports Rights request in accordance with this section, the Imports Right request will be invalid and there will be no further opportunity to confirm that FCFS Imports Right request.

4.9.2.5.3.1.1. Seller Requests for FCFS Import Rights

The system clock of the ICAP AMS will govern the begin time and end time of each event within the FCFS R&A Period. For each FCFS R&A Period, the ability of the ICAP AMS to receive requests shall only be enabled at the begin time of 8:00:00 A.M. Eastern time as determined by the system clock of the ICAP AMS. At the end of FCFS Request Period shown in the ICAP Event Calendar, the ability of the ICAP AMS to receive requests shall be disabled.

A clock displaying Eastern time (EST/EDT) in hours, minutes, and seconds (HH:MM:SS) is visible on the NYISO website for convenience only and does not govern the FCFS R&A Period. The ICAP AMS clock governs the beginning and end of the FCFS Request Period.

FCFS Import Right requests in the ICAP AMS may be a single request or may contain multiple requests for FCFS Import Rights. For those requests (a “group”) that contain multiple FCFS Import Right requests, the relative priority of each FCFS Import Right request shall be defined by the descending order of the request records in the ICAP AMS (*i.e.*, the first request record shall have the highest relative priority). The relative priority order of individual FCFS Import Right requests in a group cannot be modified by the seller in the ICAP AMS once the request is received in the ICAP AMS.

FCFS Import Right requests (individual or those within a group) may be deleted by the seller in the ICAP AMS within the FCFS Request Period. If the seller deletes a FCFS Import Right request that was within a group, the relative priority of each remaining request in that group of requests will be maintained. The relative priority of FCFS Import Right requests within a group cannot be modified after the requests have been received in the ICAP AMS except by deleting that group of requests, and then recreating the group of requests in the ICAP AMS with a modified relative priority order and during the FCFS Request Period day, as shown in the ICAP Event Calendar.

Each individual FCFS Import Right request (whether individual or within a group) must contain the information enumerated below. If any of the information provided is incomplete or inaccurate, then the individual request or if a group of multiple requests, then all requests in a group, will not be valid and the ICAP AMS will reject them.

Required Information:

1. The seller organization (*i.e.*, Installed Capacity Supplier) that is the supplying party to the bilateral transaction;
2. The buyer organization (*i.e.*, LSE or Installed Capacity Marketer that is not an Affiliate of the seller) that is the purchasing party to the bilateral transaction;
3. The External Control Area in which the qualified External Resource is located;
4. The PTID and name of the qualified External Resource;
5. The Installed Capacity Equivalent MW of Import Rights requested for and the identified month or all months remaining in the Capability Period. (The Installed Capacity Equivalent of the Unforced Capacity offered for sale into the NYCA from the qualified External Resource designated in (4) above is calculated as set forth in *ICAP Manual Attachment J*);
6. E-mail address of the contact for the seller organization to the bilateral transaction in the ICAP AMS that will be associated with the request (which is the address to which the NYISO will send a notice under Section 4.9.2.5.3 of this *ICAP Manual*); and
7. E-mail address of the contact for the buyer organization to the bilateral transaction in the ICAP AMS that will be associated with the request (which is the address to which the NYISO will send a notice under Section 4.9.2.5.3 of this *ICAP Manual*).

The ICAP AMS will permit sellers to create and to “test” a FCFS Import Right request, or group of multiple requests, prior to the beginning of the FCFS R&A Period, for data validation.

4.9.2.5.3.1.2. Buyer Confirmation of FCFS Import Right Requests

The NYISO will open a confirmation period on the business day immediately following the FCFS Request Period as identified by the ICAP Event Calendar. The ICAP Event Calendar will identify the date and time at which FCFS Import Right requests can be confirmed and the date and time after which FCFS Import Right requests cannot be confirmed. The interim period is the “FCFS Confirmation Period”. Within a FCFS Confirmation Period, a buyer that is counterparty to a valid FCFS Import Right request may view and shall have the ability to confirm such a request, and in so doing is affirming that the request is supported by the terms of a bilateral contract to which both the seller and buyer are a party. The system clock of the ICAP AMS will govern the begin time and end time of the FCFS Confirmation Period. For each FCFS Confirmation Period, the ability of a buyer to confirm a request shall only be enabled at the begin time of 8:00:00 A.M. Eastern time as determined by the system clock of the ICAP AMS. At the end of time of the FCFS Confirmation Period shown in the ICAP Event Calendar, the ability of the ICAP AMS to confirm a valid FCFS Import Right request shall be disabled.

A clock displaying Eastern time (EST/EDT) in hours, minutes, and seconds (HH:MM:SS) is visible on the NYISO website for convenience only and does not govern the start time for the FCFS Confirmation Period. The ICAP AMS clock governs the FCFS Confirmation Period.

A FCFS Import Right request must be in a buyer-confirmed state in the ICAP AMS at the occurrence of the end time of the FCFS Confirmation Period in order to be prioritized by the NYISO for possible allocation of Import Rights. A FCFS Import Right request that is in an unconfirmed state (*i.e.*, not confirmed by the buyer) in the ICAP AMS at the occurrence of the end time of the confirmation period will be automatically rejected.

4.9.2.5.3.2. Prioritization and Allocation of FCFS Import Right Requests

The NYISO will notify requestor(s) of the priority of their FCFS Import Right request(s) on the business day immediately following the FCFS Confirmation Period, as identified by the ICAP Event Calendar. All FCFS Import Right requests that were valid and that remained in a confirmed state in the ICAP AMS at the occurrence of the end time of the FCFS Confirmation Period shall be assigned a priority, used to allocate FCFS Import Right awards among requesting parties. The priority order shall be the order in which the FCFS Import Right request record was written to the database when it was received in the ICAP AMS (*i.e.*, a request record with an earlier timestamp will be prioritized before a request record with a later timestamp, and likewise with requests that contain a group of requests).

The recorded timestamp of the FCFS Import Right request record and, if the request record was for a group of multiple requests, the relative priority assigned to each request, will be viewable in the ICAP AMS by the seller and buyer organizations that are party to the requests at the deadline shown in the ICAP Event Calendar for the NYISO to notify sellers and buyers of the priority for their FCFS Import Right request.

4.9.2.5.3.2.1. Methodology for Allocation of a FCFS Import Right Request

Prior to a Capability Period Auction, the NYISO will perform the following steps to allocate Import Right awards among valid FCFS Import Right requests that remain in a confirmed state in the ICAP AMS at the end of the FCFS Confirmation Period.

1. The NYISO will prioritize valid and confirmed FCFS Import Right requests and will allocate Import Rights up to and including, but not exceeding, the total amount of External Installed Capacity that has been determined to be deliverable to the NYCA at any individual External Interface or at the NYCA Interface, whichever is more limiting, taking into account the Import Rights awarded to that point and, if necessary, the shift factors computed in the annual External Installed Capacity deliverability test (*i.e.*, such test per Section 4.9.2.5.2 of this *ICAP Manual*). Shift factors will only be taken into account if there is a deliverability constraint found on any of the internal interfaces considered in the annual deliverability test.
2. The NYISO will then recalculate the Capability Period import limit for each External Interface and the NYCA Interface for each month of that upcoming Capability Period which shall be based on the results of the associated FCFS R&A Period that occurred prior to the Capability Period Auction.
 - a. For each month remaining in the Capability Period, the available Import Rights remaining after the Capability Period Auction shall be prorated among all External Interfaces in proportion to the column labeled Remaining (MW) in Section 4.9.6 of this *ICAP Manual*. In no event shall the Capability Period import limit be greater at an External Interface than the MW quantity set forth in Section 4.9.6. Accordingly, to the extent the prorated amount at an External Interface for a month exceeds the quantity for the External Interface set forth in Section 4.9.6, the Capability Period Import Limit for the External Interface shall be fixed for the month at the limit stated in Section 4.9.6. In such a case, the excess will be reallocated proportionally to the

other External Interfaces, provided that the MW amount set forth in Section 4.9.6 for each External Interface may not be exceeded.

- b. For the Capability Period Auction, the Import Right limits at all External Interfaces and the NYCA Interface, for all months of the upcoming Capability Period, will be set at the Import Right limits calculated in Subsection 2(a) above, using the month in the Capability Period with the lowest remaining available Import Right limit.
3. For any of the Monthly Auctions or ICAP Spot Market Auctions, and all FCFS Import Rights R&A Periods within a Capability Period, the remaining available Import Right limits at all External Interfaces for any or all months for which the certification deadline has not passed, Import Rights may be allocated up to and including, but not exceeding the amount of the remaining available Import Rights established in Subsection 2(a) above, for the External Interface or for the NYCA Interface.

The NYCA Interface, or an individual External Interface, shall be fully allocated when Import Rights have been allocated up to but not exceeding the amount of the available Import Rights as the result of a FCFS Import Right award or as the result of an Unforced Capacity award in an Installed Capacity Auction.

4.9.2.5.3.3. FCFS Import Right Award

A FCFS Import Right request that has been determined to be valid and that was confirmed may be allocated an Import Right award provided that the remaining available Import Rights established in Section 4.9.2.5.3.2.1(2)(a), for the External Interface or for the NYCA Interface are not to be exceeded. A FCFS Import Right award may be allocated a zero, partial, or full FCFS Import Right award MW amount and, if awarded a MW amount greater than zero, that FCFS Import Right award shall be assigned a FCFS Import Right award bilateral transaction in the ICAP AMS. The seller and buyer that are party to the award will be able to view the resulting FCFS Import Right award bilateral transaction in the ICAP AMS.

4.9.2.5.3.3.1. Limited Opportunity for Award Return if an External Interface or the NYCA Interface is Fully Allocated

The NYCA Interface or an individual External Interface may become fully allocated for any or all months remaining within a Capability Period as the result of a FCFS Import Right award or by an

Installed Capacity Auction Import Right award. If that happens prior to the close of certification in a month (*i.e.*, other than if the full allocation occurs as a result of an ICAP Spot Market Auction award(s)), the NYISO will send a notice via email to the email address for each of the buyer and seller organization that were provided with the request in the ICAP AMS (as required under Section 4.9.2.5.3.1.1(6) and (7) of this *ICAP Manual*). The NYISO also will send an email to the NYISO TIE list stating that there is a fully allocated condition. The buyer and seller to the affected FCFS Import Right awards shall have until 5:00:00 P.M. Eastern time, on the later of the business day following the NYISO's issuance of the notice of the fully allocated condition or until the beginning of the certification period for the obligation month of the award (the "Return Deadline"), to return, through utilizing the functionality in the AMS, the full amount of a FCFS Import Right award for the fully allocated Interface for the affected month(s). If there is a fully allocated condition returns of less than the fully amount a FCFS Import Right Award are not permitted. To return an award, first the buyer must un-confirm the awarded request, and then the seller must delete the unconfirmed request. After those steps are both completed, the NYISO will send an email to the NYISO TIE list stating that there has been a return that has resolved the fully allocated condition. If both the buyer and seller do not so act, the obligation remains.

If the NYCA Interface or an individual External Interface remains fully allocated for any or all months remaining within the Capability Period following the Return Deadline, then any FCFS Import Right award bilateral transaction for any fully allocated External Interface, and if the NYCA Interface is fully allocated, all FCFS Import Right awards bilateral transactions, and all Installed Capacity Auction awards for the affected month or months, shall have an obligation to provide the MIS transaction ID number for the FCFS Import Right awards bilateral transactions to the NYISO in the ICAP AMS on or before the deadline identified by the ICAP Event Calendar for providing such MIS transaction ID numbers. If those affected FCFS Import Right award bilateral transactions do not have the MIS transaction ID number entered in the ICAP AMS for the obligation month(s) of the full allocation, then the buyer will not be credited with the Unforced Capacity for such month(s) and Unforced Capacity shall automatically be purchased on its behalf in that month's ICAP Spot Market Auction. Additionally, the Unforced Capacity MW amount of that obligation will be automatically offered into that month's ICAP Spot Market Auction from the External Resource PTID designated in the request, at an offer price of \$0.00/kW-mo.

If the fully allocated condition occurs for a month as the result of an Import Right award in the Capability Period Auction or a Monthly Auction, then the notification and Return Period described above, which is available only to FCFS Import Right awards and not Installed Capacity Auction

awards, will be the schedule established by the ICAP Event Calendar for the next following FCFS Import Right R&A Period for that month in which the fully allocated condition exists.

If the fully allocated condition occurs for a month as the result of an Import Right award in the ICAP Spot Market Auction, there will not be a notification and Return Period. The outcome of the ICAP Spot Market Auction is posted in the AMS and the monthly ICAP Market Report is posted on the NYISO website. All ICAP Spot Market Auction awards of imports rights shall have an obligation to provide the MIS transaction ID number to the NYISO in the ICAP AMS on or before the deadline identified by the ICAP Event Calendar for providing such MIS transaction ID numbers. If an MIS transaction ID number is not entered in the ICAP AMS for the obligation month(s) the Installed Capacity Supplier shall be subject to sanctions and penalties provided under the Services Tariff.

4.9.2.5.3.3.2. Returns if an External Interface or the NYCA Interface is Not Fully Allocated

If the NYCA Interface or an individual External Interface(s) is not fully allocated for the month, either as a result of a FCFS Import Right award bilateral transactions or an Import Right award in the Capability Period Auction or Monthly Auction, then FCFS Import Right award bilateral transactions shall have no obligation to support the import of Unforced Capacity. If both the seller and buyer take the actions described in Section 4.9.2.5.3.3.3 of this *ICAP Manual* in the prescribed period, they can return in the ICAP AMS either a partial or full FCFS Import Right award bilateral transaction.

4.9.2.5.3.3.3. Certification of a FCFS Import Right Award Bilateral Transaction

A seller that has been awarded a FCFS Import Right and has been assigned a bilateral transaction in the ICAP AMS must certify its Unforced Capacity to the NYISO in the ICAP AMS no later than the deadline for providing MIS transaction ID numbers (as set forth in Section 4.9.3 of this *ICAP Manual*) and monthly certification as detailed below and as identified by the ICAP Event Calendar.

Certification of FCFS Import Right award bilateral transactions is completed in the AMS by the seller re-confirming the transaction during the obligation month's open certification period (*i.e.*, in the calendar month prior to the obligation month). The buyer that is the counterparty to the transaction does not have an affirmative obligation but must not un-confirm the transaction for that same obligation month and during the same open certification period.

If the seller does not certify Unforced Capacity, including providing an MIS transaction number, associated with the FCFS Import Right award bilateral transaction to the NYISO in the ICAP AMS

prior to the deadline for monthly certification, then the buyer will not be credited with the Unforced Capacity and Unforced Capacity shall automatically be purchased on its behalf in the Spot Market Auction for the affected month(s), and the External Resource PTID for such a bilateral transaction will not be allocated that amount of Unforced Capacity that is associated with the uncertified FCFS Import Right award bilateral transaction.

In the case where the FCFS Import Right award bilateral transaction occurred that fully allocated either an External Interface or the NYCA Interface, as shown in the ICAP AMS at the deadline for returns of awards, and remains uncertified at the close of the certification period, any uncertified FCFS Import Right award bilateral transactions at that External Interface or at the NYCA Interface are voided, and the buyer(s) will have the equivalent UCAP purchased on their behalf in the ICAP Spot Market Auction and the seller's Resource PTID(s) equivalent UCAP MW amount shall be offered into the Spot auction at \$0.00/kW-mo.

4.9.2.5.4. External Installed Capacity Sales With Import Rights in Installed Capacity Auction

All purchasers of Unforced Capacity that is located in an External Control Area in an Installed Capacity Auction shall receive the External Installed Capacity Import Rights necessary for that Unforced Capacity to count towards the LSE Unforced Capacity Obligation; consequently, in order to ensure that there are sufficient External Installed Capacity Import Rights available, the NYISO shall limit the amount of Unforced Capacity from any neighboring External Control Area that can be sold in each auction. The restriction described in this Section 4.9.2.5.4 does not apply to External capacity associated with ETCNL, UDRs, External CRIS rights, or External-to-ROS Deliverability Rights.

In each Capability Period Auction, the NYISO shall limit the amount of Unforced Capacity from any neighboring External Control Area that can be sold to the MW amount of External Unforced Capacity that can be provided that satisfies the deliverability requirements in the NYISO's Tariffs and this *ICAP Manual*, less all External Installed Capacity Import Rights that have been previously allocated for that External Control Area under the provisions of Section 4.9.2 of this *ICAP Manual*.

In the Monthly Auctions, the NYISO shall limit the amount of Unforced Capacity from any neighboring External Control Area that can be sold to the MW amount of Import Rights that the NYISO makes available for the Capability Period from that neighboring Control Area and that satisfies the deliverability requirements in the NYISO's Tariffs and this *ICAP Manual*, less the

amount of Unforced Capacity purchased in that External Control Area for that month and any remaining months in the Capability Period in preceding Monthly Auctions and the Capability Period Auction, less all External Installed Capacity FCFS Import Rights awards that have been previously allocated to FCFS Import Right award bilateral transactions for that month and any remaining months in the Capability Period.

In the ICAP Spot Market Auction, the NYISO shall limit the amount of Unforced Capacity from any neighboring External Control Area that can be sold to the amount of Import Rights that the NYISO makes available for the Capability Period from that neighboring Control Area and that satisfies the deliverability test and this *ICAP Manual*, less the amount of Unforced Capacity purchased in that External Control Area for that month in the Capability Period Auction and the preceding Monthly Auctions, less all External Installed Capacity FCFS Import Rights awards that have been previously allocated to support FCFS Import Right award bilateral transactions for that month.

4.9.3. Additional External Installed Capacity Supplier Requirements

4.9.3.1. Certification

Entities that have received External Installed Capacity Import Rights, External CRIS Rights, or that are using UDRs or EDRs to meet NYCA Minimum Unforced Capacity Requirements (and in the case of a UDR, a Locational Minimum Unforced Capacity Requirement) must certify that Unforced Capacity sold to NYCA LSEs has not been sold elsewhere for each month that they intend to supply Unforced Capacity to the NYCA. These External Installed Capacity Suppliers and any Wheel-Through from an External Control Area to another neighboring Control Area must provide the MIS transaction number to the NYISO on or before the date and time specified in the ICAP Event Calendar.

These External Installed Capacity Suppliers and any capacity that is backed by a Wheels Through from an External Control Area to a neighboring Control Area must provide the MIS transaction numbers for those external transactions to the NYISO on or before the date and time specified in the ICAP Event Calendar.

See also Section [4.7](#) of this *ICAP Manual* for complete information in connection with monthly Installed Capacity Supplier certification requirements. The NYISO will verify this data with the appropriate External Control Area.

4.9.3.2. Deliverability to NYCA Border

Energy associated with Unforced Capacity supplied to the NYCA must be deliverable to the NYCA border or, when using UDRs to the NYCA interface with the UDR transmission facility, or when using EDRs to the NYCA interface over which it creates increased transfer capability; in all instances using the transmission service rules of the relevant External Control Area. For External Installed Capacity associated with Import Rights, External Installed Capacity Suppliers may secure External Installed Capacity Import Rights during the first-come, first-serve request and allocation process described above with a bilateral agreement, or sell External Unforced Capacity in an NYISO-administered Installed Capacity auction pursuant to the procedures identified in this *ICAP Manual*. For External Installed Capacity associated with UDRs and EDRs, the External Installed Capacity must have a sufficient amount of UDRs or EDRs either owned or under contract for the term of the transaction.

Deliverability of Energy to the NYCA border associated with External Installed Capacity is demonstrated as follows. For External Installed Capacity associated with Import Rights or External CRIS Rights, demonstrate the ability to deliver Energy to the NYCA border, or for External Installed Capacity associated with UDRs, demonstrate delivery of such Energy to the NYCA interface with the UDR transmission facility, and with EDRs, demonstrate delivery of such Energy to the NYCA interface over which it creates increased transfer capability, for the time the Energy may be scheduled in the DAM, included in the real-time market or pursuant to a Supplemental Resource Evaluation (“SRE”), as applicable. External Installed Capacity Suppliers are required to fulfill the requirements set forth in Section 5.12.1.10 of the NYISO *Services Tariff*, otherwise they may be subject to the penalty in Section 5.12.12.2 of the NYISO *Services Tariff*.

In addition, External Installed Capacity must fulfill the following requirements to demonstrate deliverability, as applicable based on the Control Area where the External Installed Capacity Supplier is electrically located. If the NYISO does not receive from the Installed Capacity Supplier documentation that conforms to all requirements or is unable to verify the documentation, then the Installed Capacity Supplier may incur penalties, including those under MST section 5.14.2.1. In order to be eligible to sell capacity for a particular month, External Installed Capacity Suppliers must provide proof of deliverability, in accordance with the following requirements based on the Control Area in which the External Installed Capacity Supplier is electrically located.

- i) Installed Capacity Suppliers with capacity import obligations into NYCA from PJM for the month of May 2018 and beyond must provide verifiable documentation confirming firm transmission service for each day of the calendar month of the obligation, for the

ICAP equivalent of the capacity import obligation, and containing the information specified in this Section. The Installed Capacity Supplier must provide the firm transmission documentation dated and received by the NYISO on the date of and by the deadline shown in the ICAP Event Calendar (i.e., the date the ICAP Spot Market Auction results are posted on the NYISO's web site.) Documentation must be sent via email to and received at icap_info@nyiso.com, along with the name(s) of the External generator(s) and MIS transaction number(s) for awarded capacity import obligations by the specified deadline. If the NYISO does not receive from the Installed Capacity Supplier documentation that conforms to all requirements by the deadline or is unable to verify the documentation, then the Installed Capacity Supplier may incur penalties, including those under MST section 5.14.2.1. The firm transmission documentation must contain all of the following information:

- (a) Installed Capacity Supplier Name
 - (b) PJM OASIS Transaction Assignment Reference number
 - (c) Start Date and Time of Firm Transmission Service
 - (d) Stop Date and Time of Firm Transmission Service
 - (e) Firm Transmission Service Source Location
 - (f) Firm Transmission Service Sink Location
 - (g) Firm Transmission Service Path Name
 - (h) MW of Firm Transmission Service Secured
- ii) Installed Capacity Suppliers seeking to obtain a capacity import obligation into the NYCA from IESO must provide written and verifiable documentation of IESO's decision regarding the External Installed Capacity Supplier's Capacity Export Request for each Obligation Procurement Period before such External Installed Capacity Supplier may secure a capacity import obligation in the NYISO Installed Capacity market. The Installed Capacity Equivalent of such a capacity import obligation must be less than or equal to the IESO-approved MW amount of the Capacity Export Request for each Obligation Procurement Period. The External Installed Capacity Supplier must provide documentation sufficiently in advance of the applicable auction in order to afford the NYISO adequate time to review this information before the auction is run.
- iii) Installed Capacity Suppliers seeking to obtain capacity import obligations into the NYCA from ISO-NE must provide verifiable documentation confirming either of the following:

- (a) That the External Installed Capacity Supplier has obtained an approved Export De-List bid in the ISO-NE Forward Capacity Market for a MW amount greater than or equal to the Installed Capacity Equivalent of the capacity import obligation it may seek to obtain during the Obligation Procurement Period; or
- (b) That the External Installed Capacity Supplier's Resource is electrically located in an ISO-NE Capacity Zone, excluding resources that are located in a Capacity Zone modeled in ISO-NE for the specific period as:
 - (i) an export-constrained Capacity Zone;
 - (ii) an import-constrained Capacity Zone that is separated from the NYCA capacity zone into which the External Installed Capacity Supplier is seeking to obtain a capacity import obligation by one or more import-constrained or export-constrained Capacity Zones; or
 - (iii) the Rest-of-Pool Capacity Zone, unless it is adjacent to the NYCA capacity zone into which the External Installed Capacity Supplier is seeking to obtain a capacity import obligation.

The External Installed Capacity Supplier must provide documentation confirming either of the above circumstances sufficiently in advance of the applicable auction in order to afford the NYISO adequate time to review this information before the auction is run. Further, the net of the MW amount of the Resource's Capacity Supply Obligation ("CSO") to ISO-NE subtracted from its Capacity Network Resource Capability ("CNRC") must be greater than or equal to the Installed Capacity Equivalent of the capacity import obligation it may seek to obtain in the Obligation Procurement Period.

4.9.4. Charges Associated with External Unforced Capacity Deficiencies

In accordance with the *NYISO Services Tariff*, if an entity fails to deliver part or all of the Energy associated with External Unforced Capacity it sold in the NYCA (see section 4.9.3) it will be deemed retroactively deficient for such failure. External Installed Capacity Suppliers unable to deliver such Energy to the NYCA border will be assessed the deficiency charge for Unforced Capacity associated with such failure and will be deemed to have been deficient from the last time the External Installed Capacity Supplier "demonstrated" delivery of its Installed Capacity Equivalent ("ICE"), or any part thereof, until it next delivers its ICE or the end of the term for which it certified Unforced Capacity, whichever occurs first, subject to the limitation that any prior lack of demonstrated delivery will not precede the beginning of the period for which the Unforced Capacity was certified.

To the extent an External Installed Capacity Supplier fails to fulfill the requirements for responding to a NYISO Supplemental Resource Evaluation (“SRE”) set forth in Section 5.12.1.10 of the *NYISO Services Tariff*, the External Installed Capacity Supplier shall be subject to a deficiency charge calculated in accordance with the formula set forth in Section 5.12.12.2 of the *NYISO Services Tariff*. External System Resources and Control Area System Resources are required to comply with Section 5.12.1.10 of the *NYISO Services Tariff*.

An External Installed Capacity Supplier will not be subject to the penalty in Section 5.12.12.2 of the *NYISO Services Tariff* if it does not deliver in response to an SRE for a reason that is outside the External Installed Capacity Supplier’s control. Examples of reasons that may lie outside the control of the External Installed Capacity Supplier, and thus exempt the External Installed Capacity Supplier from the penalty, include, but are not limited to:

- i) A Resource’s start-up time is not sufficient to bring the Resource online for the entire time the Energy needs to be scheduled pursuant to the SRE notification.
 - (1) However, if the External Resource associated with the transaction is able to operate to partially comply with the SRE request, then the External Installed Capacity Supplier is expected to respond and fulfill the requirements set forth in Section 5.12.1.10 of the *NYISO Services Tariff* consistent with its Resource’s capabilities.
- ii) An External Resource’s operation may aggravate a transmission limitation in the External Control Area causing the import transaction to be curtailed for that reason.
 - (1) Failure to secure the necessary transmission service in the neighboring Control Area, including failure to agree to pay congestion costs, will not be excused.

The NYISO will evaluate each case of non-delivery during an SRE request to determine whether the reason was beyond the control of the External Installed Capacity Supplier. The NYISO will also evaluate on a case-by-case basis whether an External Installed Capacity Supplier is eligible for cost recovery due to demonstrated losses incurred in responding to the Supplemental Resource Evaluation. Further detail on cost recovery is available in Section 4.1.8 of the *NYISO Services Tariff*.

4.9.5. Exports - External Sales of NYCA Installed Capacity

Qualified NYCA Installed Capacity Resources that have sold Unforced Capacity to serve LSE obligations in External Control Areas must provide MIS transaction numbers for these exports to the NYISO by the deadline shown in the [ICAP Event Calendar](#) (i.e., in the month prior to ICAP export). The NYISO will verify this data with the applicable External Control Area.

Additionally, in order for a Generator located in an Import Constrained Locality to be eligible to export capacity to an External Control Area, the Market Participant for the Generator must provide notice to be received by the NYISO by the deadline in the [ICAP Event Calendar](#), via electronic mail to: ICAP_info@nyiso.com. This notice must contain the following information:

- Name of the Generator
- PTID of the Generator
- Month and year of the export
- The MW amount of ICAP to be exported
- Control Area receiving Export

Capacity from a Generator will not be eligible to be exported if the NYISO does not receive the notice on or before the deadline in the ICAP Event Calendar or if the notice does not contain all required information.

4.9.6. Maximum Allowances for Installed Capacity Provided by Resources Outside the NYCA (Excluding Resources Using UDRs and EDRs)

The maximum Installed Capacity Equivalent of capacity that may be allocated for a NYCA interface is set forth in the tables below and may be reduced in accordance with this *ICAP Manual* Section [4.9.2](#). These tables will be updated annually based on ISO reliability studies. See [Attachment E](#) for a list of Grandfathered contracts. With the exception of UDRs and EDRs, Import Rights will be permitted on a first-come, first-serve basis in accordance with this *ICAP Manual* Section [4.9.2](#).

For Capability Year 2018-2019, the maximum amount of Installed Capacity that may be allocated for NYCA interfaces is:

Amount of External ICAP Permitted to be Allocated for NYCA Interfaces	Total (MW)	Grandfathered (MW) and CY External CRIS (MW)	Remaining (MW)
	2957	38 (May 1, 2018 – April 30, 2019)	2919 (May 1, 2018 – April 30, 2019)

For Capability Year 2019-2020, the maximum amount of Installed Capacity that may be allocated for NYCA interfaces is:

Amount of External ICAP Permitted to be Allocated for NYCA Interfaces	Total (MW)	Grandfathered (MW) and CY External CRIS (MW)	Remaining (MW)
	2633	38 (May 1, 2019 – April 30, 2020)	2595 (May 1, 2019 – April 30, 2020)

For Capability Year 2018-2019, the maximum amount of Installed Capacity subject to the above limits that may be allocated for NYCA interfaces from each of the following Control Areas is as follows:

Neighboring Control Area	Total (MW)	Grandfathered (MW) and CY External CRIS (MW)	Remaining (MW)
PJM	1101	38	1063
ISO-NE	288	0	288
Ontario	453	0	453
Quebec via Chateauguay	1115	1110 ¹ April - November 239 December - February 259 March	5 April - November 876 December - February 856 March
Quebec via Cedars	0	0	0

For Capability Year 2019-2020, the maximum amount of Installed Capacity subject to the above limits that may be allocated for NYCA interfaces from each of the following Control Areas is as follows:

Neighboring Control Area	Total (MW)	Grandfathered (MW) and CY External CRIS (MW)	Remaining (MW)
PJM	1112	38	1074
ISO-NE	279	0	279
Ontario	128	0	128
Quebec via Chateauguay	1114	1110 ² April - November 239 December - February 259 March	4 April - November 875 December - February 855 March

¹ The MW at Quebec via Chateauguay are subject to Section 25.7.11 of the NYISO OATT Attachment S.

² The MW at Quebec via Chateauguay are subject to Section 25.7.11 of the NYISO OATT Attachment S.

Quebec via Cedars	0	0	0
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The amount set forth in the tables immediately above for PJM includes 1080 MW of PJM Import Rights which are subject to reservation in accordance with *NYISO Services Tariff* Section 5.12.2 in amounts up to those listed in the *NYISO OATT* Attachment L, Section 18.3, Table 3 (Existing Transmission Capacity for Native Load ETCNL), and includes 1110 MW of External CRIS Rights at the Chateaugay Interface and 38 MW of Grandfathered capacity in the PJM Control Area (as set forth in [Attachment E](#) of this *ICAP Manual*).

Unforced Capacity Deliverability Rights (UDRs) awarded, not subject to the above limits or first-come, first-serve Import Rights, are:

Unforced Capacity Deliverability Rights	
Cross Sound Cable (CSC) – New England to Long Island, Zone K	330 MW
Neptune Cable – PJM to Long Island, Zone K	660 MW
Linden VFT – PJM to New York City, Zone J	315 MW
Hudson Transmission Project – PJM to New York City, Zone J	660 MW

External-to-ROS Capacity Deliverability Rights (EDRs) awarded, not subject to the above limits or first-come, first-serve Import Rights, are:

External-to-ROS Deliverability Rights	
[none]	

The tables in this Section 4.9.6 do not alter any obligation set forth in this *ICAP Manual*.

4.10. Procedures for Holders of External Capacity Resource Interconnection Service (CRIS) Rights

Obligations of entities holding or seeking to obtain External CRIS Rights are set forth in Sections 25.7.11, 25.9.3, and 25.9.6 of the *NYISO OATT* Attachment S, and Section 5.12.2 of the *NYISO Services*

Tariff. An External CRIS Right constitutes a commitment by the requesting entity to supply capacity through a certified bilateral contract and/or Auction capacity. Entities awarded External CRIS Rights are referred to as External CRIS Rights Holders in this *ICAP Manual*.

4.10.1. Specification of Contract and/or Non-Contract Commitment for External CRIS Rights Converted from Grandfathered Import Rights over the Quebec (via Chateauguay) Interface

Entities who have requested to convert Grandfathered Quebec (via Chateauguay) Interface Rights and been awarded External CRIS Rights in accordance with Section 25.7.11.1.4.1 of the *NYISO OATT* Attachment S must provide to the NYISO information specifying the amount of megawatts of Contract and Non-Contract Commitment associated with the awarded External CRIS Right. Specification of the amount of megawatts of Contract and Non-Contract Commitment must be received by the NYISO by the deadline set forth on the ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do). Each request must contain the following information:

1. The identity of the External CRIS Right Holder making the request;
2. The megawatt amount of Contract Commitment, in accordance with Section 25.7.11.1.1 of *NYISO OATT* Attachment S;
3. The megawatt amount of Non-Contract Commitment, in accordance with Section 25.7.11.1.2 of *NYISO OATT* Attachment S;
4. For Contract Commitment or bilateral portion of a Non-Contract Commitment, submission of executed bilateral contract, proof that the External CRIS Rights Holder has ownership or contract control of External Resources to fulfill its bilateral supply contract throughout the Award Period.

The NYISO will respond to requests received for megawatt amounts of Contract and Non-Contract Commitment associated with conversion of Grandfathered Quebec (via Chateauguay) Interface Rights according to the schedule in the detailed ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do). The NYISO will notify the requesting party if its request has been accepted or rejected, with reasons for rejection, if such is the case. A rejection may be based on any of the following:

- Incomplete or inadequate information:
- Requests for megawatt amounts of Contract and Non-Contract Commitment inconsistent with Section 25.7.11.1.1 and/or 25.7.11.1.2;

- If the requesting entity identifies a Contract Commitment or bilateral agreement within a Non-Contract Agreement, late receipt of supporting documentation of bilateral agreements;
- Unqualified External Installed Capacity Resources.

4.10.2. New Awards of External CRIS Rights

Entities who have been awarded External CRIS Rights through a Class Year Deliverability Study in accordance with Section 25.7.11.1.4.2 of the *NYISO OATT* Attachment S must provide to the NYISO information specifying the amount of megawatts of Contract and Non-Contract Commitment associated with the awarded External CRIS Right. New External CRIS Rights will take effect at the start of a Capability Period. Requests for specifying the amount of megawatts of Contract and Non-Contract Commitment must be received by the NYISO according to the ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do). Each request must contain the following information:

1. The identity of the External CRIS Right Holder making the request;
2. The megawatt amount of Contract Commitment, in accordance with Section 25.7.11.1.1 of *NYISO OATT* Attachment S;
3. The megawatt amount of Non-Contract Commitment, in accordance with Section 25.7.11.1.2 of *NYISO OATT* Attachment S;
4. For Contract Commitment or bilateral portion of a Non-Contract Commitment, submission of executed bilateral contract, proof that the External CRIS Rights Holder has ownership or contract control of External Resources to fulfill its bilateral supply contract throughout the Award Period.

The NYISO will respond to requests received for megawatt amounts of Contract and Non-Contract Commitment for new awards of External CRIS Rights according to the schedule in the detailed ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do). The NYISO will notify the requesting party if its request has been accepted or rejected, with reasons for rejection, if such is the case. A rejection may be based on any of the following:

- Incomplete or inadequate information:

- Requests for megawatt amounts of Contract and Non-Contract Commitment inconsistent with Section 25.7.11.1.1 and/or 25.7.11.1.2;
- If the requesting entity identifies a Contract Commitment or bilateral agreement within a Non-Contract Agreement, late receipt of supporting documentation of bilateral agreements;
- Unqualified External Installed Capacity Resources.

4.10.3. Renewal of External CRIS Rights

Requirements concerning the renewal of External CRIS Rights are specified in Section 25.9.3 of the *NYISO OATT* Attachment S. Renewals of existing External CRIS Rights will take effect at the start of a Capability Period. On renewal of an existing External CRIS Right, the Supply Failure count is set to zero. Requests for renewal of External CRIS Rights must be received by the NYISO according to the timing specified in Section 25.9.3.2 of the *NYISO OATT* Attachment S. Each request must contain the following information:

1. The identity of the External CRIS Right Holder making the request;
2. The External CRIS Right Number being renewed;
3. The megawatt amount of the External CRIS Right to be renewed;
4. E-mail address of the requesting party to which the NYISO can respond.
5. For Contract Commitment or bilateral portion of a Non-Contract Commitment, submission of executed bilateral contract, proof that the External CRIS Rights Holder has ownership or contract control of External Resources to fulfill its bilateral supply contract throughout the Award Period.

4.10.4. Transfer of External CRIS Rights

Requests for transfer of External CRIS Rights must be received by the NYISO no later than the deadline in the ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do), but in any event no later than the deadline identified in Section 25.9.6 of the *NYISO OATT* Attachment S. Each request must contain the following information:

1. The identity of the External CRIS Right Holder making the request (Transferor);

2. The identity of the NYISO Customer to whom the External CRIS Right is being transferred (Transferee);
3. The External CRIS Right Number from which the transfer is made;
4. Confirmation that the External CRIS Rights are located at the same Interface;
5. The megawatt amount of Contract and/or Non-Contract Commitment External CRIS Right to be transferred, consistent with the provisions of Section 25.7.11.1 of the *NYISO OATT* Attachment S governing the number of MW committed in the Summer and Winter Capability Periods);
6. The Auction Month in which the first offer of External CRIS will be submitted by Transferee;
7. E-mail address of the requesting party to which the NYISO can respond.

In addition, the NYISO must receive from the Transferee of the External CRIS Right information on the type(s) (Contract or Non-Contract Commitment) of External CRIS Right requested in accordance with Section 25.9.6 of the *NYISO OATT* Attachment S. If requesting all or some portion of the External CRIS Right as a Contract Commitment or bilateral agreement within a Non-Contract Commitment, the NYISO must receive from the Transferee an executed bilateral contract, and proof that the holder of External CRIS Rights has ownership or contract control of External Resources to fulfill its bilateral supply contract throughout the Award Period. All External CRIS Rights transfers shall take effect on the first month of the Capability Period subsequent to the date of approval by the NYISO.

Upon receipt of a request for transfer and supporting documentation from the Transferee, the NYISO will notify the requesting party within thirty (30) business days if its request has been accepted or rejected, with reasons for rejection, if such is the case. A rejection may be based on the criteria specified in the *NYISO OATT* Attachment S and for additional reasons such as, but not limited to, the following:

- Incomplete or inadequate information;
- Megawatt amount of transfer greater than existing External CRIS Right;
- If Transferee identifies a Contract Commitment or bilateral agreement within a Non-Contract Agreement, late receipt of supporting documentation of bilateral agreements;
or
- Unqualified External Installed Capacity Resources.

When an External CRIS Right is transferred in full or in part to a Transferee, the Transferee does not have to elect the same megawatt amounts of Contract and Non-Contract as elected by the Transferor as part of the existing External CRIS Right. All other terms of the External CRIS Right transfer to the Transferee, including the effective end date.

When an External CRIS Right is transferred in full or in part, the Transferee starts with zero Supply Failures for that External CRIS Right. The Transferor will retain its Supply Failure count and if all or any portion of the External CRIS Right is transferred back to the Transferor at any point in time, the recipient's Supply Failure count will be the same number it was when the recipient transferred the External CRIS Rights.

An External CRIS Right Holder that has sold some or all of the MW associated with the External CRIS Right in future months cannot transfer an amount of External CRIS MW in excess of the unsold amount.

Offers by the Transferor for Auction months subsequent to the transfer date will not count towards satisfying the Transferee's must-offer requirement (as defined in Section 25.7.11.1.2 of the *NYISO OATT* Attachment S).

4.10.5. External CRIS Bilateral Contract Supporting Documentation

The NYISO must receive from holders of External CRIS Rights that have specified an amount of MW of Contract Commitment or Non-Contract Commitment via one or more bilateral agreements, supporting documents on or before the date prior to the Monthly Auction set forth on the ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do).

4.10.6. Non-Contract Commitment Must-offer Requirement

Installed Capacity Suppliers holding megawatt amounts of Non-Contract Commitment that are not associated with bilateral agreements are subject to a must-offer requirement as defined in Section 25.7.11.1.2 of the *NYISO OATT* Attachment S. If offers of megawatt amounts of Non-Contract Commitment are submitted in multiple auctions for the same auction month (including amounts offered in prior months for the then-current auction month), the ICAP equivalent of megawatts required to be offered in that month's ICAP Spot Market Auction will be calculated according to the following rule (with "Strip" meaning the Capability Period Auction):

MW ICAP Spot Market Auction offer requirement = MW External CRIS commitment -

{MW Strip offers + max[0, MW Monthly Auction offers - (MW Strip offers - MW Strip awards)]}

Where:

MW ICAP Spot Auction offer requirement = the amount of MWs required to be offered into the Spot Auction for a particular month;

MW External CRIS commitment = the amount of Non-Contract CRIS MW minus any Non-Contract CRIS MW used to supply bilateral agreements

MW Strip offers = the ICAP Equivalent of MW offered from this Non-Contract Commitment in the Strip Auction (same MW amount offered for each month)

MW Monthly Auction offers = the cumulative ICAP Equivalent of MW offered from this Non-Contract Commitment in Monthly Auctions

MW Strip awards = the ICAP Equivalent of MW sold from this Non-Contract Commitment in the Strip Auction (same MW amount awarded for each month)

As an example, assume a 300 MW Non-Contract Commitment CRIS Right not associated with bilateral agreements. If 100 MW is offered in the Capability Period Auction (of which 60 MW clears), 110 MW is offered in that month's Monthly Auction, the ICAP Spot Market Auction offer requirement would be 130 MW (300 MW commitment - {100 MW Strip offer + [110 MW Monthly Auction offer - (100 MW Strip offer - 60 MW Strip award)]}).

4.10.7. Non-Contract Commitment Offer Cap

Installed Capacity Suppliers holding megawatt amounts of Non-Contract Commitment that are not associated with bilateral agreements are subject to an offer cap in any auction in which part of that commitment is offered. Section 5.12.2.4 of the *NYISO Services Tariff* describes the offer cap.

Section 5.12.2.4.1 of the *NYISO Services Tariff* sets forth the formula for the ISO to compute the internal cap component of the offer cap. The inputs for the internal cap component will depend on the particular auction to which the cap is applied:

- For the Capability Period Auction, and the first Monthly Auction of a Capability Period, the internal cap component will be calculated as 1.1 times the projected clearing price based on the quantity of megawatts identified in data in the NYISO's then-current Load and Capacity Data Report (Gold Book);

- For all ICAP Spot Market Auctions, the internal cap component will be calculated as 1.1 times the projected clearing price for each ICAP Spot Market Auction determined based on the applicable ICAP Demand Curve and the total quantity of Unforced Capacity from all Installed Capacity Suppliers in the NYCA, determined at the certification deadline, for the month associated with the applicable ICAP Spot Market Auction.
- For all Monthly Auctions except the first in a Capability Period, the internal cap component will equal the internal cap component determined for the previous month's ICAP Spot Market Auction (e.g., the internal cap component for the July Monthly Auction would equal the internal cap component computed for the June Spot Market Auction).

The NYISO will post the data used to determine the internal cap component for the Capability Period Auction and the first Monthly Auction of a Capability Period according to the schedule in the ICAP Event Calendar that can be found by selecting the link provided (http://icap.nyiso.com/ucap/public/evt_calendar_display.do).

The internal cap component for all other ICAP auctions will be determined each month after the certification deadline.

Section 5.12.2.4.2 of the *NYISO Services Tariff* defines the External cap component of the offer cap. For External CRIS Rights sourced from PJM, the NYISO will use the most recent annual reconfiguration auction price for the PJM RTO Locational Deliverability Area (LDA) that contains the NYISO Capability Period, as posted on the PJM website at <http://www.pjm.com/markets-and-operations/rpm.aspx> (or if such web address is no longer applicable, such other location at which PJM makes the information available). For External CRIS Rights sourced from ISO-NE, the NYISO will use the most recent annual reconfiguration auction price for the Rest-of-Pool that contains the NYISO Capability Period, as posted on the ISO-NE website at <http://www.iso-ne.com/isoexpress/web/reports/auctions/-/tree/forward-capacity-mkt> (or if such web address is no longer applicable, such other location at which ISO-NE makes the information available). For External CRIS Rights sourced from a Control Area in Canada, the NYISO will use the higher of the auction prices from PJM and ISO-NE as identified in accordance with this paragraph. In accordance with Section 5.12.2.4.2 of the *NYISO Services Tariff*, the NYISO will factor in transmission reservation costs associated with providing Installed Capacity. Firm transmission charges imposed in the External market that are required to supply energy are not included in the External cap component.

Installed Capacity Suppliers submitting offers in Monthly Auctions for future months (e.g., submitting offers for June through August in the June Monthly Auction) will be subject to the currently-effective offer cap, which shall be the higher of the internal offer cap and the external offer cap, calculated for the auction month in which the offers are submitted (e.g., the offer cap for the June Monthly Auction would apply in the June Monthly Auction to offers for July and August).

4.10.8. Failure to Meet External CRIS Rights Commitment

External CRIS Rights Holders are subject to offer requirements specified in Section 25.7.11 of the *NYISO OATT* Attachment S. Entities that fail to certify or fail to offer the full amount of Contract or Non-Contract CRIS MW incur a Supply Failure of the terms of the External CRIS Rights award. For each instance of a Supply Failure, Section 25.7.11 of the *NYISO OATT* Attachment S imposes a deficiency charge on the Rights Holder that incurred the Supply Failure.

4.10.9. Termination of External CRIS Rights

When the Supply Failure threshold identified in Section 25.7.11 of the *NYISO OATT* Attachment S is exceeded, that External CRIS Right (both Contract and Non-Contract MWs) will be terminated.

An External CRIS Rights Holder whose Right has been terminated due to exceeding the number of allowable Supply Failures and who has sold Capacity in future Capability Period or Monthly Auctions retains the obligation to supply that Capacity.

Termination of an External CRIS Right will trigger a recalculation of deliverability headroom and resulting monthly Import Right limits using the shift factors determined in the most recent Import Rights Deliverability Study and removing the amount of megawatts of the terminated External CRIS Right that remains unsold for the remainder of the Capability Period.

4.11. System Resources

A System Resource is defined as a portfolio of Unforced Capacity provided by Resources located in a single ISO-defined Locality, the remainder of the NYCA, or any single External Control Area, that is owned by or under the control of a single entity, which is not the operator of the Control Area where such Resources are located, and that is made available, in whole or in part, to the NYISO. System Resources may be External or Internal to the NYCA. Please refer to Section 4.4.3 and [Attachment J](#), Section 3.4, for information regarding Resources operated by the operator of the Control Area in which the Resources are located.

The System Resource must be in a Control Area that either (a) will not recall or curtail transactions from the Resource to satisfy its own Control Area Load, or (b) will afford the NYCA Load the same curtailment priority that it affords its own Control Area Load.

4.11.1. Permissible Aggregations

For the purposes of aggregating System Resources, there are eight defined areas in which Installed Capacity Suppliers may reside. These are:

1. New York City
2. Long Island
3. G-J Locality
4. All other NYCA Load Zones

and the neighboring Control Areas operated by:

5. PJM
6. ISO-NE
7. Quebec
8. Ontario

A single entity may aggregate its Resources located in Load Zones G, H, and I into a portfolio for purposes of entering into System Resource Installed Capacity transactions for the G-J Locality. Within the other seven areas a single entity may aggregate its Generators into a portfolio for the purposes of entering into System Resource Installed Capacity transactions, so long as all the Generators included in the portfolio reside within the same area. Any entity that wishes to make System Resource sales must provide the required DMNC test data to the NYISO for each Generator in its portfolio, unless that entity can re-dispatch Resources under its control located within an External Control Area to maintain a pre-determined interchange schedule between that Control Area and the NYCA. The Unforced Capacity associated with an External Grandfathered Right may not be aggregated with other Resources as a System Resource.

For example, an owner may operate Generators in PJM and the Long Island Zone. The Generators in PJM may be aggregated or the Generators in the Long Island Zone may be aggregated. Generators in PJM and the Long Island Zone may not be combined with each other.

4.11.2. External System Resources

The NYISO requires the following information for each Resource aggregated as an External System Resource. The entity aggregating the Resources is responsible for the NYISO's receipt of the information.

- Name and location of Generators included in the portfolio.
- Documentation that satisfies the General Requirements for DMNC determination specified in Section [4.2](#) of this *ICAP Manual*.
- Documentation that satisfies the Maintenance Scheduling Requirements specified in Section [4.3](#) of this *ICAP Manual*.
- Documentation that satisfies the Operating Data information submission requirements specified in Section [4.4](#) of this *ICAP Manual*.
- Expected return date from full or partial outages.
- Certification that Unforced Capacity supplied to the NYCA has not been supplied elsewhere.

4.11.3. Control Area System Resources

Control Area System Resources or the purchasers of Unforced Capacity from those Resources shall not be required to conduct DMNC tests and submit DMNC test results to the NYISO. Instead, the NYISO shall calculate a net projected capacity (the “Net Projected Capacity”) for each Control Area System Resource based on (1) monthly forecast data submitted by the Control Area System Resource pursuant to this Section (the “Forecast Data”), and (2) the formula set forth below. To calculate the amount of UCAP each Control Area System Resource may supply to the NYCA, the NYISO shall use the formulae provided in [Attachment J](#) of this *ICAP Manual*, which adjusts the Net Projected Capacity on the basis of CARL Data submitted monthly by the Control Area System Resource pursuant to Section [4.4.3](#) of this *ICAP Manual*.

To qualify as ICAP Suppliers, Control Area System Resources or the purchasers of Unforced Capacity from those Resources shall provide Forecast Data in a form acceptable to the NYISO on or before the date and time specified and in compliance with the requirements set forth in Section [4.2](#) of this *ICAP Manual*, which are otherwise applicable to the NYISO's receipt of DMNC test results by Generators.

Forecast Data shall cover the period for which Control Area System Resources or purchasers of Unforced Capacity from those Resources want to supply Unforced Capacity to the NYCA. For

example, Control Area System Resources that wish to participate in the 2001-2002 Winter Capability Period Auction shall provide to the NYISO Forecast Data for each of the six (6) months of the 2001-2002 Winter Capability Period on or before the specified date and time. Forecast Data for a Control Area System Resource providing Installed Capacity from Control Area c shall include the following information for each month m for which that Control Area System Resource (or purchaser of Capacity from such resource) wishes to provide Installed Capacity:

1. Total forecasted maximum generating Capacity in the Control Area c during month m (without any adjustments for External firm Capacity purchases, or sales, outages and maintenance) (CAPcm);
2. External forecasted firm Capacity purchases by Control Area c, other than purchases from Resources in the NYCA during month m (EPcm);
3. The forecasted amount of load management (i.e., interruptible load) in Control Area c during month m (LMcm);
4. Forecasted peak Load for Control Area c during month m, including system losses (PLcm);
5. Forecasted external firm Capacity sales by Control Area c during month m, other than firm Capacity sales to the NYCA (EScm);
6. Forecasted losses, up to the border of the NYCA that would be incurred on transactions corresponding to sales of Unforced Capacity by that Control Area System Resource outside the Control Area (LScm);
7. The amount of generating capacity that is forecasted to be unavailable in Control Area c due to planned maintenance during month m (PMcm); and
8. Planning reserve requirements during month m for the Control Area c corresponding to reserve requirements necessary for this Control Area c to meet NERC Resource Adequacy and applicable reliability council criteria, taking into account all sales of Capacity from this Control Area c (PRcm).

In cases in which any of the above data items is forecasted to vary from hour to hour within a month, the forecasted monthly value submitted for that data item should be the forecasted value of that data item during the peak load hour for that month for Control Area c.

To calculate the Net Projected Capacity of each Control Area System Resource for a specific month, the NYISO shall use the following formula: $NPC_{cm} = CAP_{cm} + EP_{cm} + LM_{cm} - PL_{cm} - ESc_{m} - LSc_{m} - PM_{cm} - PR_{cm}$.

Net Projected Capacity shall be used to determine the amount of Unforced Capacity a Control Area System Resource can provide using the equations in Section 3.4 of [Attachment J](#) to this *ICAP Manual*.

4.12. Special Case Resources (Sections 5.12.11, 5.12.12, and 5.14.2 NYISO Services Tariff)

SCRs are Demand Side Resources whose Load is capable of being interrupted at the direction of the NYISO, and/or Demand Side Resources that have a Local Generator, which is not visible to the NYISO's Market Information System and is rated 100 kW or higher, that can be operated to reduce Load from the NYS Transmission System and/or the distribution system at the direction of the NYISO. Small customer aggregations may also qualify as SCRs. The Unforced Capacity of a SCR corresponds to its pledged amount of Load reduction as adjusted by historical performance factors (i.e., test and event performance) and as increased by the Transmission District loss factor, as calculated in accordance with Section 4.12.2.1 to this *ICAP Manual*.

4.12.1. Claiming of Unforced Capacity and RIPs

The Unforced Capacity of a SCR except a New SCR in a Mitigated Capacity Zone (see Section 4.12.2 below) may be freely sold in Bilateral Transactions. However, such Unforced Capacity may not be claimed by an LSE towards satisfaction of its own LSE Unforced Capacity Obligation or be offered into an auction administered by the NYISO unless the SCR has enrolled with a RIP and been accepted by the NYISO. RIPs are Market Participants that are bound by the NYISO's tariffs and ISO Procedures, including the notification and other requirements applicable to RIPs under this Section 4.12. RIPs shall be responsible for all forms of communication to and from the NYISO for purposes of Minimum Payment Nomination, notification, dispatch, validation, billing and verification of SCRs and the Unforced Capacity associated with SCRs.

4.12.2. General Requirements

RIPs must comply with the rules applicable to SCRs set forth in the *NYISO Services Tariff* and ISO Procedures, including the obligation to meet the qualifications and comply with the procedures described below.

A RIP must enroll a SCR with the NYISO in accordance with the schedule specified in the ICAP Event Calendar and DRIS Event Calendar, which can be found at the following location on the NYISO Website:

http://icap.nyiso.com/ucap/public/evt_calendar_display.do

In order to enroll SCRs, a RIP must use the Demand Response Information System (DRIS) to import the specified enrollment file.

Prior to enrolling any SCRs, a RIP must register with the NYISO as an ICAP Supplier. The RIP must request enrollment for each SCR in DRIS, obtain a resource identification number for each SCR it enrolls, and subsequently the NYISO must approve the request, before a SCR's enrollment becomes effective and the Unforced Capacity from the SCR can be claimed by an LSE towards its LSE Unforced Capacity Obligation or offered in an auction administered by the NYISO.

Upon the initial enrollment of a SCR, or at any time when an enrollment change is made, the RIP must include as part of the enrollment file uploaded to the DRIS the SCR Aggregation ID to which the SCR is assigned. A RIP may request, in the DRIS, new SCR Aggregation IDs in a specific Load Zone, during the New Aggregation ID Request Period in the ICAP Event Calendar and DRIS Event Calendar. Any request for a new SCR Aggregation ID must be approved by the NYISO.

Interval meters are required of all SCRs, unless the SCRs are part of a small customer aggregation. Such metering must satisfy all requirements of the Metering, Verification, Billing and Settlement Section of the *NYISO Emergency Demand Response Program Manual*, available from the NYISO Web site at <https://www.nyiso.com/manuals-tech-bulletins-user-guides> Single metering of multiple end-use customers on primary, secondary, or tie-line feeders is prohibited.

The Unforced Capacity of SCRs may only be offered in auctions administered by the NYISO or be claimed by an LSE towards its LSE Unforced Capacity Obligation in whole increments of 100 kW in a Load Zone (e.g., 590 kW of Unforced Capacity would be truncated to 500 kW). However, SCRs may be aggregated into an SCR Aggregation to satisfy this requirement, provided that each such SCR Aggregation is identified as a single block of Unforced Capacity. SCR Aggregations of this type may be used to meet the 100 kW block requirement.

Enrolling SCRs with multiple account numbers located at a single service address

The method of enrollment for SCRs with multiple Transmission Owner or electric service provider account numbers located at a single end-use location (service address) is dependent on the metering configuration and account information of each Demand Side Resource.

Where a single end-use location (service address) has more than one Demand Side Resource with both (i) a unique Transmission Owner or electric service provider account number and (ii) an interval meter, each such Demand Side Resource must be enrolled as a separate SCR.

A single Transmission Owner or electric service provider account number may not be separated into multiple SCRs.

More than one Demand Side Resource located at a single end-use location (service address) may enroll as a single SCR only when: (i) the end-use location is associated with a single legal entity, (ii) each individual Demand Side Resource has a unique Transmission Owner or electric service provider account number, (iii) the individual Demand Side Resources do not have individual interval meters, and (iv) the end-use location does have an interval meter that aggregates all of the associated individual Demand Side Resource Transmission Owner or electric service provider account numbers located at the service address.

Examples:

- A single multi-unit building with multiple account numbers:

Multiple Demand Side Resources (units) that wish to be a SCR must aggregate to form a single SCR where (i) the Demand Side Resources (units) are associated with a single legal entity, and (ii) the Demand Side Resources (units) do not have individual interval meters but the building does have an interval meter that aggregates all the associated individual Transmission Owner or electric service provider account numbers at the service address.

Multiple Demand Side Resources (units) that wish to be a SCR may not aggregate to form a single SCR where (i) the Demand Side Resources (units) are associated with a single legal entity, and (ii) the Demand Side Resources (units) each have individual interval meters.

Multiple Demand Side Resources (units) that wish to be a SCR may not enroll as a single SCR where (i) each Demand Side Resource (unit) at the single end-use location is separately owned, regardless of the end-use location's type of metering because, although there is one end-use location, each unique account number is associated with a separate legal entity.

- A commercial retail chain with multiple end-use locations and account numbers:

Each individual end-use location that wishes to be a SCR must be enrolled separately as a single SCR using its unique Transmission Owner or electric service provider account number because, despite common ownership, the stores are not at a single end-use location.

(The examples above are provided only to demonstrate potential application of enrollment requirements. The examples do not limit application of the requirements discussed above.)

All unique Transmission Owner or electric service provider account numbers aggregated into a single SCR must be provided to the NYISO using the "Enrolling Multiple Account Numbers" form located on the NYISO website at:

https://www.nyiso.com/demand-response_RIPs are required to submit the form each time the enrollment of such SCRs is requested in DRIS. The NYISO must receive the completed form via electronic mail (at SCR_Registration@nyiso.com) by the SCR enrollment deadline as specified in the ICAP and DRIS Event Calendar.

Assignment of Performance Factors

The NYISO will assign performance factors as follows:

For a RIP enrolled in the SCR program in the Prior Equivalent Capability Period, the RIP performance factor for the current Capability Period shall be computed by the NYISO in accordance with Section [4.12.2.1.3](#) of this *ICAP Manual*.

For a RIP that did not participate in the SCR program in the Prior Equivalent Capability Period the RIP shall be assigned the SCR program performance factor for the current Capability Period as computed by the NYISO in accordance with Section [4.12.2.1.4](#) of this *ICAP Manual*.

For an individual SCR that was not enrolled in the SCR program in either the Prior Equivalent Capability Period or the Capability Period preceding the Prior Equivalent Capability Period, the SCR shall be assigned the performance factor of the RIP that enrolls the SCR in the current Capability Period.

The NYISO shall compute a separate SCR Aggregation performance factor, in accordance with Section [4.12.2.1.5](#) of this *ICAP Manual*, that recognizes over-performance by one SCR to compensate for under-performance by another SCR in the same SCR Aggregation in the same hour. The minimum hourly performance of an individual SCR shall be zero (0). SCRs may be transferred from one SCR Aggregation to another SCR Aggregation within a RIP's portfolio during the Aggregation

Management period as specified in the ICAP Event Calendar and DRIS Event Calendar. Following the Aggregation Management period, the NYISO shall recalculate the SCR Aggregation performance factor for each SCR Aggregation.

Small Customer Aggregations

The NYISO will also allow participation by aggregations of small customers using alternative metering and performance measurement subject to the procedures and limitations set forth in the *NYISO Emergency Demand Response Program Manual* (available from the NYISO Web site at the following URL: <https://www.nyiso.com/manuals-tech-bulletins-user-guides>, except that the total of all such aggregations for SCRs shall not exceed 100 MW. Each small customer aggregation will be reviewed by the NYISO staff and the Installed Capacity Working Group, and must be approved by at least four of the Chairs and Vice-Chairs of the Management Committee and the Business Issues Committee and the Chairs of the Installed Capacity Working Group and Price Responsive Load Working Group. The RIP shall report the performance of each small customer aggregation (each aggregation separate from any other aggregation and separate from resources not in the aggregation) directly into the DRIS, using an import file formatted as specified in the *NYISO DRIS User's Guide*. The RIP shall provide additional documentation to verify performance as requested by the NYISO.

New SCR in a Mitigated Capacity Zone

A SCR that is enrolled must be accepted by the NYISO before the enrollment is effective. Once accepted, a SCR is a “New SCR in a Mitigated Capacity Zone” if it is enrolled in a Mitigated Capacity Zone. A New SCR in a Mitigated Capacity Zone shall be subject to an Offer Floor, in accordance with Section 23.4.5.7.5 of the *NYISO Services Tariff*, unless exempt (as described below), beginning with the month of its initial offer to supply Installed Capacity, and until its offers of Installed Capacity have been accepted in the ICAP Spot Market Auction at a price at or above its Offer Floor for a total of twelve (12), not necessarily consecutive, months.

New SCRs in a Mitigated Capacity Zone are eligible SCRs only in the ICAP Spot Market Auction; UCAP from a New SCR in a Mitigated Capacity Zone may not be used to cover UCAP offered in a Capability Period Auction, Monthly Auction, or through a Bilateral Transaction. If a New SCR in a Mitigated Capacity Zone is included in UCAP certified for a Capability Period Auction or Monthly Auction sale, or through a Bilateral Transaction certified by both parties to the transaction, the amount of UCAP attributable to the New SCR in a Mitigated Capacity Zone will constitute a shortfall.

A New SCR in a Mitigated Capacity Zone, except New York City, shall be exempt from the Offer Floor if (a) it was enrolled with the NYISO as a SCR for any month within the Capability Year that includes March 31 in an ICAP Demand Curve Reset Filing Year in which the NYISO proposes a New Capacity Zone that includes the location of the New SCR in a Mitigated Capacity Zone (e.g., any month in the 2012/13 Capability Year, for SCRs in the New Capacity Zone that was proposed in the 2013 Demand Curve Reset Filing Year) or (b) the NYISO projects that the ICAP Spot Market Auction price will exceed, the SCR's Offer Floor for the first twelve months that the SCR reasonably anticipated to offer to supply UCAP.

SCRs with Local Generators

SCRs that participate with a Local Generator must enroll as either response type B or response type G resources, as defined in the *NYISO DRIS User's Guide*, as required by the metering configuration of the SCR and the Local Generator. By enrolling a SCR that participates with a Local Generator, the RIP is certifying to the NYISO, on behalf of itself and the SCR, that the SCR has obtained all necessary regulatory approvals for the Local Generator to operate for the purposes of reducing the Load being supplied from the NYS Transmission System and/or distribution system during all NYISO initiated performance tests and events.

SCRs that use Local Generators that are operating to fully serve their Load do not qualify for participation in the SCR program. A Local Generator that is normally operating to partially serve its Load may participate in the program with any additional generation that is available to operate at the direction of the NYISO in order to reduce the remaining Load being supplied from the NYS Transmission System and/or distribution system. In no instance shall a Local Generator participate in the SCR program at a level that exceeds the SCR's applicable ACL baseline that was used for enrollment in the program.

A SCR that supplies Load reductions solely through the use of a Local Generator and that elects to measure such Load reductions by metering the output of such Local Generator in accordance with Section [4.12.2.1](#) of this *ICAP Manual* shall report to the NYISO performance test and event data, as specified in Section 4.12.4.8 of this ICAP Manual. A SCR that supplies Load reductions solely through the use of a Local Generator and that elects to measure such Load reductions by metering the output of such Local Generator in accordance with Section [4.12.2.1](#) of this *ICAP Manual* must only report the amount of generation that reduces Load from the NYS Transmission System and/or distribution system during an event or test as the performance of the SCR.

SCR Response Type for enrollment in DRIS

A RIP must identify a "Response Type" for each SCR it enrolls in DRIS based upon: (i) how the SCR will reduce its Load during a NYISO initiated performance test or event; and (ii) the meter configuration of the SCR's facility. Each SCR must be enrolled as: Response Type C (Curtailment), Response Type G (Generation), or Response Type B (Both).

A SCR must enroll as Response Type C when it reduces the Load supplied by the NYS Transmission System and/or distribution system during a NYISO initiated performance test or event only by curtailing the facility's Load, and submits the entire facility's net meter data as evidence of Load reduction (as specified in Section 5.1.2 of the NYISO's Emergency Demand Response Program ("EDRP") Manual).

A SCR must enroll as Response Type G when it reduces the Load supplied by the NYS Transmission System and/or distribution system during a NYISO initiated performance test or event only by using a Local Generator, and submits the Local Generator's meter data (not entire facility's net meter data) as evidence of Load reduction (as specified in Section 5.1.2 of the NYISO's EDRP Manual).

A SCR must enroll as Response Type B when:

(i) it uses both a Local Generator and curtailment of the facility's Load to reduce the Load supplied by the NYS Transmission System and/or distribution system during a NYISO initiated performance test or event, and submits

(a) the entire facility's net meter data, or

(b) the net of entire facility's Load meter data and Local Generator's meter data as evidence of Load reduction;

or

(ii) it uses only a Local Generator to reduce the Load supplied by the NYS Transmission System and/or distribution system during a NYISO initiated performance test or event, and submits

(a) the entire facility's net meter data, or

(b) the net of entire facility's Load meter data and Local Generator's meter data as evidence of Load reduction.

A SCR enrolled as Response Type G may not change its enrollment to either Response Type B or Response Type C within a single Capability Period. A SCR enrolled with either a Response Type B or

a Response Type C may not change its enrollment to Response Type G within a single Capability Period.

4.12.2.1. Determination of ICAP, Performance Factors, UCAP, and Installed Capacity Equivalent of UCAP Sold

A RIP provides the load reduction capability associated with its SCRs as part of a SCR Aggregation. This section describes the procedures used for (1) translating the load reduction capability of a SCR to the ICAP value for the SCR, (2) calculating performance factors for a SCR, SCR Aggregation, RIP, and for the SCR program, (3) determining the UCAP value of the SCR Aggregation to which a SCR is assigned, and (4) determining the Installed Capacity Equivalent of UCAP sold of the SCR.

4.12.2.1.1. SCR ICAP

The ICAP of an individual SCR shall be computed as the applicable enrollment ACL minus the committed maximum demand multiplied by one plus the applicable transmission loss factor. The applicable transmission loss factor is determined, by the NYISO, according to the voltage service level of the SCR reported by the RIP on the SCR enrollment file imported into the DRIS for the Capability Period. The ICAP of an individual SCR is not dependent on the response type enrolled.

The precise formulation is as follows:

$$ICAP_{gm} = (ACL_{gm} - CMD_{gm}) \times (1 + TLF_{gv})$$

Where:

$ICAP_{gm}$ = the Installed Capacity that Resource g is qualified to provide in month m ;

ACL_{gm} = the applicable enrollment ACL, for Resource g applicable to month m , using data reported in the enrollment file uploaded to DRIS;

CMD_{gm} = the committed maximum demand for Resource g applicable to month m , using data reported in the enrollment file uploaded to DRIS;

TLF_{gv} = the applicable transmission loss factor for Resource g , expressed in decimal form (i.e., a loss factor of 8% is equal to .08) at voltage level v . The applicable transmission loss factor shall be the loss factor reflected in the relevant TO's

then current retail electric rates approved by the PSC and stored in the DRIS for deliveries of Energy at voltage level v by the relevant TO the Resource g.

4.12.2.1.2. SCR Performance Factors

The SCR performance factor for the current Capability Period shall be computed as the performance of the SCR in mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*, in which the SCR was required to reduce load from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period. This individual SCR performance factor shall be the result of the average of the SCR's adjusted hourly performance factors for each of the SCR's best four consecutive hours in all of its mandatory events and required one-hour tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*. Each adjusted hourly performance factor is the lesser of the raw performance factor or one.

If the SCR was not enrolled in any Capability Period required to calculate the performance factor for the current Capability Period, the SCR shall be assigned the performance factor of the RIP.

Performance Factor for a SCR with Load Curtailment

When the SCR is enrolled with a response type of B or C, as defined in the *NYISO DRIS User's Guide*, the raw hourly performance factor is computed as the hourly capacity reduction of the SCR divided by the applicable ACL of the SCR less the committed maximum demand of the SCR. The minimum hourly raw performance factor of a SCR shall be zero. The hourly capacity reduction is equal to the applicable ACL of the SCR minus the metered Load for the event or test hour. The minimum hourly capacity reduction for an individual SCR shall be zero.

The precise formulation is as follows:

$$SCR PF_{BCg} = \frac{\sum_{h \in NLRH_{gbe}} \min \left(\frac{\max (ACL_{gh} - M_{gh}, 0)}{ACL_{gh} - CMD_{gh}}, 1 \right)}{NLRH_{gbe}}$$

Where:

SCR PF_{BCg}= the performance factor of the Resource g with a response type B or C for the current Capability Period;

ACL_{gh} = the enrollment Net ACL or the Verified ACL, for Resource g applicable to hour h **from the applicable Capability Period**, using data reported in the DRIS;

ML_{gh} = the metered Load for Resource g for hour h **from the applicable Capability Period**, using data reported in the performance data file uploaded to DRIS;

CMD_{gh} = the committed maximum demand for Resource g applicable to hour h **from the applicable Capability Period**, using data reported by the RIP in the enrollment file uploaded to DRIS;

$NLRH_{gbe}$ = the number of hours from the applicable Capability Period, up to four per mandatory event plus any hour in which Resource g was required to demonstrate load reduction as part of one or more performance tests called by the NYISO where, in accordance with Section 4.12.4.5 of this ICAP Manual, the SCR may elect to demonstrate its maximum enrolled megawatt value by relying on its load reduction in a mandatory event hour in lieu of participation in the first performance test;

b = the Capability Period immediately preceding the Prior Equivalent Capability Period in which Resource g was enrolled and was obligated to respond to mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this ICAP Manual, or the time at which Resource g began to serve as a SCR available to reduce load;

e = the most recent Prior Equivalent Capability Period in which Resource g was enrolled and was obligated to respond to mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this ICAP Manual.

Performance Factor for a SCR enrolled with output from a Local Generator

When the SCR is enrolled with a response type of G, as defined in the *NYISO DRIS User's Guide*, the raw hourly performance factor is computed as the hourly capacity reduction of the SCR for the event or test hour divided by the applicable ACL of the SCR less the committed maximum demand of the SCR. The minimum hourly raw performance factor of a SCR shall be zero. The hourly capacity reduction is equal to the metered generator output for the event or test hour. The minimum hourly capacity reduction for an individual SCR shall be zero.

The precise formulation is as follows:

$$SCR PF_{Gg} = \frac{\sum_{h \in NLRH_{gbe}} \min \left(\frac{\max (ML_{gh}, 0)}{ACL_{gh} - CMD_{gh}}, 1 \right)}{NLRH_{gbe}}$$

Where:

SCR PF_{Gg} = the performance factor of the Resource *g* with a response type G for the current Capability Period;

ACL_{gh} = the enrollment Net ACL or the Verified ACL, for Resource *g* applicable to hour *h* **from the applicable Capability Period**; using data reported in the DRIS;

ML_{gh} = the metered output of the Local Generator, less any output from the generator used to support the load of the SCR in accordance with Section 4.12.2 of this *ICAP Manual* subheading “SCRs with Local Generators”, for Resource *g* for hour *h* **from the applicable Capability Period**, using data reported in the performance data file uploaded to DRIS;

CMD_{gh} = the committed maximum demand for Resource *g* applicable to hour *h* **from the applicable Capability Period**, using data reported by the RIP in the enrollment file uploaded to DRIS;

NLRH_{gbe} = the number of hours in which Resource *g* was required to reduce load during the applicable Capability Period, up to four per mandatory event plus any hour in which Resource *g* was required to demonstrate load reduction as part of one or more performance tests called by the NYISO, where, in accordance with Section 4.12.4.5 of this *ICAP Manual*, the SCR may elect to demonstrate its maximum enrolled megawatt value by relying on its load reduction in a mandatory event hour in lieu of participation in the first performance test;

b = the Capability Period immediately preceding the Prior Equivalent Capability Period in which Resource *g* was enrolled and was obligated to respond to mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*;

e = the Prior Equivalent Capability Period in which Resource *g* was enrolled and was obligated to respond to mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*.

4.12.2.1.3. RIP Performance Factor

The RIP performance factor for the current Capability Period shall be computed as the sum of the proportional declared value of all SCRs that were enrolled by the RIP in the Prior Equivalent Capability Period divided by the sum of the maximum declared value of all SCRs that were enrolled by the RIP in the Prior Equivalent Capability Period. The proportional declared value of an individual SCR is computed as the maximum declared value of the SCR from the Prior Equivalent Capability Period multiplied by the raw performance factor, calculated in accordance with Section [4.12.2.1.2](#) of this *ICAP Manual*, of the SCR for the current Capability Period. The maximum declared value of an individual SCR shall be set to the greatest declared value from the SCR enrollment in the Prior Equivalent Capability Period.

When more than one RIP has enrolled a SCR in the Prior Equivalent Capability Period, the SCR's performance will be included in the RIP performance factor of the RIP that last enrolled the SCR in the Prior Equivalent Capability Period.

The precise formulation is as follows:

$$RIP\ PF = \frac{ProportionalDV_{RIPSCRg}}{MaxDV_{RIPSCRg}}$$

Where:

RIP PF_r = the performance factor of the RIP *r* for the current Capability Period;

ProportionalDV_{RIPSCRg} = the sum of the maximum declared value of each Resource *g* enrolled by the RIP in the Prior Equivalent Capability Period multiplied by the corresponding raw performance factor that is not capped at 1.0 of the Resource *g* for the current Capability Period;

MaxDV_{RIPSCRg} = the sum of the greatest declared value of each Resource *g* from its enrollment by the RIP in the Prior Equivalent Capability Period;

4.12.2.1.4. SCR Program Performance Factor

The SCR program performance factor for the current Capability Period shall be computed as the sum of the proportional declared value of all SCRs that were enrolled in the Prior Equivalent Capability Period divided by the sum of the maximum declared value of all SCRs that were enrolled in the Prior Equivalent Capability Period. The proportional declared value of an individual SCR is

computed as the maximum declared value of the SCR from the Prior Equivalent Capability Period multiplied by the raw performance factor, calculated in accordance with Section 4.12.2.1.2 of this ICAP Manual, of the SCR for the current Capability Period. The maximum declared value of an individual SCR shall be set to the greatest declared value from the SCR enrollment in the Prior Equivalent Capability Period.

The precise formulation is as follows:

$$ICAP/SCR\ PROG\ PF = \frac{ProportionalDV_{ALLSCRg}}{MaxDV_{ALLSCRg}}$$

Where:

ICAP/SCR PROG PF = the performance factor of the SCR program for the current Capability Period;

ProportionalDV_{ALLSCRg} = the sum of the proportional declared values for each Resource *g* enrolled in the SCR program in the Prior Equivalent Capability Period;

MaxDV_{ALLSCRg} = the sum of the maximum declared value for each Resource *g* enrolled in the SCR program in the Prior Equivalent Capability Period;

4.12.2.1.5. SCR Aggregation Performance Factor

The SCR Aggregation performance factor is calculated each month, after the close of Aggregation Management as specified in the ICAP Event Calendar and DRIS Event Calendar. The SCR Aggregation performance factor for the current Capability Period and auction month shall be determined using enrollment and hourly event and required test response data, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*, from all SCRs assigned to the SCR Aggregation from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period.

To compute the hourly raw performance of the SCR Aggregation for each hour that the SCRs assigned to the SCR Aggregation were required to reduce load in a mandatory event and required one-hour tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*, from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period, the hourly raw performance of the SCR Aggregation shall be the sum of the capacity

reduction value from all SCRs assigned to the SCR Aggregation for the month divided by the difference between the sum of the ACLs and the sum of the CMDs from all of the SCRs assigned to the SCR Aggregation for the month.

The adjusted SCR Aggregation performance factor for each hour is the lesser of the hourly raw performance factor or one. The SCR Aggregation performance factor for the month shall be the result of the sum of the hourly adjusted performance factors during the best four consecutive hours in each mandatory event and one-hour tests, in accordance with Section 4.12.4.5 of this *ICAP Manual*, from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period divided by the total number of hours in which the SCR Aggregation was required to reduce load for the mandatory events, up to a maximum of four consecutive hours per mandatory event, and required one-hour tests, in accordance with Section 4.12.4.5 of this *ICAP Manual*, from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period.

If a SCR assigned to the SCR Aggregation for the current Capability Period was not enrolled in any Capability Period required to calculate the performance factor for the current Capability Period and auction month, the SCR will not be included in the calculation of the SCR Aggregation performance factor.

The precise formulation is as follows:

$$SCR\ Aggregation\ PF_{am} = \frac{\sum_{h \in NLRH_{abe}} \min \left(\frac{\sum_{g \in ah} (\max(ACL_{BCgh} - ML_{BCgh}, 0) + \max(ML_{Ggh}, 0))}{\sum_{g \in ah} (ACL_{gh} - CMD_{gh})}, 1 \right)}{NLRH_{abe}}$$

Where:

SCR Aggregation PF_{am} = the performance factor of the SCR Aggregation a , as determined for month m ;

ACL_{BCgh} = the enrollment Net ACL or the Verified ACL, for the SCR g with response type B or response type C assigned to the SCR Aggregation a , using data reported in the DRIS I;

ML_{BCgh} = the metered Load for SCR g with response type B or response type C assigned to the SCR Aggregation a for hour h , using data reported in the performance data file uploaded to DRIS;

ML_{Ggh} = the metered output of the Local Generator, less any output from the generator used to support the load of the SCR in accordance with Section 4.12.2 of this *ICAP Manual* subheading “SCRs with Local Generators”, for Resource *g* for hour *h* from the **applicable Capability Period**, using data reported in the performance data file uploaded to DRIS;

ACL_{gh} = the enrollment Net ACL or the Verified ACL, for the SCR *g* assigned to the SCR Aggregation *a*, using data reported in the DRIS;

CMD_{gh} = the committed maximum demand for Resource *g* applicable to hour *h* from the applicable Capability Period, using data reported by the RIP in the enrollment file uploaded to DRIS;

$NLRH_{abe}$ = the number of hours in which Resource *g* was required to reduce load during the applicable Capability Period, up to four per mandatory event plus any hour in which Resource *g* was required to demonstrate load reduction as part of one or more performance tests called by the NYISO, where, in accordance with Section 4.12.4.5 of this *ICAP Manual*, the SCR may elect to demonstrate its maximum enrolled megawatt value by relying on its load reduction in a mandatory event hour in lieu of participation in the first performance test;

b = the Capability Period immediately preceding the Prior Equivalent Capability Period in which the SCR was enrolled and was obligated to respond to mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*;

e = the most recent Prior Equivalent Capability Period in which the SCR was enrolled and was obligated to respond to mandatory events and required tests, in accordance with Section [4.12.4.5](#) of this *ICAP Manual*;

4.12.2.1.6. SCR Contribution to SCR Aggregation UCAP

For SCRs that have a SCR performance factor:

The UCAP contribution of the SCR to the SCR Aggregation UCAP shall be computed as the calculated ICAP for the SCR multiplied by the SCR Aggregation performance factor.

The precise formulation is as follows:

$$UCAP_{Contr}^{SCR_{gm}} = ICAP_{gm}^Q \times SCR_{Aggregation} PF_{am}$$

Where:

$UCAP_{Contr}^{SCR_{gm}}$ = the Unforced Capacity that Resource **g** is qualified to provide in month **m**, as part of the SCR Aggregation;

$ICAP_{gm}^Q$ = the Installed Capacity that Resource **g** is qualified to provide in month **m**, calculated in accordance with Section 4.12.2.1.1 of this *ICAP Manual*;

Aggregation PF_{am} = the performance factor of the SCR Aggregation **a** as determined for the Capability Period and month **m**, calculated in accordance with Section 4.12.2.1.5 of this *ICAP Manual*;

For SCRs that have been assigned the performance factor of the RIP:

The UCAP contribution of the SCR to the SCR Aggregation UCAP shall be computed as the calculated ICAP for the SCR multiplied by the performance factor of the RIP.

The precise formulation is as follows:

$$UCAP_{Contr}^{RIP_{gm}} = ICAP_{gm}^Q \times RIP_{PF}_g$$

Where:

$UCAP_{Contr}^{RIP_{gm}}$ = the Unforced Capacity that Resource **g** is qualified to provide in month **m**, as part of the SCR Aggregation;

$ICAP_{gm}^Q$ = the Installed Capacity that Resource **g** is qualified to provide in month **m**, calculated in accordance with Section 4.12.2.1.1 of this *ICAP Manual*;

RIP_{PF}_g = the performance factor of the RIP **g**, calculated in accordance with Section 4.12.2.1.3 or Section 4.12.2.1.4 of this *ICAP Manual*, as applicable;

4.12.2.1.7. SCR Aggregation UCAP

The SCR Aggregation UCAP, for the applicable auction month shall be computed as the sum of the UCAP contribution to the SCR Aggregation UCAP of each SCR in the SCR Aggregation using the

SCR Aggregation performance factor plus the sum of the UCAP contribution to the SCR Aggregation UCAP of each SCR in the SCR Aggregation using the performance factor of the RIP.

The precise formulation is as follows:

$$UCAP^{Q_{am}} = \sum_{am} (UCAPContr_{gm}^{SCR}) + \sum_{am} (UCAPContr_{gm}^{RIP})$$

Where:

$UCAP^{Q_{am}}$ = the Unforced Capacity of that SCR Aggregation **a** is qualified to provide in month **m**;

$UCAPContr_{gm}^{SCR}$ = the Unforced Capacity that Resource **g** is qualified to provide in month **m** using the SCR Aggregation performance factor, as calculated in accordance with Section 4.12.2.1.6 of this *ICAP Manual*;

$UCAPContr_{gm}^{RIP}$ = the Unforced Capacity that Resource **g** is qualified to provide in month **m** using the performance factor for the RIP, as calculated in accordance with Section 4.12.2.1.6 of this *ICAP Manual*;

4.12.2.1.8. SCR Installed Capacity Equivalent

The Installed Capacity Equivalent (ICE) for a SCR, for the applicable auction month, shall equal the UCAP sales of the SCR for the auction month divided by the applicable performance factor (i.e. SCR Aggregation performance factor or performance factor for the RIP).

For SCRs included in the SCR Aggregation performance factor, the Installed Capacity Equivalent is equal to:

The precise formulation is as follows:

$$ICE_{gm}^{SCR} = UCAPContr_{gm}^{SCR} \cdot AggregationPF$$

Where:

ICE_{gm}^{SCR} = the Installed Capacity Equivalent that Resource **g** is obligated to deliver in month **m**, at the direction of the NYISO;

UCAPContr^{SCR}_{gm} = the Unforced Capacity sold by Resource *g* in month *m*, **using the SCR Aggregation performance factor, as calculated in accordance with Section 4.12.2.1.6 of this ICAP Manual;**

AggregationPF_{am} = the performance factor of the SCR Aggregation *a*, as determined for month *m*;

For SCRs assigned the performance factor for the RIP, the Installed Capacity Equivalent is equal to:

The precise formulation is as follows:

$$ICE_{gm}^{RIP} = UCAPContr_{gm}^{SCR} \cdot RIP PF$$

Where:

ICE^{RIP}_{gm} = the Installed Capacity Equivalent that Resource *g* is obligated to deliver in month *m*, at the direction of the NYISO;

UCAPContr^{SCR}_{gm} = the Unforced Capacity sold by Resource *g* in month *m*, **using the performance factor of the RIP, as calculated in accordance with Section 4.12.2.1.6 of this ICAP Manual;**

RIP PF_{am} = the performance factor of the RIP;

4.12.3. Minimum Payment Nomination Requirements

For each month in which a SCR supplies Unforced Capacity to the NYCA, the RIP must specify in the DRIS a Minimum Payment Nomination that will reflect the minimum guarantee price the SCR will be paid if called upon to reduce Load equal to the Installed Capacity Equivalent of the amount of Unforced Capacity it has supplied.

A Minimum Payment Nomination is specified by the RIP, in the DRIS, for each SCR Aggregation and applies to all individual SCRs within that SCR Aggregation. A SCR's Minimum Payment Nomination cannot exceed \$500/MWh. This Minimum Payment Nomination, or Energy curtailment payment designation, associated with a SCR's Unforced Capacity will not be entered in the Day-Ahead Market, but instead will serve as a strike price that the NYISO can use to prioritize which SCRs to call. Unlike a Generator or other Resource's Bid to supply Energy associated with Unforced

Capacity, a SCR's Minimum Payment Nomination cannot be revised prior to Settlement in the Day-Ahead Market. A SCR's Minimum Payment Nomination is set for the entire month.

The Minimum Payment Nomination for a new SCR Aggregation ID must be specified by the RIP at the time of the SCR Aggregation ID request. The RIP may change the Minimum Payment Nomination for each auction month during the dates and times specified in the ICAP Event Calendar and DRIS Event Calendar for Strike Price Management.

SCR Minimum Payment Nominations will be used only when the NYISO Operations department determines the need to call on these SCRs in accordance with the NYISO Emergency Operations Manual. In the event the NYISO Operations department makes such a determination, the Minimum Payment Nominations placed for each SCR will allow the NYISO to call for Load reduction based on SCR zone location and price. As a result, the NYISO will be able to call less than the total pool of SCRs in the NYCA and in each NYCA zone.

As an example, the NYISO may determine that it needs a Demand Reduction response of 25 MW in Zone J. A total of 50 MW of SCRs located in Zone J is supplying Unforced Capacity. For this example, assume that each MW of SCR Capacity entered a different Minimum Payment Nomination, from \$0/MWh to \$500/MWh. In order to fulfill its need for 25 additional MW of reserves, the NYISO will call the 25 MW of SCRs in economic order based on their submitted Minimum Payment Nominations starting with the lowest values. See Section [4.12.7](#) for situations where multiple SCRs have placed the same top Minimum Payment Nomination called upon by the NYISO and the total MW offered at that price exceed the ISO's needs.

4.12.4. Performance Obligations

A SCR must be capable of making Energy available (*i.e.*, take action, in response to the NYISO direction, that causes a measurable and verifiable reduction of Load from the New York State Transmission System and/or distribution system during an event or test), for a minimum four (4) hour block (except where environmental constraints that have been previously considered and approved by the NYISO require a shorter block), in amounts that correspond to the Installed Capacity Equivalent of the amount of Unforced Capacity it has been committed to supply for each month through the NYISO's Installed Capacity Market. The obligation to reduce Load shall commence at the top of the hour after the NYISO has provided the following notices:

- a. on the day before the SCR's performance may be required, the NYISO shall provide twenty-one (21) hour notice to the RIP, so long as notification is provided by 3:00

PM ET. If notice is provided to the RIP after 3:00 PM ET on the day before the SCR's performance may be required, then the NYISO shall instead provide twenty-four (24) hours' notice;

- b. following the advance notice described in (a) above, on the operating day the NYISO shall provide at least two (2) hours' notice to the RIP that the SCR's performance will be required. The SCR shall reduce its Load or transfer Load to a Local Generator (as appropriate) commencing at the top of the hour immediately after the two-hour notice period has expired. In the alternative, the NYISO may specify the hour at which the SCR shall commence performance of its obligation by reducing its Load or transferring Load to a Local Generator (as appropriate), so long as the start hour specified by the NYISO is at least two hours in the future.

There shall be no relief from penalties or other obligations for failure to perform if the RIP was an Installed Capacity Supplier in any month within a Capability Period.

When requested by the Transmission Owner, the NYISO may call SCRs to reduce Load in targeted sub-load pockets within Load Zone J for the Targeted Demand Response Program (TDRP) as specified in Section 6 of the NYISO's EDRP Manual. Response to TDRP events activated by the NYISO at the request of a Transmission Owner is voluntary. Response to a TDRP event will not be used to measure performance for either the SCR or the RIP.

4.12.4.1. Average Coincident Load

The ACL is the baseline Load used by the NYISO for measuring the amount of Load reduction that a SCR enrolled in the NYISO's SCR program can provide during a specific Capability Period. An ACL is calculated by the NYISO for each SCR, except those SCRs that are eligible to enroll with a Provisional ACL, in accordance with Section 5.12.11.1.1 of the *NYISO Services Tariff*. An increase to the ACL may be reported in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff* and Section 4.12.4.3.1 of this *ICAP Manual*. A decrease to the ACL is required to be reported in accordance with Section 5.12.11.1.3 of the *NYISO Services Tariff* and Sections 4.3.3 and 4.12.4.3.2 of this *ICAP Manual*.

The NYISO will post to its website, and import into the DRIS, the top 40 NYCA peak Load hours for the Prior Equivalent Capability Period for each Load Zone ninety (90) days prior to the beginning of the Capability Period for which the ACL will be in effect. RIPs shall only report metered hourly Load consumed by the SCR that is supplied by the NYS Transmission System and/or the distribution system when uploading metered data into the DRIS for calculating or

verifying an ACL. Any Load supported by generation produced from a Local Generator, other behind-the-meter generator, or other supply resource located behind the SCR's meter operating during the Capability Period SCR Peak Load Zone Hours, may not be added to the metered Load values submitted. In instances where the metered Load captures both the energy provided from the NYS Transmission System and/or distribution system with the energy provided by a Local Generator, other behind-the-meter generator, or other supply resource located behind the SCR's meter, the total amount of supply from behind-the-meter sources shall be netted out of the metered Load data submitted to the NYISO for calculating or verifying an ACL.

If a RIP attempts to change the value of any hour used in the ACL calculation in a subsequent enrollment during the same Capability Period, the SCR's enrollment record will be set to a Pending status in the DRIS and must be approved by the NYISO before the SCR can be enrolled with a revised ACL.

4.12.4.2. Provisional Average Coincident Load

A RIP may enroll a SCR with a Provisional ACL in accordance with Section 5.12.11.1.2 of the *NYISO Services Tariff*. The RIP must report the meter installation date on the enrollment upload to the DRIS for each SCR being enrolled with a Provisional ACL. The meter installation date of the SCR must remain the same for the entire period in which the SCR is enrolled with a Provisional ACL with the same RIP. The RIP must maintain records sufficient to demonstrate compliance with Section 5.1 of the NYISO's EDRP Manual and to confirm the meter installation date reported in DRIS.

A demand response resource enrolled in the Prior Equivalent Capability Period in the NYISO Emergency Demand Response Program (EDRP) is ineligible to enroll in the SCR program with a Provisional ACL when being enrolled with the same RIP.

Determining Eligibility to Enroll A SCR with A Provisional ACL

Beginning with the 2014 Summer Capability Period, a RIP may verify the eligibility of a SCR to enroll with a Provisional ACL during the time frame corresponding to the SCR enrollment period as specified in the ICAP Event Calendar and DRIS Event Calendar and using the Transmission Owner Account Number of the SCR and the Provisional ACL Eligibility Import file through the DRIS. The Provisional ACL Eligibility Import will provide the RIP with one of the following results: (a) the SCR is eligible to enroll using a Provisional ACL and may be enrolled through the SCR enrollment process; (b) the SCR is ineligible to enroll using a Provisional ACL in accordance with Section [4.12.4.2.2](#) of this *ICAP Manual*.

All Provisional ACLs shall be subject to verification using the Verified ACL calculated in accordance with the verification process set forth in Section 5.12.11.1.2 of the *NYISO Services Tariff*. The RIP is responsible for uploading into the DRIS the interval billing meter data of the SCR for the Capability Period SCR Load Zone Peak Hours from the Capability Period in which the SCR was enrolled with a Provisional ACL, beginning with hours that fall between the meter installation date for the SCR enrolled with a Provisional ACL through the end of the Capability Period in which the SCR was enrolled with a Provisional ACL. Any Load supported by generation produced from a Local Generator, other behind-the-meter generator, or other supply source located behind the SCR's meter operating during the applicable Capability Period SCR Peak Load Zone Hours may not be included in the SCR's metered Load values reported for the verification of its Provisional ACL.

For a resource with a Provisional ACL, if twenty (20) or more Capability Period SCR Load Zone Peak Hours occur during the period between the meter installation date and the end of the Capability Period, the NYISO shall calculate a Verified ACL from the Provisional ACL verification data as the average of the SCR's highest twenty hourly loads taken from the relevant interval metered load dataset reported to the DRIS by the RIP.

For a resource with a Provisional ACL, if there are fewer than twenty (20) applicable Capability Period SCR Load Zone Peak Hours occurring during the period between the meter installation date and the end of the Capability Period the NYISO shall set the Verified ACL equal to the Provisional ACL from the SCR enrollment.

Failure by a RIP to report required interval data for the Provisional ACL verification process in accordance with Section 5.12.11.1.2 of the *NYISO Services Tariff* shall result in the Verified ACL being set to zero for the Capability Period in which the resource was enrolled with a Provisional ACL.

The Verified ACL will be used in the calculation of the SCR's performance factor, and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential deficiency charges.

In accordance with Section 5.14.2.3.1 of the *NYISO Services Tariff* SCRs enrolled with a Provisional ACL shall be subject to potential deficiency charges as a result of overstating the Provisional ACL and shall be subject to all other shortfalls and deficiency charges that may apply to the RIP under Section 5.14.2 as an Installed Capacity Supplier, including but not limited to those that may result from the invalid enrollment of the SCR, failure to timely report a Qualified Change of Status Condition, and the underperformance of the SCR in the RIP portfolio. When a single SCR's

participation in the SCR program gives rise to more than one potential shortfall within the Capability Period, the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR from among the specific shortfall types identified under Section 5.14.2.3 of the *NYISO Services Tariff*.

Pursuant to Section 5.12.12.2 of the *NYISO Services Tariff* SCRs enrolled with a Provisional ACL may also be subject to potential sanctions for failure to report the metered Load data required for verification of the Provisional ACL. The SCR may also be subject to a financial sanction for failure to timely report a Qualified Change of Status Condition, in addition to the corresponding shortfall penalty as provided in Section 5.14.2.3.3 of the *NYISO Services Tariff*.

4.12.4.2.1. Continued Use of a Provisional Average Coincident Load

A SCR enrolled with a Provisional ACL may be enrolled with a Provisional ACL in subsequent Capability Periods in accordance with Section 5.12.11.1.2 of the *NYISO Services Tariff*.

The Provisional ACL may be applicable to a new SCR for up to three (3) consecutive Capability Periods, when enrolled with the same RIP, beginning with the Capability Period in which the SCR is first enrolled with the RIP. If the SCR is enrolled by another RIP in a subsequent Capability Period and the SCR is still eligible to enroll with a Provisional ACL, the enrolling RIP is required to enter a meter installation date when enrolling the SCR.

A SCR enrolled with a Provisional ACL that reported metered Load data for twenty (20) or more of the Capability Period SCR Load Zone Peak Hours is not eligible to enroll with a Provisional ACL in the next equivalent Capability Period. When interval billing meter data from the Prior Equivalent Capability Period necessary to compute the ACL is available in the DRIS and a different RIP is enrolling the SCR in the next equivalent Capability Period the enrolling RIP may request that the NYISO use the existing interval billing meter data in accordance with Section 4.12.4.2.2 of this *ICAP Manual* for enrollment of the SCR. When no such interval billing meter data or insufficient data exists in the DRIS, the RIP enrolling the SCR in the next equivalent Capability Period is eligible to enroll the SCR with a Provisional ACL.

4.12.4.2.2. Request for SCR Meter Data: ACL Data Request Enrollment Procedures

Beginning with the 2014 Summer Capability Period, when a RIP does not have and cannot obtain the interval billing meter data from the Prior Equivalent Capability Period necessary to compute an ACL for enrollment of a SCR, the RIP may enroll the SCR using existing data in the DRIS,

to the extent the necessary data is available in the DRIS, by requesting such data from the NYISO (“ACL data request enrollment”). The DRIS Provisional ACL Eligibility Import will indicate whether the ACL data necessary for enrollment of a SCR exists in the DRIS (refer to the *NYISO DRIS User's Guide* for details on this import).

Below is a summary of the process the RIP is required to take to enroll a SCR using existing data from the DRIS. A more detailed description of the ACL data request enrollment process is provided in the *NYISO DRIS User's Guide*.

- The request to use existing ACL data and the meter installation date of the SCR shall be included as part of the enrollment file upload to the DRIS upon the initial enrollment of the SCR by the RIP.
- An ACL data request enrollment that passes validations as part of the enrollment file upload to the DRIS shall be placed in a *Pending* enrollment request status, which will require further action by the RIP to be taken following the close of SCR enrollment and before the close of Aggregation Management as specified in the ICAP Event Calendar and DRIS Event Calendar.
- The RIP will be required to approve or decline the use of existing ACL data as specified in the *NYISO DRIS User's Guide*.
 - When a RIP approves, the RIP is required to enter additional enrollment values for the SCR prior to acceptance by the DRIS.
 - If the RIP declines, the SCR is not enrolled.
- All ACL data request enrollments that have not been acted on by the RIP (*i.e.*, approved or declined) by the close of Aggregation Management will be automatically declined or denied by the DRIS and the SCRs associated with the ACL data request enrollments will not be enrolled.
- A RIP that declines an ACL data request enrollment for a SCR, or an enrollment that is declined by the DRIS, may not subsequently enroll the SCR using RIP obtained interval billing meter data for the remainder of the Capability Period. The same RIP may make another request to use existing interval meter data from the DRIS during subsequent enrollment windows within the same Capability Period.

4.12.4.3. Changes to ACL

4.12.4.3.1. Increase to ACL: Incremental ACL

A RIP may increase the ACL of a SCR in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff* by reporting the qualifying increase, the Incremental ACL value, on the enrollment upload to the DRIS for the first month of enrollment with an Incremental ACL. The RIP may also report an increase to the declared value of a SCR that meets the criteria of a SCR Load Change Reporting Threshold as defined in Section 2.19 of the *NYISO Services Tariff*. The Incremental ACL must be reported for each subsequent month that the RIP reports a change to the SCR enrollment within the Capability Period. When the Incremental ACL crosses into the following Capability Period, the RIP must report the Incremental ACL value for the first month of enrollment within the following Capability Period and each subsequent month within that Capability Period that the RIP reports a change to the SCR enrollment within the Capability Period.

When a RIP enrolls a SCR using the ACL data request enrollment process set forth in Section 4.12.4.2.2 of this *ICAP Manual*, the RIP may report an Incremental ACL value for the SCR upon viewing and approving the use of existing ACL data.

All Incremental ACLs shall be subject to verification using the Verified ACL calculated in accordance with the verification process set forth in Section 5.12.11.1.5 of the *NYISO Services Tariff*. The RIP is responsible for uploading into the DRIS the required interval billing meter data of the SCR for each month's Monthly SCR Load Zone Peak Hours from the Capability Period in which the SCR was enrolled with an Incremental ACL. Such Monthly SCR Load Zone Peak Hours shall be posted to the NYISO website and imported into the DRIS during the time frame corresponding to the posting of the Capability Period SCR Load Zone Peak Hours in accordance with Section 5.12.11.1.1 of the *NYISO Services Tariff* and Section 4.12.4.1 of this *ICAP Manual*. Any Load supported by generation produced from a Local Generator, other behind-the-meter generator, or other supply source located behind the SCR's meter operating during the applicable Monthly SCR Load Zone Peak Hours may not be included in the SCR's metered Load values reported for the verification of its Incremental ACL.

Failure by a RIP to report required interval data for the Incremental ACL verification process in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff* shall result in the Verified ACL being set to zero for all months within the Capability Period in which the resource was enrolled with an Incremental ACL.

The Verified ACL will be used in the calculation of the SCR's performance factor, and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential deficiency charges.

Any SCR enrolled with an Incremental ACL that was required to perform in a mandatory event hour or in the first performance test in the Capability Period in accordance with Section 4.12.4.5, may also be required to perform in the second performance test in the Capability Period in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff*. Subsequent to the first performance test in the Capability Period, the DRIS may be used by the RIP to identify SCRs required to perform in the second performance test, including SCRs enrolled with an Incremental ACL. The detailed process for identifying these SCRs is described in the *NYISO DRIS User's Guide*. When a SCR is required to demonstrate performance in either a mandatory event hour or in the first performance test, and then again in the second performance test in the Capability Period, performance from both test hours shall be considered in the calculation of the SCR's performance factor and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential shortfalls and deficiency charges. Provided, however, that with respect to the first performance test, the SCR may, in accordance with Section 4.12.4.5 of this *ICAP Manual*, demonstrate its maximum enrolled megawatt value by relying on its load reduction in a mandatory event hour in lieu of participation in the first performance test.

In accordance with Section 5.14.2.3.2 of the *NYISO Services Tariff* SCRs enrolled with an Incremental ACL shall be subject to potential shortfalls and deficiency charges as a result of overstating the Incremental ACL and shall be subject to all other shortfalls and deficiency charges that may apply to the RIP under 5.14.2 as an Installed Capacity Supplier, including but not limited to those shortfalls that may result from the invalid enrollment of the SCR, failure to timely report a Qualified Change of Status Condition, and the underperformance of the SCR in the RIP portfolio. Where a single SCR's participation in the SCR program gives rise to more than one potential shortfall within the Capability Period, the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR from among the specific shortfall types identified under Section 5.14.2.3 of the *NYISO Services Tariff*.

Pursuant to Section 5.12.12.2 of the *NYISO Services Tariff* SCRs enrolled with an Incremental ACL may also be subject to potential sanctions for failure to report the metered Load data required

for verification of the Incremental ACL and failure to report the metered Load data when the SCR is required to perform in the second performance test in the Capability Period. The SCR may also be subject to a financial sanction for failure to timely report a Qualified Change of Status Condition, in addition to the corresponding shortfall penalty as provided in Section 5.14.2.3.3 of the *NYISO Services Tariff*.

4.12.4.3.2. Decrease to ACL: SCR Change of Status

A RIP is required to report a decrease, to the ACL of a SCR, a SCR Change of Status, in accordance with Section 5.12.11.1.3.2 of the *NYISO Services Tariff* and Section 4.3.3.2 of this *ICAP Manual*.

When a RIP enrolls the SCR using the ACL data request enrollment process set forth in Section 4.12.4.2.2 of this *ICAP Manual*, the RIP must report, when applicable, a SCR Change of Status for the SCR upon viewing and approving the use of existing ACL data when such SCR Change of Status begins or is occurring on the effective date of the SCR enrollment.

Any SCR enrolled with a SCR Change of Status that was required to perform in a mandatory event hour or in the first performance test in the Capability Period in accordance with Section 4.12.4.5, may also be required to perform in the second performance test in the Capability Period in accordance with Section 5.12.11.1.3.2 of the *NYISO Services Tariff*. When a RIP reports a SCR Change of Status for a SCR after the close of enrollment for the last month of the Capability Period, the SCR will not be required to perform in the second performance test, and shall be evaluated for a potential shortfall for SCR Change of Status; no sanction shall be applied for failure to report performance for the second performance test. Subsequent to the first performance test in the Capability Period, the DRIS may be used by the RIP to identify SCRs required to perform in the second performance test, including SCRs with a SCR Change of Status. The detailed process of identifying these SCRs is described in the *NYISO DRIS User's Guide*. When a SCR is required to demonstrate performance in either a mandatory event hour or the first performance test, and then again in the second performance test in the Capability Period, performance from both test hours shall be considered in the calculation of the SCR's performance factor and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential shortfall and deficiency charges except when the SCR Change of Status is reported after the close of enrollment for the last month of the Capability Period as described above. Provided, however, that with respect to the first performance test, the SCR may, in accordance with Section

4.12.4.5 of this *ICAP Manual*, demonstrate its maximum enrolled megawatt value by relying on its load reduction in a mandatory event hour in lieu of participation in the first performance test.

Changes to ACL due to a reported SCR Change of Status as required per Section 4.3.3.2 of this *ICAP Manual* are also subject to in-period verification using actual hourly interval billing meter data for the applicable Capability Period.

In accordance with Section 5.14.2.3.3 of the *NYISO Services Tariff* a RIP that has enrolled a SCR that experiences a SCR Change of Status shall be subject to potential deficiency charges as a result of failing to timely report the SCR Change of Status and shall be subject to all other shortfalls and deficiency charges that may apply to the RIP under Section 5.14.2 as an Installed Capacity Supplier, including but not limited to those that may result from the invalid enrollment of the SCR, overstating the SCR's Provisional ACL or Incremental ACL, and the underperformance of the SCR in the RIP portfolio. Where a single SCR's participation in the SCR program gives rise to more than one potential shortfall within the Capability Period, the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR from among the specific shortfall types identified under Section 5.14.2.3 of the *NYISO Services Tariff*.

Pursuant to Section 5.12.12.2 of the *NYISO Services Tariff* SCRs experiencing a SCR Change of Status may also be subject to a potential sanction for failure to report the metered Load data when the SCR is required to perform in the second performance test in the Capability Period. The SCR may also be subject to a financial sanction for failure to timely report a Qualified Change of Status Condition, in addition to the corresponding shortfall penalty as provided in Section 5.14.2.3.3 of the *NYISO Services Tariff*.

4.12.4.4. Use of Generation by a SCR

Only a Local Generator available to respond to the NYISO direction and effect a real time load reduction may be enrolled as a SCR ("enrolled SCR generator"). When a Local Generator normally operates to serve its resource's Load, it may participate in the SCR program only to the extent that it can shift additional Load from the NYS Transmission System and/or distribution system onto the Local Generator at the direction of the NYISO.

In order for a RIP to enroll a SCR that uses an eligible Local Generator, any amount of generation that can reduce Load from the NYS Transmission System and/or distribution system at the direction of the NYISO that was produced by the Local Generator during the hour coincident

with the NYCA or Locality peaks, upon which the Unforced Capacity Obligation of the LSE that serves that SCR is based, must be accounted for when the LSE's Unforced Capacity Obligation for the upcoming Capability Year is established. RIPs must provide this generator data annually to the NYISO on or before the date and time specified in the ICAP Event Calendar and DRIS Event Calendar so that the ISO can adjust upwards the LSE Unforced Capacity Obligation to prevent double-counting. If a RIPs fails to report this generator data for the NYCA or Locality peaks, the generation operating during the NYCA/Locality peak hours becomes ineligible to participate as SCR capacity in the upcoming Capability Year. This reporting requirement applies only when the RIP is seeking to qualify generation produced by a Local Generator as Capacity to be enrolled in the SCR program. The RIP is not required to report to the NYISO the amount of generation from the eligible Local Generator that was running on the NYCA or Locality peaks that is normally operating to serve the resource's load because this amount of generation is not eligible to qualify as Capacity that can be enrolled in the SCR program.

The NYCA/Locality Peak Hour Load Generation Form is available on the NYISO Web site. The amount of generation produced by a Local Generator during the NYCA and Locality peak hours must be timely reported on the NYCA/Locality Peak Hour Load Generation Form in accordance with NYISO Procedures in order for the enrollment of the SCR to be valid. RIPs may enroll the available capacity from a SCR's qualifying generation up to the level of the SCR's Net ACL or Provisional ACL. The NYISO will notify the Transmission Owner in the Transmission District in which the SCR generator is located to report the amount of generation supplied during the NYCA/Locality peak hours that must be accounted for in the relevant customer's Load, the LSE's Load, the Transmission District's Load forecast, and the NYCA/Locality peak Load forecast for the applicable Capability Year.

4.12.4.5. Testing of SCRs

Each SCR is required by the NYISO to demonstrate its maximum enrolled megawatt value once in every Capability Period. The NYISO will accept as evidence of such demonstration the higher of its greatest load reduction either in a mandatory event hour or in a first performance test hour, provided such performance test did not exceed one clock hour on the date and at the time specified by the NYISO. In addition to demonstrating its maximum enrolled megawatt value once in every Capability Period as described above, a SCR enrolled with an Incremental ACL or a SCR Change of Status may also be required to perform in the second performance test in the Capability Period in

accordance with Sections 5.12.11.1.5 and 5.12.11.1.3.2 of the *NYISO Services Tariff*. Further detail is provided in Sections 4.12.4.3.1 and 4.12.4.3.2 of this *ICAP Manual*.

The RIP shall be eligible for Energy payments for the one-hour performance test provided the NYISO receives from the RIP all required data and that the RIP complies with other performance test-related requirements in respect of the SCR. Two Capability Period performance tests shall be conducted within each Capability Period; the first performance test within the Capability Period will be conducted on the date and at the time designated by the NYISO between August 15 and September 7 for the Summer Capability Period, and between February 15 and March 7 for the Winter Capability Period; the second Capability Period performance test shall be conducted on the date and at the time designated by the NYISO, namely, in late September or October (Summer Capability Period) or late March or April (Winter Capability Period). If there are no SCRs eligible or required to test in the second performance test, the NYISO may not conduct this second performance test.

During the Summer Capability Period, the NYISO shall conduct the performance test in hours that correspond to the time boundaries of the Capability Period SCR Load Zone Peak Hours. During the Winter Capability Period, the NYISO shall conduct the performance test in hours that include one (1) hour before and one (1) hour after the actual hours included in the Capability Period SCR Load Zone Peak Hours, for that Winter Capability Period, not to exceed the time boundaries of the Capability Period SCR Load Zone Peak Hours.

SCRs enrolled with and accepted by the NYISO on or before the date that is four business days prior to the date of the first performance test in the Capability Period (excluding the date of the first performance test) must demonstrate performance either in the first performance test or in a mandatory event hour. Such demonstration is required regardless of whether the unforced capacity from the SCR had been offered prior to the date of the first performance test. The approval date of a SCR's enrollment can be viewed as described in Section 8.1.1 of the *NYISO DRIS User's Guide*. Any SCR enrolled and accepted by the NYISO on or before the date that is four (4) business prior to the date of the first performance test (excluding the date of the performance test) may elect to forego participation in the first performance test and, instead, utilize its greatest load reduction in a mandatory event hour for the purpose of demonstrating its maximum enrolled megawatt value for the Capability Period. SCRs that perform in a mandatory event prior to the first performance test retain the option to participate in the first performance test in the Capability Period.

For example, if the first performance test was on a Friday on the 10th day of a month, SCRs enrolled with and accepted by the NYISO on or before the Monday prior to the 10th (i.e., accepted on the 6th) must demonstrate performance either in the first performance test or in a mandatory event hour

Each SCR that is enrolled at any point in a Capability Period and was not required to demonstrate performance in the first performance test in a Capability Period shall perform in the second performance test within the Capability Period on the date and at the time specified by the NYISO regardless of whether unforced capacity from the SCR had been offered prior to the date of this second performance test. Any performance demonstrated by the SCR in a mandatory event in the Capability Period cannot be used as evidence of performance for the second performance test.

The only exception to the requirement for a SCR to demonstrate its maximum enrolled megawatt value for the Capability Period, is for a SCR that was (i) registered with and accepted by the NYISO in the last month of a Capability Period for enrollment in the following Capability Period and (ii) was not registered by another RIP for any month during the same Capability Period, in which case the SCR would not need to respond to a performance test in the month the registration was accepted but would need to demonstrate its maximum enrolled megawatt value during the following Capability Period for which the SCR is being enrolled.

If a RIP terminates the enrollment with the NYISO of a SCR prior to the date of a performance test (termed a Former Enrolled SCR), the RIP, at its election, may provide performance test data for the Former Enrolled SCR, if the Former Enrolled SCR performed in the performance test. If the Former Enrolled SCR is enrolled by a different RIP in the same Capability Period, the new RIP may provide performance test data for the SCR for the performance test the SCR is eligible to perform in based on the enrollment date with the new RIP.

If neither RIP reports performance test data nor mandatory event data, when applicable, for the SCR, a value of zero (0) will be attributed to the SCR's performance in the computation of the SCR's performance factor, SCR specific shortfalls and deficiency charges. If only one RIP reports performance test data or mandatory event data, when applicable, for the SCR, the greatest load reduction value determined for the SCR from that data will be used in all associated performance calculations; the load reduction value in the performance test shall be considered when evaluating the shortfall of RIP Portfolio Performance. If both RIPs provide performance test data or mandatory event data, when applicable, for the SCR, the greatest load reduction value determined for the SCR from the data provided by the RIP that enrolled the SCR last in the Capability Period

will be used in all performance calculations; the load reduction value in the performance test reported for the SCR by each RIP that enrolled the SCR in the Capability Period shall be considered in evaluating the shortfall of RIP portfolio performance for each RIP.

4.12.4.6. Shortfall for RIP Portfolio Performance

In accordance with Section 5.14.2.3.4 of the *NYISO Services Tariff*, each RIP's portfolio of SCRs will have its performance evaluated on a Load Zone basis for purposes of determining whether a RIP was deficient in providing the UCAP it had sold and was obligated to provide during any month in the Capability Period. Each SCR's performance in all performance tests and events will be considered when determining RIP portfolio performance. This evaluation will be based on the Installed Capacity Equivalent of the greatest load reduction of the portfolio achieved by its SCRs on a Load Zone basis during a single hour in a performance test or event called by the NYISO during the Capability Period. The determination of the total load reduction for the first performance test hour shall only include the load reduction of SCRs that demonstrate and report performance during the first performance test. Mandatory event response used in lieu of a first performance test shall not be used in the determination of the total load reduction for the first performance test. The Installed Capacity Equivalent of the greatest load reduction during a single hour is then converted to the UCAP equivalent of the greatest performance during a single hour in the Load Zone and compared to the UCAP sold for each month of the Capability Period. Within a Load Zone, if the UCAP equivalent of the greatest performance of the RIP's SCRs during a single hour is less than the total amount of UCAP sold by the RIP for a month in a Capability Period Auction or a Monthly Auction and certified prior to that month's ICAP Spot Market Auction, the UCAP sold in that month's ICAP Spot Market Auction, or the UCAP sold as a Bilateral Transaction and certified prior to that month's ICAP Spot Market Auction, the RIP did not meet its full commitment. A shortfall for the month shall be identified in UCAP terms, and the RIP will be subject to a deficiency charge, equal to one and one-half times the applicable Market-Clearing Prices of Unforced Capacity determined using the applicable ICAP Demand Curve for that ICAP Spot Market Auction times the amount of its shortfall for each month.

Within a Capability Period, for RIPs with SCRs that have reported a SCR Change of Status, in months where the SCR Change of Status is in effect, the performance of the SCR shall be based on the Net ACL. For RIPs with SCRs that have enrolled with an Incremental ACL, in months where the Incremental ACL is in effect, the performance of the SCR shall be based on the Verified ACL. For RIPs with SCRs that have enrolled with a Provisional ACL, in months where the Provisional ACL is

in effect, the performance of the SCR shall be based on the Verified ACL. For all other SCRs enrolled by the RIP, the performance of the SCR shall be based on the enrolled ACL.

When a RIP is subject to multiple deficiency charges for the same SCR for the same Capability Period, the NYISO shall assess the RIP only the greatest deficiency charge related to such SCR. The NYISO shall apply the following procedure to the determination of the RIP portfolio performance when the RIP is subject to multiple deficiency charges for the same SCR for the same months within the Capability Period. When a SCR has previously been assessed a deficiency charge for an ineligible enrollment, a Provisional ACL enrollment, Incremental ACL enrollment, or SCR Change of Status enrollment, the SCR shall be removed from both the UCAP equivalent of the greatest performance during a single hour and the UCAP sales during the determination of the RIP portfolio performance for the applicable months within the Capability Period.

The performance of capacity resources registered with and accepted by the NYISO subsequent to the first performance test conducted between August 15 and September 7 (Summer Capability Period) or conducted between February 15 and March 7 (Winter Capability Period) will only apply to month(s) in (x) which the added resources participated and (y) the Capability Period for which the SCR was tested, not every month in the Capability Period.

4.12.4.7. Reporting Partial Sales

A RIP that sells less than one hundred percent (100%) and more than zero percent (0%) of its total registered MW may identify the portion of each SCR that constitutes the sale. The RIP must import any such identification into the DRIS within five (5) business days following posting of the ICAP Spot Market Auction results on or before the date and time specified in the ICAP Event Calendar and DRIS Event Calendar. Nothing in the preceding sentence shall diminish a RIP's obligation to provide data regarding SCRs within a Mitigated Capacity Zone, including pursuant to *ICAP Manual* Section 5.15.2. SCRs identified by a RIP as not sold in the month of an event will not have their performance during event hours counted toward their performance factors. If a RIP does not provide the information within the specified period, each SCR of a RIP applicable to a sale (for example, at the PTID if the PTID is identified in the sale) will be considered as sold at its full registered MW value. UCAP values will be calculated for each SCR in accordance with Sections [4.12.2.1](#) of this *ICAP Manual*.

4.12.4.8. Reporting SCR Performance Data

Performance for each SCR shall be reported for all hours during all mandatory SCR events and any required one-hour performance tests in which the SCR was required to reduce load in a

Capability Period. The RIP must upload the file into the DRIS, on or before 5:00:00 P.M. on the seventy-fifth (75th) day after each called event or test, on or before the date and time as specified in the ICAP Event Calendar and DRIS Event Calendar. For example, the NYISO must receive from the RIP SCRs performance data on or before 5:00:00 P.M. on June 29 pertaining to the month of April during which the SCR was called upon to reduce Load on April 15.

Each Capability Period, the NYISO will calculate performance factors for each SCR based on all of the following values from the Prior Equivalent Capability Period and the Capability Period preceding the Prior Equivalent Capability Period: (a) the best set of four (4) consecutive hours in each mandatory event of four hours or more, (b) all hours for mandatory events of less than four hours, and (c) all required one-hour performance test data. For SCRs called to perform in a mandatory event, the load reduction value used in performance factor calculations shall be selected as the higher of the greatest load reduction in any mandatory event hour or the load reduction demonstrated in the first performance test.

The RIP shall report the performances of each SCR individually directly into the DRIS using an import file formatted as specified in the *NYISO Demand Response Information System User's Guide* (available from the NYISO Web site at https://www.nyiso.com/documents/20142/3625950/DRIS_UG.pdf). The NYISO shall track each SCR's performance in accordance with the procedures contained in this Section 4.12. Performance measurements will be calculated in accordance with Sections [4.12.2.1](#) of this *ICAP Manual*.

If the RIP does not import performance data for any SCRs into the DRIS by 5:00:00 P.M. on the seventy-fifth (75th) day after the date of each event or test, the NYISO (a) will attribute zero performance to those Resources for purposes of satisfying the Resource's capacity obligation, determining energy payments, and calculating shortfalls and deficiency charges, and (b) may impose sanctions pursuant to the NYISO Services Tariff.

All hours, including those in excess of the hours used for performance measurement, including performance tests, will be used to determine Energy payments in accordance with Section [4.12.7](#), statistics for NYISO internal use, the computation of deficiency charges, and as the basis for various external reports, and for other purposes in accordance with the *NYISO Services Tariff*.

In the event that a SCR located at a retail customer was in operation (in the case of a Local Generator) or providing Load reduction (in the case of interruptible Load) in response to a SCR event or performance test, at the time of the NYCA system or Transmission District peak upon which the Minimum Unforced Capacity Requirement of the LSE serving that customer is based, the

LSE's Minimum Unforced Capacity Requirement shall be increased by the amount of Load that was served or interrupted by the SCR.

4.12.4.9. Requesting a correction to SCR meter data

Each RIP must report accurate meter data for a SCR in accordance with Sections 5.12.5 and 5.12.11 of the NYISO Services Tariff and Sections 4.12.4.1, 4.12.4.2, 4.12.4.3 and 4.12.4.8 of this ICAP Manual. Meter data for each SCR must be reported on or before the date and time specified in the ICAP Event Calendar and DRIS Event Calendar. A RIP may not request correction of meter data (i) when it failed to report the required meter data by the deadline specified in the ICAP Event Calendar, (ii) when the meter data submitted was a placeholder for accurate information (*e.g.*, the RIP does not have accurate meter data at the submission deadline and submits a value of zero or some other value for all required data solely in order to meet the deadline), or (iii) to correct falsified data.

Under exceptional circumstances as set forth below, and subject to NYISO evaluation, the NYISO may accept certain corrected meter data related to the enrollment and performance of a SCR that was previously submitted to the NYISO. The NYISO will review requests to correct a SCR's meter data on a case-by-case basis, and is under no obligation to accept the meter data correction requested by the RIP. The NYISO will consider correcting the meter data identified below. No other meter data will be corrected.

- For a SCR enrolled with an ACL (but not with a Provisional ACL or an Incremental ACL): The NYISO will consider correcting the SCR's net meter data used for purposes of establishing the Net Average Coincident Load for:
 - the current Capability Period,
 - the most recently closed Capability Period,
 - the prior equivalent Capability Period of the current Capability Period, or
 - the Capability Period immediately preceding the prior equivalent of the current Capability Period.
- For a SCR enrolled with either a Provisional ACL or an Incremental ACL: The NYISO will consider correcting SCR's net meter data used for purposes of establishing the SCR's Verified ACL for:
 - the most recently closed Capability Period,
 - the prior equivalent Capability Period of the current Capability Period, or

- the Capability Period immediately preceding the prior equivalent of the current Capability Period.
- Performance data reported for any hours during a SCR event or any required performance test in which the SCR was required to reduce load. The NYISO will consider correcting such data only from:
 - the current Capability Period,
 - the most recently closed Capability Period,
 - the prior equivalent Capability Period of the current Capability Period, or
 - the Capability Period immediately preceding the prior equivalent of the current Capability Period.
- CBL data reported for any hours during a SCR event or any required performance test in which the SCR was required to reduce load. The NYISO will, on a best efforts basis, process the received data such that Energy payments are reflected in the Final Bill Closeout period (see Sections 1.3 and 1.5 of the NYISO's Accounting and Billing Manual) for such event or performance test.

A RIP that requests a meter data correction is required to provide to the NYISO supporting documentation sufficient for NYISO to evaluate and validate the requested correction. Such information includes, but is not limited to:

- The SCR's hourly integrated meter Load data for each hour of the affected Capability Period(s) in Hour Beginning format;
- A letter from the SCR's Transmission Owner or Meter Data Service Provider (MDSP) that read the meter confirming the accuracy of the meter data submitted by the RIP;
- A letter from a member of the RIP's executive team with the following:
 - Detailed explanation of the root cause of the inaccurate meter data for the SCR including, but not limited to, how the data error was identified by the RIP;
 - Detailed explanation of the procedures and processes the RIP has put in place to help prevent the error from recurring in the future, if any, since the error was identified; and
 - A statement attesting the accuracy of the corrected meter data.

A RIP may not request correction of the same meter data more than one time. If the NYISO receives, validates, and accepts a RIP's corrected meter data, that data can no longer be changed.