Attachment B:

Locational Minimum Installed Capacity Requirements (for the 2006-2007 Capability Year)

- The Locational Minimum Installed Capacity Requirement for New York City (LBMP Zone J) is 80% of the forecast peak Load for Zone J.
- The Locational Minimum Installed Capacity Requirement for Long Island (LBMP Zone K) is 99% of the forecast peak Load for Zone K.

Maximum Allowances for Installed Capacity Provided by Resources Outside the NYCA

• The maximum Installed Capacity Equivalent of Unforced Capacity that may be located outside the NYCA is 2755 MW. This number will be updated annually based on ISO reliability studies. Existing Grandfathered contracts currently account for 222 MW of the 2755 MW. See Attachment E. This leaves a total of 2533 MW permitted to be imported to the NYCA, on a first-come, first-serve basis.*

Amount of External ICAP Permitted to be Sold in the NYCA	Total (MW)	Grandfathered (MW)	Remaining (MW)
	2755	222	2533

• The maximum amount of Installed Capacity that may be located in each of the following Control Areas, due to transmission constraints, is as follows:**

Neighboring Control Area	Total (MW)	Grandfathered (MW)	Remaining (MW)
РЈМ	1300***	117***	1183***
ISO-NE	925	50	875
Ontario	55	55	0
Hydro Quebec	1200	0	1200

Version 5 of Attachment B Last Updated on May 17, 2006 Provided as part of HQUS' presentation

* Please refer to Section 4.9 of this Manual for further information in connection with ICAP sales in the NYCA from Resources located in External Control Areas.