

**Version 4 of the NYISO Installed Capacity Manual -- SCR
Redlined Copy of ICAP WG March 3, 2004 Revisions**

4.12.2 General Requirements Every Special Case Resource must submit a Special Case Resource commitment in accordance with the form in Attachment K and be accepted by the ISO as an Installed Capacity Supplier before its Unforced Capacity may be claimed by an LSE towards its LSE Unforced Capacity Obligation or be offered in an auction administered by the ISO. Every Special Case Resource must submit a Special Case Resource commitment to the ISO in accordance with the schedule and requirements of Section 4.2. Special Case Resources must also submit a notification letter identifying the RIP that they authorize to transact on their behalf and must obtain an identification number from the ISO.

A Special Case Resource that supplies Load reductions solely through the use of a distributed generator (whether or not operated in parallel with the NYCA) and that elects to measure such Load reductions by metering the output of such distributed generator under Section 3.3(b) of Attachment J, shall submit an appropriate DMNC test recorded on the appropriate form of Attachment D as part of its Special Case Resource commitment. All other Special Case Resources shall provide a Special Case Resource commitment in the form of Figure 1 of Attachment K. A Special Case Resource that supplies Load reductions solely through the use of a distributed generator and that elects to measure such Load reductions by metering the output of such distributed generator under Section 3.3(b) of Attachment J: (i) must deduct from the output of such generator any auxiliary power consumed by the generator and supplied from an external source; and (ii) may not serve a load bank with the output of the generator when responding to ISO dispatch under Section 4.12.3.

Deleted: may not use a DMNC in calculating its Unforced Capacity that exceeds the total Load at the site of the distributed generator; (ii)

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An SCR may specify a load in excess of its facility load, provided that it has installed metering capability satisfactory to the NYISO in order to quantify the net load change during a curtailment. Such resources must certify to the NYISO that they have obtained all necessary regulatory approvals to sell energy at wholesale and meet applicable utility interconnection and delivery (including metering) requirements. Energy payment rates for such generation in excess of load shall not exceed the applicable real-time LBMP.

Comment: ConEd has requested that the words "which are currently subject to state jurisdiction". NYISO would prefer to avoid references to jurisdiction, given that jurisdictional issues are addressed in other forums.

Special Case Resources must meet the qualifications and comply with the procedures described below. RIPs claiming Unforced Capacity from Special Case Resources must comply with the requirements and procedures set forth below.

The Unforced Capacity of Special Case Resources may only be offered in auctions administered by the ISO or be claimed by an LSE towards its LSE Unforced Capacity Obligation in even increments of 100 kW (e.g. 590 kW of Unforced Capacity would be rounded down to 500 kW). However, Special Case Resources may be aggregated to minimize the effect of this requirement, provided that each such aggregation is identified as a single block of Unforced Capacity. 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 Section 3.8 of the

NYISO Emergency Demand Response Program Manual, except that the total of all such aggregations for Special Case Resources shall not exceed 100 MW.