

ATTACHMENT T

COST ALLOCATION METHODOLOGY FOR SCHEDULE 1 BID PRODUCTION GUARANTEES FOR ADDITIONAL GENERATING UNITS COMMITTED TO MEET FORECAST LOAD

The Day-Ahead commitment of generating units includes sufficient Generators and/or Interruptible Load to provide for the safe and reliable operation of the NYS Power System. In cases in which the sum of all Bilateral Schedules, **excluding schedules of Bilateral Transactions with Trading Hubs as their POWs**, and all Day-Ahead purchases and sales of energy within the NYCA is less than the ISO's Day-Ahead forecast of Load, the ISO will commit Resources in addition to the reserves it normally maintains to enable it to respond to contingencies. Payments for Bid Production Guarantees (BPCG) made to such additional Resources are to be recovered under Schedule 1. These "BPCG to Additional Resources" shall be allocated to Transmission Customers, to the extent they are not acting as Suppliers, pursuant to the methodology set forth below, on the basis of their Real-Time energy purchases in their Load Zones or Composite Load Zones (see below). By design, when the NYISO forecast load exceeds actual load, the methodology below will only be used to allocate part of the BPCG to Additional Resources. Any residual shall be allocated to Transmission Customers according to the provisions of Schedule 1, Section 4.B.