



# INDEPENDENT POWER PRODUCERS OF NEW YORK, INC

## **Independent Power Producers of New York, Inc.**

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To: NYISO Staff  
From: Chris LaRoe  
Date: March 14, 2011  
Re: Reliability Resource Compensation

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The following is the framework for an IPPNY proposal that could serve as an alternative to the NYISO proposal that was presented at the February 10, 2011 MIWG.

### **IPPNY Proposal**

- A resource can request a confidential reliability study from the NYISO (and TO as necessary).
  - *NYISO should conduct the study in 30 or 60 days*
- Regardless of study findings a resource may stay in the market if it so chooses.
- If the generator decides to retire:
  - *If it's needed for reliability, the resource may seek a RMR type contract from FERC as soon as the resource submits its retirement notice to the PSC. This needs to be explicitly stated in the tariff to avoid procedural arguments.*
  - *Att. Y would proceed as currently defined. The FERC contract would be in place until the Gap solution or Reliability Backstop solution is put in place.*
  - *If the resource is not needed for reliability (as determined above), it should be allowed to retire immediately.*
- The unit should be removed from the Capacity market as soon as it files to retire
- The unit must bid in economically into the Energy markets

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