

August 31, 2015

To: CPV Valley, LLC, Stony Creek Energy, LLC, Connecting & Affected Transmission Owners

Queue Pos.	Project	Developer	Contact(s)	Connecting & Affected TOs
251	CPV Valley	CPV Valley, LLC	Steve Remillard Mike Bruno	NYPA, NM-NG, Central Hudson
263	Stony Creek Wind Farm	Stony Creek Energy, LLC	Carlos Rodriguez	NYSEG

Re: Class Year 2015 – Notice of Deliverability Retest Results

Dear Developers and Transmission Owners:

This is in regard to CPV Valley, LLC’s (“CPV Valley”) and Stony Creek Energy, LLC’s (“Stony Creek”) requests to undergo a retest of deliverability in Class Year 2015 (“CY 2015”) pursuant to Section 25.7.12.4 of Attachment S of the NYISO OATT, which states:

25.7.12.4 If a Developer has accepted its Project Cost Allocation, before construction of an identified System Deliverability Upgrade for a Highway is commenced, if a Developer elects to be retested for deliverability it may request to be placed in the then Open Class Year. The Developer’s cost responsibility for System Deliverability Upgrades shall not increase as a result of such retesting. It may decrease or be eliminated. If the Developer’s facility is found to be deliverable without the System Deliverability Upgrades previously identified, the Developer’s Security posting will be terminated, or the Developer’s cash payment will be returned with the interest earned.

NYISO has completed the requested retesting (“Deliverability Retest”) relative to the previously identified System Deliverability Upgrade (SDU) for the UPNY-SENY Highway interface (installation of 21% series compensation on the Leeds-Hurley Avenue 345 kV line) with the result that **the subject SDU is still needed to address a deliverability issue**. The Deliverability Retest found that the CPV Valley and Stony Creek facilities were not deliverable without the SDU, and therefore, in accordance with Attachment S, the Developers’ cost responsibility for the SDU will remain unchanged.

The process by which NYISO arrived at this determination is documented in the attached report entitled, “Class Year 2015 Facilities Studies, Deliverability Retest for CPV Valley and Stony Creek Energy, LLC.” The following is a high level summary of key points:

- Upon completion of the CY 2015 study bases cases, including the Deliverability Study base cases, NYISO undertook the subject retesting as an early priority in the CY 15 Study process. The question of whether the SDU is still needed (and therefore will be modeled as part of the **Existing System Representation**¹ for the CY 2015 studies), or could be eliminated (and therefore not included as part of the Existing System Representation) is a threshold issue for the CY 2015 studies.

¹ See Section 25.5.5 of Attachment S

- The basic approach for performing the deliverability retest was to essentially perform a Class Year Deliverability Study following Section 25.7 of Attachment S as applicable, for the Capacity Regions in which the projects electing the retest – CPV Valley and Stony Creek – are interconnecting. This evaluation treated the CPV Valley and Stony Creek projects as among the CY 2015 “projects,” (*i.e.*, not part of the Existing System Representation). The Deliverability Retest did not model the CRIS previously awarded to CPV Valley and Stony Creek or the SDU previously identified for these projects in the Deliverability Retest base case (referred to as the “ATBA-D” case). In the ATRA-D, however, both the CPV Valley and Stony Creek facilities and their requested CRIS were modeled in the case. While they are not CY 2015 “projects” per se, they are treated as CY 2015 projects for purpose of the ATRA-D used in this Deliverability Retest.
- After completing the deliverability base cases, NYISO proceeded to perform all the applicable deliverability tests required under Attachment S to determine whether the CPV Valley and Stony Creek CRIS MWs would be deliverable without the SDU.
- The retesting was performed in accordance with Attachment S and reflects the newest Capacity Region – Lower Hudson Valley. The Deliverability Retest was performed for the Capacity Regions in which CPV Valley and Stony Creek are interconnecting – the Rest of State (*i.e.*, Load Zones A through F) and Lower Hudson Valley (*i.e.*, Load Zones G, H and I) Capacity Regions.
- The Deliverability Retest included:
 - Highway tests (in accordance with Section 25.7.8 of Attachment S), and
 - Other Interface test for the UPNY-SENY (*i.e.*, Rest of State to Lower Hudson Valley) interface (in accordance with Section 25.7.9 of Attachment S).
- The key test turned out to be the UPNY-SENY Other Interface test. That test showed that the CY 2015 projects, including CPV Valley and Stony Creek, resulted in a more than *de minimus* degradation of the transfer capability of the UPNY-SENY interface. Therefore, CPV Valley and Stony Creek were determined to be undeliverable without the SDU.
- Having reached that result, NYISO repeated the same deliverability evaluations with the SDU added to the deliverability case and found that the SDU addressed the Other Interface deliverability issue.
- If this retesting were a full blown Class Year Deliverability Study, additional analyses would have been needed to complete the study. However, the retesting performed was sufficient to reach a conclusion regarding the continued need for the SDU.

Having reached a determination in this matter, the CY 2015 studies will proceed forward with the CPV Valley, Stony Creek and the SDU appropriately included in the CY 2015 Existing System Representation.

If you have any questions, please call me at (518) 356-6134, or send me an e-mail at scorey@nyiso.com.

Sincerely,

Steven L. Corey

Manager, Interconnection Projects