

IMPORTANT NOTICE – RESPONSE REQUESTED BY NO LATER THAN APRIL 20, 2016. NOTE THAT A DEFAULT ELECTION WILL BE ASSUMED IF A RESPONSE IS NOT PROVIDED BY APRIL 20TH AS EXPLAINED BELOW.

April 6, 2016

TO: Class Year 2015 Projects

| Queue Pos. | Project or Facility | Developer or Owner | Contact(s) |
|------------|--|---------------------------------|---|
| 305 | Champlain Hudson Power Express | Transmission Developers Inc. | Bill Helmer Suresh Dave George Pond, Esq. |
| 363 | Poseidon Transmission | Poseidon Transmission, LLC | Edward Krapels Clarke Bruno Howard Kosel |
| 395 | Copenhagen Wind | Copenhagen Wind Farm, LLC | Paul J. Saliterman |
| 397 | Jericho Rise Wind | EDP Renewables North America | Aron Branam Kevin Choi |
| 401 | Caithness Long Island II | Caithness Long Island II, LLC | Mitch Garber Gary Keevill |
| 403 | Bethlehem Energy Center Uprate | PSEG Power New York | Konstantin Borushko Howard Fromer |
| 431 | Greenidge Unit#4 | Greenidge Generation | Dale Irwin George Pond, Esq. |
| N/A | Marble River Wind (CRIS only) | Marble River, LLC | Jeremy High |
| N/A | Stony Creek (increased CRIS request) | Stony Creek Energy, LLC | Carlos Rodriguez |
| N/A | Bowline 2 (increased CRIS request) | Bowline | Kelli Joseph |
| N/A | East River 1 Uprate (increased CRIS request) | Con Edison | Michael Brown Christina Ho Victor Mullin |
| N/A | East River 2 Uprate (increased CRIS request) | Con Edison | Michael Brown Christina Ho Victor Mullin |
| N/A | Linden Cogeneration Plant (increased CRIS request) | East Coast Power, LLC | Tom Fogarty |
| N/A | Astoria CC1 and CC2 (increased CRIS request) | Astoria Energy | Charles McCall |
| N/A | N/A (External CRIS Request) | HQ-US | Luc Bernier Scott Leuthauser |

Re: Class Year 2015 Notice that additional System Deliverability Upgrade (SDU) studies will be conducted – Request for each of the Class Year 2015 Projects to indicate its election pursuant to Section 25.7.7.1 of Attachment S of the NYISO OATT

Dear Class Year 2015 Projects:

On March 28, 2016, NYISO presented an update of the CY 2015 Deliverability Study results initially presented at the Interconnection Projects Facilities Study Working Group (IPFS WG) meeting February 8, 2016. A revision of the CY 2015 Deliverability Study results and preliminary cost estimate for SDUs was issued to IPFS WG on March 31st and discussed at the April 1st Transmission Planning Advisory Subcommittee (TPAS). As reported at that these meetings, with the exception of the two projects located on Long Island (Q363 Poseidon Transmission and Q401 Caithness Long Island II), the CY 2015 Deliverability Study determined that the requested Capacity Resource Interconnection Service (CRIS) for all the other CY 2015 Projects was found to be fully deliverable.

The CY 2015 Deliverability Study determined that the requested CRIS for the Long Island projects (Q363 and Q401) is not fully deliverable, and that SDUs would be required for those projects to be fully deliverable. The CY15 Deliverability Study has determined the Deliverable MWs for both the Q363 Poseidon project and the Q401 Caithness project to be 0 MW (*i.e.*, none of the requested CRIS for either project is deliverable). Additionally, the study determined the preliminary total SDU estimated cost for both projects to be fully deliverable to be approximately \$298 million with preliminary SDU cost allocations as follows: Q363 Poseidon (approximately \$136.2 million) and Q401 Caithness (approximately \$161.8 million). At this point, the identification of SDUs and cost estimates are preliminary – additional studies would be required to develop a more detailed identification of the SDUs, cost estimates and cost allocation of the SDUs.

Since NYISO has determined that additional SDU studies will be required, Section 25.7.7.1 of OATT Attachment S provides a key decision point in the Class Year 2015 process, providing all Class Year Projects options regarding how they wish to proceed from this point. Under Section 25.7.7.1, each CY 2015 Project may elect one of the following options, as applicable:

- Option 1 Withdraw from Class Year 2015;¹
- Option 2 Withdraw its CRIS request and remain in CY 2015 for ERIS only (this would be the option for projects deemed undeliverable that wish to withdraw their CRIS requests and elect to have no SDU(s) identified to make the projects fully deliverable);²
- Option 3 If fully deliverable or if not requesting CRIS, make no change to its ERIS or CRIS requests; or
- Option 4 Keep its CRIS request and agree for the NYISO to proceed forward with the additional SDU studies pursuant to Section 25.5.9 of Attachment S. ³

Under Section 25.7.7.1 of Attachment S, the Class Year Projects now have 10 business days from the date of this notice to respond with their election from the above options ("Election Notice"). Therefore, I request each of the above listed CY 2015 Projects to provide their Election Notice to me <u>by no later than April 20, 2016</u>. Please send your notices by mail or e-mail to:

¹ If a Class Year Project elects to withdraw entirely from the CY 2015 at this juncture, doing so will count as one of the two Class Years a project may enter under Section 25.6.2.3.4 of Attachment S.

² If a Class Year Project is partially deliverable, it may elect to keep its CRIS request, but with no SDU identified to make the project fully deliverable, in which case the project will have the option of accepting or not accepting its Deliverable MWs, if any, as specified in the Operating Committee-approved Class Year Interconnection Facilities Study report. The Class Year decision process is described in Sections 25.8.2 through 25.8.4 of Attachment S.

³ Only projects that elect to proceed with the additional SDU studies will pay the cost of those additional studies on an equal shares basis in accordance with Attachment S.

Thinh Nguyen New York Independent System Operator 10 Krey Blvd. Rensselaer, NY 12144 tnguyen@nyiso.com

Note: In the event that NYISO does not receive an Election Notice from one or more CY 2015 Projects by COB April 20, 2016, NYISO will assume any such CY Project elects Option 3 (i.e., project elects to make no change to its ERIS or CRIS requests).

If you have any questions, please call me at (518) 356-6025, or send me an e-mail at the above address.

Sincerely,

Thinh Nguyen

Manager, Interconnection Projects