

IMPORTANT NOTICE – PAYMENTS OR SECURITY POSTINGS REQUIRED BY FEBRUARY 7, 2017

January 31, 2017

Queue Pos.	Project or Facility Developer or Owner		Contact(s)		
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	Jericho Rise, LLC	Aron Branam Kevin Choi		
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	Matthieu Plante Scott Leuthauser		

TO: Developers of Class Year 2015 Projects

Re: Notice of Class Year 2015 Third Round Decision Results - Request to Post Security

Dear Class Year 2015 Developer Representatives:

On January 24, 2016, a notice was sent informing you of the Security Posting Default, and that, in accordance with the Attachment S of the NYISO OATT, NYISO staff would prepare and issue an updated Class Year Interconnection Facilities Study including Revised Project Cost Allocations for System Upgrade Facilities (SUFs) and System Deliverability Upgrades (SDUs) and Deliverable MWs, as applicable, to the remaining CY15 Project Developers.

The Third Round Project Cost Allocation for SUFs, Headroom payments for SUFs, Project Cost Allocations for SDUs, and Deliverable MWs are provided in the respective Addendum Reports accompanying this notice, and summarized in the tables attached to this notice.

The Q305 Champlain Hudson Power Express project was removed from CY15 for the Third Round. NYISO has determined that the removal of the 305 Champlain Hudson Power Express project from CY15 does not change the conclusions from the Initial Round or the Second Round made for the remaining CY15 Third Round Projects.

Because the Project Cost Allocations for SUFs and SDUs and the Deliverable MWs of the remaining CY15 projects remain unchanged in this Third Round from the Initial Round or the Second Round, the CY15 Developers that accepted an SUF and/or SDU Project Cost Allocation in the Initial Decision Period or the Second Round do not have a Revised Project Cost Allocation and therefore will not be provided with the option to accept or reject a Project Cost Allocation in this Third Round.

Now, in accordance with Section 25.8.2.1 of Attachment S of the NYISO OATT, the remaining Class 2015 Developers must satisfy the following requirements within five (5) business days from January 31, 2017 (*i.e.*, on or before February 7, 2017):

- Satisfy Headroom obligations, as applicable, in accordance with Section 25.8.7.6 of Attachment S; and
- Pay cash or post Security in the full amount of their respective Project Cost Allocations for SUFs and SDUs, as applicable, to the respective Transmission Owner(s).

The applicable Transmission Owner(s) for each Developer are identified in Attachment A to this notice.

"Security" is defined by the NYISO OATT as "a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the Connecting Transmission Owner and Affected Transmission Owner(s), meeting the requirements of Attachment S, and meeting the commercially reasonable requirements of the Connecting Transmission Owner(s)."

I request each of the Developers to notify me when it has made payment or posted Security for its respective Project Cost Allocations for SUFs and SDUs, as applicable, and for its Headroom obligations, as applicable, <u>even if notice was provided in the Second Round</u>. By copy of this notice, I request the Transmission Owners to confirm to me that such payments/postings have been made and meet their respective requirements.

In the event that any Security Posting Default occurs, NYISO will prepare and issue another revised Class Year 2015 Interconnection Facilities Study report and cost allocation, in accordance with the requirements of Attachment S.

If you have any questions, please call me at (518) 356-6025, or send me an e-mail at tnguyen@nyiso.com.

Sincerely,

Think Nguyen

Manager, Interconnection Projects

cc. Arnie Schuff, NYPA Vitaly Spitsa, Con Edison Kathryn Cox, National Grid Stephen Cantore, PSEG-LI Julie Mahoney, NYSEG/RG&E

Attachment A

Summary Tables of Class Year 2015 Second Round Cost Allocations, Headroom, and Deliverable MW

Table 1 – Project Cost Allocations for SUFs

From Project Name	Το ΝΥΡΑ	To ConEd	To PSEG-LI	To NG-NM	To NYSEG	Total \$ SUF per project
Q363 Poseidon	N/A	N/A	\$9,242,000	N/A	N/A	\$9,242,000
Q395 Copenhagen	N/A	N/A	N/A	\$8,551,300	N/A	\$8,551,300
Q397 Jericho Rise	\$2,990,790	N/A	N/A	N/A	N/A	\$2,990,790
Q403 Bethlehem	N/A	N/A	N/A	\$10,463,000	N/A	\$10,463,000
Q431 Greenidge	N/A	N/A	N/A	N/A	\$180,000	\$180,000
Total to Transmission Owner	\$2,990,790	N/A	\$9,242,00	\$19,014,300	\$180,000	\$31,427,090

Table 2 – Headroom Payments for SUFs

Headroom	From Q363 Poseidon	
Electrical Headroom SUF (to CY06 Caithness)	\$1,808	
Functional Headroom SUF (to CY10 Astoria Energy II)	0	
Total Headroom payments	\$1,808	

Table 3 – Deliverable MW and Project Cost Allocations for SDUs

QUEUE POS.	PROJECT NAME	Summer ERIS MW	Requested Summer CRIS MW	Deliverable MW	SDU Cost Allocation
363	Poseidon Transmission	500	500	500	\$6,100,784
395	Copenhagen Wind	79.9	79.9	79.9	0
397	Jericho Rise Wind	77.7	77.7	77.7	0
403	Bethlehem Energy Center Uprate	Uprate (72.0) Total (835.0)	78.1	835.0	0
431	Greenidge Unit#4	106.3	106.3	106.3	0
	\$6,100,784				

Projects Subject to Full Class Year Evaluation

CRIS-Only Requests – Subject Only to Class Year Deliverability Study

OWNER / OPERATOR	FACILITY / UNIT	TYPE OF REQUEST	EXISTING SUMMER CRIS MW	REQUESTED SUMMER CRIS MW	Deliverable MW	SDU Cost Allocation
Marble River, LLC	Marble River Wind	CRIS for existing ERIS- only facility	0	215.2	215.2	0
Stony Creek Energy, LLC	Stony Creek	Increase in CRIS	88.5	5.9	94.4	0
Bowline	Bowline 2	Increase in CRIS	557.4	10	567.4	0
ConEd	East River 1 Uprate	Increase in CRIS	150.5	10	160.5	0
ConEd	East River 2 Uprate	Increase in CRIS	152.4	10	162.4	0
East Coast Power, LLC	Linden Cogeneration Plant	Increase in CRIS	755.3	35.5	790.8	0
Astoria Energy	CC1 and CC2	Increase in CRIS	557.4	27.8	585.5	0
HQ-US	N/A	External CRIS Rights	N/A	20	20	0