

December 22, 2022

TO: Class Year 2021 Projects

**Notice of Class Year 2021 Second Round Security Posting Default – Initiation of Third Round**

Dear Class Year 2021 Project Developers:

On December 15, 2022, a notice was sent informing you of the results of the Class Year 2021 Second Round and requesting payment or the posting of Security by December 21, 2022 for your respective Project Cost Allocations and Headroom obligations, as applicable.

This is to inform you that Security Posting Defaults have occurred, and therefore, the NYISO must update the Class Year 2021 Study results for the remaining Class Year Projects, initiating another decision round. As a result, Class Year 2021 has not completed, and **Class Year 2023 will commence no earlier than February 13, 2023.**

With respect to payments made and Security posted the Second Round, please note the following from Section 25.8.2.2 of Attachment S to the NYISO OATT:

- Upon request by a Class Year Developer, beneficiaries of the payments and Security posted by the Developers that did pay or post Security “shall surrender the cash and posted Security to the respective Developers immediately.”
- Beneficiaries of the payments and Security posted by the Developers in the Second Round shall not make any draws or encumbrances on any cash or posted Security unless and until cash has been paid and Security has been posted by all Developers that issued Acceptance Notices in the Final Decision Round.”

Security posting results from the Class Year 2021 Second Round are summarized in the table below:

<b>Table – Class Year 2021 – Summary of Developers’ Security Posting</b>			
#	QUEUE POS.	PROJECT	SECURITY POSTING DEFAULT
1	521	Bull Run II Wind	
2	571	Heritage Wind	
3	629	Silver Lake Solar	
4	631	NS Power Express	
5	700	Robinson Grid	Yes
6	710	Horseshoe Solar	
7	717	Morris Ridge Solar Energy Center	
8	758	Sithe Independence	
9	766	NY Wind Holbrook	
10	783	South Ripley Solar and BESS	
11	787	Levy Grid, LLC	
12	801	Prattsburgh Wind Farm	
13	805	Oxbow Hill Solar	
14	811	Cider Solar	
15	815	Bayonne Energy Center III	
16	835	Luyster Creek Energy Storage 1	
17	840	Swiftsure Energy Storage	
18	864	NY38 Solar	
19	883	Garnet Energy Center	
20	887	CH Uprate	
21	907	Harlem River Yard	
22	929	Morris Ridge Battery Storage	
23	931	Astoria Energy Storage	
24	956	Holtsville 138 kV Energy Storage	
25	958	EI Oceanside	
26	959	EI Oceanside 2	
27	967	KCE NY 5	Yes
28	987	NY Wind Holbrook 2	
29	683	KCE NY 2	
30	827	Arthur Kill Energy Storage 1	

### **Initiation of Third Round for Class Year 2021**

The NYISO will issue a revised Class Year 2021 Study report, including Revised Project Cost Allocations for SUFs, SDUs and Deliverable MWs, as applicable, by January 4, 2023, in accordance with Attachment S of the NYISO OATT.

Once the NYISO issues the revised Class Year 2021 Study report, the NYISO will issue one of the following notices:

- Notice initiating a seven (7) calendar day decision period for the remaining Class Year 2021 Project Developers with increased Project Cost Allocations or decreased Deliverable MWs; or
- Notice triggering the requirement to make payment or post Security within five (5) Business Days from the end of the Decision Period (*e.g.*, if the Revised Report is issued January 4, 2023 and there are no increased Project Cost Allocation or decreased Deliverable MW, the payment/Security posting deadline will be January 11, 2023).

If any remaining Class Year 2021 Project Developers reject a Revised Cost Allocation or Deliverable MW in the Third Round or if a Security Posting Default occurs at the end of the Third Round, the NYISO will initiate a Fourth Round and prepare and issue another revised Class Year Facilities Study with Revised Project Cost Allocations and Deliverable MWs, as applicable.

Please refer to Sections 25.8.2 through 25.8.4 of Attachment S for additional details regarding the Class Year 2021 decision and settlement process.

If you have any questions, please send an e-mail at [InterconnectionSupport@nyiso.com](mailto:InterconnectionSupport@nyiso.com).

Sincerely,

*Thinh Nguyen*

Sr. Manager, Interconnection Projects

cc:

John Borchert, Central Hudson  
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