

**IMPORTANT NOTICE – PAYMENTS OR SECURITY POSTINGS REQUIRED ON OR  
BEFORE MAY 12, 2023**

**May 5, 2023**

TO: Remaining Class Year 2021 Additional SDU Study Projects

Queue #	Project/Facility	Developer/Owner
766	Sunrise Wind (aka NY Wind Holbrook)	Sunrise Wind LLC
956	Holtsville 138kV Energy Storage	Holtsville Energy Storage, LLC
965	Yaphank Energy Storage	Yaphank Energy Storage, LLC
987	Sunrise Wind II (aka NY Wind Holbrook 2)	Sunrise Wind LLC

**Notice of Second Round Decision Period and Security Posting Obligation**

Dear Developers:

On April 21, 2023, a notice was sent informing you of the Non-Acceptance Events and the initiation of the Second Round of the Cost Allocations. As stated in that notice, and in accordance with the Attachment S of the NYISO OATT, NYISO staff prepared and issue an updated study report titled “Second Round Addendum to Class Year 2021 Facilities Study Additional System Deliverability Upgrade (SDU) Report (“2<sup>nd</sup> Round CY21 Additional SDU Study Report”) with Revised Project Cost Allocations for System Upgrade Facilities (SUFs), SDUs and Deliverable MWs, as applicable, for the remaining Class Year 2021 Additional SDU Study Projects.

The Second Round Project Cost Allocation for SUFs, Headroom payments for SUFs, Project Cost Allocations for SDUs, and Deliverable MWs are provided in the 2<sup>nd</sup> Round CY21 Additional SDU Study Report accompanying this notice, and summarized in Attachment A to this notice. As detailed in the 2<sup>nd</sup> Round CY21 Additional SDU Study Report, the NYISO has determined that the Non-Acceptance Notices from Q942 KCE NY 21, Q994 KCE NY 22, and Q746 North Street Energy Storage from the CY21 Additional SDU projects did not increase any Project Cost Allocations from the Initial Round for the remaining Projects.

Because no Project Cost Allocation have increased and no Deliverable MWs have decreased for the remaining Projects, in this Second Round, the remaining project Developers, having accepted its SUF and SDU Project Cost Allocations in the Initial Decision Period, will not be provided with the option to accept or reject a Project Cost Allocation in this Second Round.

Now, in accordance with Section 25.8.2.1 of Attachment S of the NYISO OATT, the remaining project Developers must satisfy the following requirement within five (5) business days from May 5, 2023 (*i.e.*, **on or before May 12, 2023**):

- Satisfy Headroom obligations identified in Table 1 of Attachment A, if any, 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) identified in Attachment A.

“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 and Affected Transmission Owner(s).”

**Each of the Developers that accepted the Project Cost Allocations must notify me on or before **May 12, 2023** to confirm 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, even if such confirmation was provided in the Initial Decision Round. By copy of this notice, Transmission Owners and prior Class Year members who will receive the Headroom payment must also confirm to me that such payments/postings have been made and meet their respective commercially reasonable requirements.**

In the event that any Security Posting Default occurs, NYISO will prepare and issue another revised report and Project Cost Allocation in accordance with the requirements of Attachment S.

If you have any questions, please submit such questions by e-mail to [InterconnectionSupport@nyiso.com](mailto:InterconnectionSupport@nyiso.com).

Sincerely,

*Wenjin Yan*

Manager, Facility Studies

cc:

Iram Iqbal, PSEG-LIPA

Sarah Johnson, Invenergy (Q#467 Shoreham Solar project)

Musa Wafula, AES (Q#477 Riverhead Solar project)

Patricia Vallejo, NextEra Energy (Montauk/Hampton Energy Storage projects)

## Attachment A - Summary Tables of Class Year 2021 Additional SDU Study 2<sup>nd</sup> Round Decision Period

### Cost Allocations, Headroom, and Deliverable MW

**Table 1: Class Year 2021 Additional SDU Study Total SUF Part 1 & 2 Cost Allocations Including Headroom**

CTO		PSEG-LI		CY17 Developers				Total Project Cost Allocation in CY21 Additional SDU Study 2nd Round Decision Period
Queue	Project Name	Total SUF Cost	CY21 SDU Cost	To CY17 Q467 Shoreham Solar	To CY17 Q477 Riverhead Solar	To CY17 Montauk Energy Storage	To CY17 East Hampton Energy Storage	
Q766	NY Wind Holbrook (1)	\$37,560,050 (1)	\$70,417,857	\$473,857	\$315,936	\$74,864	\$66,484	<b>\$71,348,998</b>
Q956	Holtsville 138 kV Energy Storage (1)	\$590,475 (1)	\$20,809,821	-	-	-	-	<b>\$20,809,821</b>
Q965	Yaphank Energy Storage	\$8,986,556	\$21,731,469	-	-	-	-	<b>\$30,718,025</b>
Q987	NY Wind Holbrook 2 (1)	\$0 (1)	\$3,520,893	\$23,693	\$15,797	\$3,743	\$3,324	<b>\$3,567,450</b>
Total		\$47,137,081	\$116,480,040	\$497,550	\$331,733	\$78,607	\$69,808	<b>\$126,444,294</b>

## Notes

- (1) Q766, Q956 and Q987 accepted their SUF cost allocation and posted Security in the regular CY21 settlement.

**Table 2: Class Year 2021 Additional SDU Study Deliverable MW**

#	QUEUE POS	PROJECT	Requested Summer CRIS MW	Deliverable Summer CRIS MW with SDUs	Deliverable Winter CRIS MW with SDUs
1	Q766	NY Wind Holbrook	880	880	880
2	Q956	Holtsville 138 kV Energy Storage	110	110	110
3	Q965	Yaphank Energy Storage	76.8	76.8	76.8
4	Q987	NY Wind Holbrook 2	44	44	44