

IMPORTANT NOTICE – PAYMENTS OR SECURITY POSTINGS REQUIRED ON OR BEFORE JUNE 14, 2021

June 7, 2021

Notice of Second Round Decision Period to Class Year 2019 NYC Additional SDU Study Project – Request to Post Security

Dear Q737 El Sunset Park Developer:

On May 24, 2021, a notice was sent informing you of the Non-Acceptance Events and the initiation of the Second Round of the Cost Allocations, and that, in accordance with the Attachment S of the NYISO OATT, NYISO staff would prepare and issue an updated study report titled “Second Round Addendum to Class Year 2019 Facilities Study NYC Additional System Deliverability Upgrade (SDU) Report,” (“2nd Round CY19 NYC Additional SDU Study Report”) including Revised Project Cost Allocations for System Upgrade Facilities (SUFs), SDUs and Deliverable MWs, as applicable, to Q737 El Sunset Park project.

The Second Round Project Cost Allocation for SUFs, Headroom payments for SUFs, Project Cost Allocations for SDUs, and Deliverable MWs are provided in the respective addendum report accompanying this notice, and summarized in Attachment A to this notice. As discussed in the 2nd Round CY19 NYC Additional SDU Study Report, the NYISO has determined that the Non-Acceptance Notices from Q458 CH Interconnection, Q668 Liberty Generating Alternative, Q697 Ravenswood Energy Storage 1 and Q698 Ravenswood Energy Storage 2 projects did not increase any Project Cost Allocations from the Initial Round for the remaining Q737 El Sunset Park project.

Because the Project Cost Allocations for SUFs have decreased, and SDUs and the Deliverable MWs of Q737 El Sunset Park project remain unchanged in this Second Round from the Initial Round, the remaining Q737 El Sunset Park project Developer, 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 Q737 El Sunset Park project Developer must satisfy the following requirement within five (5) business days from June 7, 2021 (*i.e.*, **on or before June 14, 2021**):

- Pay cash or post Security in the full amount of its Project Cost Allocations for SUFs and SDUs to the Transmission Owner, Con Edison.

“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).”

Please notify me when payment has been made or Security posted for Q737 El Sunset Park project’s Cost Allocations for SUFs and SDUs. By copy of this notice, I request the Connecting Transmission Owner, Con Edison, to also confirm to me that such payments/postings have been made in accordance with applicable commercially reasonable requirements.

In the event that Q737 El Sunset Park project fails to make the above payments or Security postings as required by Attachment S to the NYISO OATT, that will constitute a Security Posting Default upon which NYISO will prepare and issue another revised 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 the above address.

Sincerely,

Thinh Nguyen

Sr. Manager, Interconnection Projects

cc: Vitaly Spitsa, ConEdison

Attachment A - Summary Tables of Class Year 2019 NYC Additional SDU Study 2nd Round Decision Period Cost Allocations and Deliverable MW

Table 1: CY19 NYC Additional SDU Study Total SUF and SDU Cost Allocations

CTO		ConEd		Total SUF/SDU Cost (\$)
Queue	Project Name	SUF	SDU	
Q737 (816 MW)	El Sunset Park	\$ 42,554,135	-	\$ 42,554,135
Total		\$ 42,554,135	-	\$ 42,554,135

Table 2: CY19 NYC Additional SDU Study Deliverable MW

#	QUEUE	PROJECT	Requested Summer CRIS (MW)	Deliverable Summer CRIS (MW)	Calculate Winter CRIS (MW)
1	737	El Sunset Park	816	816	816