

September 20, 2011

TO: Class Year 2009 Project Developers

Queue Pos.	Project	Developer	Contact(s)
222	Ball Hill Windpark	Noble Ball Hill Windpark, LLC	Bob Charlebois
232	Bayonne Energy Center	Bayonne Energy Center, LLC	Paul Barnett, Mike Gregg
245	Fulton County Landfill	Innovative Energy System, Inc.	Dennis Plaster
251	CPV Valley Energy Center	CPV Valley, LLC	Steven Remillard

Re: Notice of Class 2009 Developers' Decisions Regarding the Second Round Project Cost Allocations – Initiation of Round 3

Dear Developer Representatives:

September 19, 2011 was the deadline for the Class 2009 Developers to provide notice to the NYISO indicating either acceptance (“Acceptance Notice”) or non-acceptance (“Non-Acceptance Notice”) of their respective Project Cost Allocations for System Upgrade Facilities (SUFs) and System Deliverability Upgrades (SDUs) and Deliverable MWs, in response to my September 12, 2011 *Notice of Second Round Addendum to Class 2009 Facilities Studies and Cost Allocations for SUFs and SDUs*.

This is to inform you that a Non-Acceptance Event has occurred in the Second Round for the Class Year 2009, and therefore, a third round of cost allocations will be required. Developer decisions are summarized in Table A below.

Queue# / Project	Project Cost Allocation for SUFs	Project Cost Allocation for SDUs	Deliverable MWs
222 Ball Hill Windpark	Accepted	Accepted	N/A
232 Bayonne Energy Center	Accepted	Accepted	Accepted
245 Fulton County Landfill	Accepted	N/A	N/A
251 CPV Valley	Accepted	Not Accepted	N/A

Consequently, all Class 2009 Developers are relieved of their obligation to post Security for their current respective Project Cost Allocations for both SUFs and SDUs, as applicable. Since all Developers accepted their cost allocation for SUFs, no projects will be entirely removed from the Class 2009, and the Project Cost Allocations for SUFs will not change for this third round. However, the CPV Valley project will be removed from the Deliverability Study. For the third round, the NYISO will issue an updated Class Year Interconnection Facilities Study including Project Cost Allocations for SUFs and SDUs and Deliverable MWs, revised as necessary, as soon as practicable, but by October 17, 2011 at the latest, in accordance with Attachment S of the NYISO Open Access Transmission Tariff. Thereafter, the Developers will have seven (7) calendar days from issuance of the revised Class Year studies and cost allocations to again notify the NYISO whether or not they accept their respective Project Cost Allocations for SUFs and SDUs and their Deliverable MWs. Developers must provide this notice for the third round even if their Project Cost Allocation(s) and/or Deliverable MWs are unchanged from the second round.

If all Developers accept their cost allocations and Deliverable MW from the third round, Developers will then have five (5) business days from the end of the decision period to post Security for SUFs and SDUs to the applicable Transmission Owner(s). Developers that owe Headroom reimbursements also would be required to pay such reimbursements to the applicable prior Class Year Developer(s). If, however, not all remaining Class 2009 Developers accept their third round cost allocations for SUFs and SDUs and Deliverable MW, as applicable, the NYISO would need to prepare and issue yet another updated Class Year Interconnection Facilities Study with cost allocations and Deliverable MWs, as applicable.

If you have any questions, please call or send me an e-mail at the number/address below.

Sincerely,

*Steven L. Corey*

Manager, Interconnection Projects

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cc. Doug Fuess, National Grid  
Mark Chier, NYSEG-RG&E  
Rich Wright, Central Hudson  
John Beck, Con Edison  
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