

August 16, 2011

TO: Developers of Class Year 2010 Projects

Queue Pos.	Project	Developer	Contact(s)
237	Allegany Wind	Allegany Wind, LLC	Charles Vogel
254	Ripley-Westfield Wind	Ripley-Westfield Wind, LLC	Stan Gray
260	Stephentown	Stephentown Regulations Services, LLC	Robert Rounds
261	South Pier Improvement	Astoria Generating Company	David Perri
263	Stony Creek Wind Farm	Stony Creek Wind Farm, LLC	Eric Miller
266	Berrians GT III	NRG Energy, Inc.	Jon Baylor
308	Astoria Energy II	Astoria Energy II, LLC	Charles McCall
330	Upton Solar Farms	Long Island Solar Farm, LLC	Todd Lacoste

Re: Notice of Developers' Initial Decisions Regarding the Class 2010 Cost Allocation – Initiation of Round 2

Dear Developer Representatives:

August 15, 2011 was the deadline for the Class 2009 and Class 2010 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, as outlined in my *Notice of Project Cost Allocations for System Upgrade Facilities and System Deliverability Upgrades*, dated July 14, 2011.

This is to inform you that Non-Acceptance Events have occurred for both Class Years 2009 and 2010, and therefore, a second round of cost allocations will be required. Developer decisions are summarized in the tables 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	Not Accepted	N/A
251 CPV Valley	Accepted	Accepted	N/A

Queue# / Project	Project Cost Allocation for SUFs	Project Cost Allocation for SDUs	Deliverable MWs
237 Allegany Wind	Accepted	Accepted	N/A
254 Ripley-Westfield Wind	Accepted	Accepted	N/A
260 Stephentown	Accepted	N/A	N/A
261 South Pier Improvement	Not Accepted	Not Accepted	N/A
263 Stony Creek Wind Farm	Accepted	Accepted	N/A
266 Berrians GT III	Not Accepted	Not Accepted	Not Accepted
308 Astoria Energy II	Accepted	N/A	N/A
330 Upton Solar Farms	Accepted	Accepted	Accepted

As a consequence of the above Class 2009 and Class 2010 Non-Acceptance Events, all Class 2009 and Class 2010 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 Class 2009 Developers accepted their cost allocation for SUFs, no Class 2009 projects will be entirely removed from the Class 2009. However, the Fulton County Landfill project will be removed from both the Class 2009 and Class 2010 Deliverability Studies. The South Pier Improvement and Berrians GT III projects will be removed from the Class 2010 Interconnection Facilities Study for both the ATRA and the Deliverability Study. For the second round, the NYISO will issue an updated Class Year 2010 Interconnection Facilities Study including Project Cost Allocations for SUFs and SDUs and Deliverable MWs, revised as necessary, by September 12, 2011, in accordance with Attachment S of the NYISO Open Access Transmission Tariff. Thereafter, the Developers will have seven (7) calendar days 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 second round even if their Project Cost Allocation and/or Deliverable MWs are unchanged from the first round.

If all Developers accept their cost allocations and Deliverable MW from the second 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 or Class 2010 Developers accept their revised 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

Phone No. (518) 356-6134

E-mail: scorey@nyiso.com

cc. Doug Fuess, National Grid
Mark Chier, NYSEG-RG&E
Rich Wright, Central Hudson
John Beck, Con Edison
James Lee, NYPA
Steve Cantore, LIPA