

4.2.1 DMNC Test Periods

The DMNC Test Period for the Summer Capability Period is June 1st through September 15th and for the Winter Capability Period is November 1st through April 15th.

New Resources may qualify as Installed Capacity Suppliers at any time during a Capability Year based on the results of an appropriate demonstration test, production data, or Special Case Resource commitment. New generating Resources must temperature-adjust the results of the appropriate demonstration test or production data, using the procedures noted in Attachment D to this Manual.

To qualify as Installed Capacity Suppliers in any Installed Capacity auction administered by the ISO, new Resources shall submit to the NYISO the results of an appropriate demonstration test, production data or Special Case Resource commitment prescribed by this Manual by 5:00 PM at least ~~two-seven~~ (27) calendar days before the administration of the relevant auction. ~~provided, however, that Resources shall submit such results by 5:00 PM~~

~~on the Friday immediately preceding an auction when such auction is scheduled on a Monday.~~ For example, if the NYISO administers the auction on a Thursday, new Resources shall submit appropriate demonstration test, production data, or Special Case Resource commitment by 5:00 PM on the ~~Tuesday-Thursday~~ preceding the auction. ~~If the NYISO administers an auction on Monday, new Resources shall submit such results by 5:00 PM on the Friday preceding the auction.~~

In addition to the submission of the results of an appropriate demonstration test or production data required by the previous paragraph, new generating Resources that want to participate in NYISO-administered auctions shall submit to the NYISO a notification letter if they do not already have, and will require, a point ID to participate in the NYISO market. The notification letter shall state the intention of the Resource to seek qualification as an Installed Capacity Supplier, and include the Resource's name, location, and other information as the NYISO may reasonably request. This letter does not oblige a Resource to qualify as an ICAP Supplier; it allows the NYISO to prepare and be able to accommodate a Resource should that Resource request qualification and submit appropriate demonstration test or production data shortly before an auction. A Resource shall submit the notification letter to the NYISO by the first business day of the month in which it wishes to qualify as an Installed Capacity Supplier.

To qualify Installed Capacity for a Bilateral Transaction or for a self-supplying LSE, new Resources shall submit to the NYISO the results of an appropriate demonstration test, production data or Special Case Resource commitment prescribed by this Manual by 5:00 PM at least ~~two-seven~~ (27) calendar days before the day LSEs must certify that they have procured sufficient Installed Capacity for the following Obligation Procurement Period. ~~(in this paragraph, the "Certification Day") provided, however, that Resources shall submit the results of an appropriate demonstration test, production data or Special Case Resource commitment prescribed by this Manual by 5:00 PM on the Friday immediately preceding the Certification Day when such Certification Day is a Monday.~~ For example, if the Certification Day is a Thursday, new Resources shall

submit appropriate demonstration test, production data or Special Case Resource commitment results by 5:00 PM on the ~~Tuesday~~ **Thursday** preceding the Certification Day. ~~If the Certification Day is a Monday, new Resources shall submit such results by 5:00 PM on the Friday preceding the Certification Day.~~

Existing Resources that have increased Capacity due to changes in their generating equipment may demonstrate the DMNC of the incremental Capacity for and within a Capability Period by following the procedures described above for new Generators.

The NYISO's Market Monitoring Unit will verify the DMNC test data submitted by Suppliers against NYISO billing information and will notify the Supplier that the DMNC value as calculated from the test data is valid.

5.5 Demand Curve and Adjustments

Three (3) ICAP Demand Curves have been established: one to determine the locational component of LSE Unforced Capacity Obligations for the New York City Locality, one to determine the locational component of LSE Unforced Capacity Obligations for the Long Island Locality and one to determine the total LSE Unforced Capacity Obligations for all LSEs serving load in the NYCA. Installed Capacity Demand Curves have been determined for the 2005/2006, 2006/2007 and 2007/2008 Capability Years and will be adjusted for subsequent three-year periods pursuant to the process set forth in the ISO Services Tariff and in accordance with Section 5.6, below.

Each ICAP Demand Curve is composed of 3 straight-line portions:

1. A horizontal line segment, consisting of all points for which the price of ICAP is equal to 1.5 times the estimated localized levelized cost per kW-month to develop a new gas turbine (the "Estimated GT Cost") in each Locality (for the ICAP Demand Curves for the New York City and Long Island Localities) or in the Rest-of-State region (for the NYCA ICAP Demand Curve), and for which the quantity of ICAP supplied is greater than or equal to zero but less than the quantity of ICAP supplied at the point where this segment intersects segment (2), which is described below.
2. A line segment with a negative slope, which is a portion of a line that passes through the following points:
 - (a) a point at which the amount of ICAP supplied is equal to the NYCA Minimum Installed Capacity Requirement (for the NYCA ICAP Demand Curve) or the Locational Minimum Installed Capacity Requirement (for the ICAP Demand Curves for the New York City and Long Island Localities), and the price of ICAP is equal to the monthly ICAP Reference Point price (as described below) for the NYCA or one of the Localities, as applicable; and
 - (b) a point at which the amount of ICAP supplied is set at the Zero Crossing Point, defined as the smallest quantity of Installed Capacity counting towards the NYCA Minimum Installed Capacity Requirement or a Locational Minimum Installed Capacity Requirement, as applicable, ~~for which~~ and the price of ICAP is zero.

~~The Demand Curves can be found on the NYISO web site at:~~

~~http://www.nyiso.com/services/documents/filings/jan_2005/attachmnt_IV_prpsd_icap_dmdnd_crvs_cpblty_yrs.pdf~~

The line segment which comprises this portion of the ICAP Demand Curve consists of all points on this line for which the quantity of ICAP supplied is greater than or equal to the quantity of ICAP supplied at the point where this segment intersects segment (1), but less than or equal to the Zero Crossing Point defined for the NYCA Minimum Installed Capacity Requirement or the Locational Minimum Installed Capacity Requirement, as applicable.

3. A horizontal line, consisting of all points for which the price of ICAP is zero, and for which the quantity of ICAP Supplied is greater than the Zero Crossing Point defined for the NYCA Installed Capacity Demand Curve or the Locational Installed Capacity Demand Curve, as applicable.

The horizontal portions of the ICAP Demand Curves therefore define maximum and minimum prices for ICAP in the Localities (in the case of the Locational ICAP Demand Curves) and for Installed Capacity in the Rest-of-State Region (in the case of the NYCA ICAP Demand Curve). The sloped portion of each Demand Curve permits the price of capacity to change as a function of the amount of Installed Capacity supplied, relative to each Minimum Installed Capacity Requirement.

The Demand Curves can be found on the NYISO web site at:

http://www.nyiso.com/services/documents/filings/jan_2005/attchmnt_IV_prpsd_icap_dmnd_crv_s_cpblty_yrs.pdf

The NYCA Minimum Installed Capacity Requirement is determined by the NYISO after the New York State Reliability Council sets the NYCA Installed Reserve Margin and the NYISO determines ~~the~~each Locational Minimum Installed Capacity Requirement (see Section 2 of this Manual for further explanation). The monthly ICAP Reference Point price for the NYCA and each Locality is based on the Annual Reference Value for that location, which is the Estimated GT Cost for the Rest-of-State region (in the case of the Annual Reference Value for the NYCA) or a Locality (in the case of the Annual Reference Value for a Locality) less an estimate of annual net revenue offsets from the sale of energy and ancillary services for the Rest-of-State region or a Locality, as appropriate. The estimate of annual net revenue offsets for the Rest-of-State region used when deriving the 2005-06 through 2007-08 NYCA ICAP Demand Curves included a winter revenue benefit. The winter revenue benefit was intended to reflect the difference between (1) the ratio of the amount of ICAP the ISO anticipated would be supplied to New York capacity markets during the winter to the amount of ICAP supplied to those markets during the summer, and (2) the ratio of winter to summer DMNCs reported in the NYISO's annual Load and Capacity Data, and the impact of that difference on anticipated ICAP prices during the winter Capability Period. Since the Annual Reference Value is based on generator ratings using an average annual temperature (59 degrees Fahrenheit, per International Standards Organization (ISO) standards), each monthly ICAP Reference Point price calculation shall include adjustments to take seasonal effects on the amount of UCAP that can be supplied, as well as the price of UCAP, into account.

Each monthly ICAP Reference Point price is set to the level that would permit a GT to be paid an amount over the course of the year that is equal to the Annual Reference Value, given the following assumptions:

- Each summer month's revenue is equal to the product of the Summer DMNC of a GT and the monthly ICAP Reference Point price for the NYCA or a Locality, as appropriate.

- Each winter month's revenue is equal to the product of the Winter DMNC of a GT and an assumed Winter ICAP price for the NYCA or a Locality, as appropriate, calculated as:

$$WP_i = RP_i \cdot \left(1 - \frac{WSR_i - 1}{ZCPR_i - 1} \right),$$

where:

WP_i = the assumed winter ICAP price for location i ;

RP_i = the monthly ICAP Reference Point price for location i ;

$ZCPR_i$ = the ratio of the Zero Crossing Point defined for the NYCA Minimum Installed Capacity Requirement to the NYCA Minimum Installed Capacity Requirement, if i is the NYCA, or the ratio of the Zero Crossing Point defined for a Locational Minimum Installed Capacity Requirement to that Locational Minimum Installed Capacity Requirement, if i is a Locality; and

WSR_i = the ratio of the sum of winter DMNCs of ICAP providers in location i to the sum of summer DMNCs of ICAP providers in location i , using the most recent ratio of winter-to-summer DMNCs that is available from the NYCA market as reported in the annual Load and Capacity Data and posted at the time of the periodic review in the Planning section of the NYISO website (<http://www.nyiso.com/services/planning.html>).

Consequently:

$$RP_i = \frac{ARV_i \cdot \frac{AssmdCap_i}{SDMNC_i}}{6 \cdot \left[1 + \frac{WDMNC_i}{SDMNC_i} \cdot \left(1 - \frac{WSR_i - 1}{ZCPR_i - 1} \right) \right]},$$

where:

ARV_i = the Annual Reference Value for location i ;

$AssmdCap_i$ = the capacity assumed for a GT in location i when calculating Annual Reference Values;

$SDMNC_i$ = the summer DMNC assumed for a new GT in location i at 90 degrees F;

$WDMNC_i$ = the winter DMNC assumed for a new GT in location i at 2025 degrees F;

and all other variables are as defined above.

When calculating the ICAP Demand Curves for the 2005-06 through 2007-08

Capability Years, the ISO used the following values for $SDMNC_i$, $WDMNC_i$, $AssmdCap_i$, and WSR_i :

$SDMNC_i = 293$ MW, if i is the NYCA, and 83.7 MW, if i is the New York City or Long Island Locality.

$WDMNC_i = 351.6$ MW, if i is the NYCA, and 97.7 MW, if i is the New York City or Long Island Locality.

$AssmdCap_i = 326.4$ MW, if i is the NYCA, and 96 MW, if i is the New York City or Long Island Locality.

$WSR_i = 1.037$ MW, if i is the NYCA, and 1.063 MW, if i is the New York City or Long Island Locality.

~~The estimate of annual net revenue offsets for the Rest of State region used when deriving the 2005-06 through 2007-08 NYCA ICAP Demand Curves included a winter revenue benefit. The winter revenue benefit was intended to reflect the difference between (1) the ratio of the amount of ICAP the ISO anticipated would be supplied to New York capacity markets during the winter to the amount of ICAP supplied to those markets during the summer, and (2) the ratio of winter to summer DMNCs reported in the NYISO's annual Load and Capacity Data, and the impact of that difference on anticipated ICAP prices during the winter Capability Period.~~

~~Monthly ICAP Reference prices and Zero Crossing Points for the Installed Capacity Demand Curves for the 2005/2006, 2006/2007 and 2007/2008 Capability Years for the NYCA and each Locality are given in the following table: Three (3) ICAP Demand Curves will be established: one to determine the locational component of LSE Unforced Capacity Obligations for the New York City Locality, one to determine the locational component of LSE Unforced Capacity Obligations for the Long Island Locality and one to determine the total LSE Unforced Capacity Obligations for all LSEs. Each ICAP Demand Curve is set based upon the localized, levelized cost of a gas turbine at the NYCA Minimum Installed Capacity Requirement or the Locational Minimum Installed Capacity Requirement, as applicable and associated Energy and Ancillary Services revenues. The ICAP Demand Curves will be phased in over three (3) Capability Years beginning in 2003. Each ICAP Demand Curve shall be established within the following fixed, annual ICAP parameters, which shall be translated to dollars per kilowatt-year of Unforced Capacity basis.~~

	Capability Year 5/1/2005 to 4/30/2006	Capability Year 5/1/2006 to 4/30/2007	Capability Year 5/1/2007 to 4/30/2008
NYCA	\$6.78 6.88 @ 100%	\$6.98 7.09 @ 100%	\$7.19 7.30 @ 100%
	\$0.00 @ 112%	\$0.00 @ 112%	\$0.00 @ 112%
NYC	\$13.70 13.92 @	\$14.11 14.34 @	\$14.54 14.77 @

	100%	100%	100%
	\$0.00 @ 118%	\$0.00 @ 118%	\$0.00 @ 118%
LI	\$12.52 12.74 @ 100%	\$12.90 13.12 @ 100%	\$13.28 13.52 @ 100%
	\$0.00 @ 118%	\$0.00 @ 118%	\$0.00 @ 118%

	Year 1 (Ends April 30, 2004)	Year 2 (Begins May 1, 2004)
	\$/kW-year of ICAP	\$/kW-year of ICAP
Total	\$56.24 @ 100%	\$67.49 @ 100%
	\$0.00 @ 112%	\$0.00 @ 112%
LI	\$104.37 @ 100%	\$123.94 @ 100%
	\$0.00 @ 118%	\$0.00 @ 118%
NYC	\$127.89 @ 100%	\$151.14 @ 100%
	\$0.00 @ 118%	\$0.00 @ 118%
NOTE: All percentages are in terms of the applicable NYCA Minimum Installed Capacity Requirement and Locational Minimum Installed Capacity Requirement.		
NOTE: All annual dollar values will be translated into monthly values by dividing by twelve (12) and rounding to the nearest cent.		
NOTE: The ICAP Demand Curves for each monthly ICAP Spot Market Auction are posted under the applicable Capability Period on the NYISO web site at http://www.nyiso.com/public/products/icap/index.jsp .		

Quantities on each of these ICAP Demand Curves are stated in terms of amounts of ICAP supplied and prices are stated in terms of dollars per kW-month of ICAP supplied, but the metric actually used in the ICAP market is UCAP. Therefore, each of these ICAP Demand Curves must be translated into UCAP Demand Curves, so that quantities are stated in terms of UCAP supplied and prices are stated in terms of dollars per kW-month of UCAP supplied. This translation will be performed as follows: Before the beginning of each Capability Period, the ISO will calculate an ICAP-to-UCAP translation factor for each ICAP Demand Curve, equal to one minus the average value of the six (6) most recent 12-month rolling average EFORs calculated for all resources in the NYCA (in the case of the ICAP Demand Curve for the NYCA) or in a Locality (in the case of the ICAP Demand Curve for that Locality). Each price on each ICAP Demand Curve shall then be converted into a price on the corresponding UCAP Demand Curve by dividing it by one minus the ICAP-to-UCAP translation factor calculated for that ICAP Demand Curve. Each quantity on each ICAP Demand Curve shall be converted into a quantity on the corresponding UCAP Demand Curve by multiplying it by one minus the ICAP-to-UCAP translation factor calculated for that ICAP Demand Curve.

~~In the third year, the costs assigned by the ICAP Demand Curves to the NYCA Minimum Installed Capacity Requirement and each of the Locational Minimum Installed Capacity Requirements will be defined by the results of the independent review conducted pursuant to~~

~~this Section. The respective point at which each Demand Curve crosses zero, expressed in terms of a percentage of the NYCA Minimum Installed Capacity Requirement or each of the Locational Minimum Installed Capacity Requirements, as applicable, will be fixed through the 2005/2006 Capability Year. These dollar figures will also be translated each year to dollars per kilowatt year of Unforced Capacity.~~

5.6 Periodic Independent Review

An independent review of the ICAP Demand Curves will be performed every three (3) years to determine whether the parameters of the ICAP Demand Curves should be adjusted in accordance with the ISO Services Tariff. Among other criteria, the review will determine the current localized levelized embedded cost of gas turbines in each NYCA Locality and the Rest of State and associated Energy and Ancillary Services revenues.

Each periodic independent review, which will include stakeholder input, will be completed by September 1 in time to determine the ICAP Demand Curves to be applied for the three subsequent Capability Years.

Once the independent review is received, it shall be provided to stakeholders and the New York State Public Service Commission (“PSC”), who shall be given an opportunity to provide input to the NYISO concerning the review. Upon consideration of each review and input thereon from stakeholders and the PSC, but prior to NYISO Board approval, the NYISO shall issue three (3) proposed ICAP Demand Curves.

Any stakeholder, including the PSC, shall have thirty (30) days within which to request an opportunity to provide the NYISO Board with supplemental information for its consideration when acting on the proposed ICAP Demand Curves. Upon receipt of such a request, a NYISO Board subcommittee shall be convened, upon notice to all parties, to review filed information and to hear oral arguments on the issues that have been raised.

After considering the proposed ICAP Demand Curves and any comments related thereto, the NYISO Board shall issue three (3) final ICAP Demand Curves and shall file them for approval at FERC. Once the ICAP Demand Curves have been approved by FERC, they shall remain binding for the 3-year period until the next review, absent exigent circumstances.~~Except as provided in the previous Section, a periodic independent review of the ICAP Demand Curves will be performed every three (3) years to determine whether the parameters of the ICAP Demand Curves should be adjusted. Among other criteria, the review will determine the current localized levelized embedded cost of gas turbines in each NYCA Locality and the Rest of State and associated Energy and Ancillary Services revenues.~~

~~Each periodic independent review, which will include stakeholder input, will be completed by November 1 for the subsequent Capability Year, except the first periodic independent review, which will be concluded by December 31, 2004. The first periodic review will be initiated immediately following the Summer 2003 Capability Period, and the recommendations will be received not later than December 31, 2004 in time to determine the ICAP Demand Curves to be applied for the 2005-2006 Capability Year.~~

~~Once these recommendations are received, they shall be issued to stakeholders and the New York State Public Service Commission (“PSC”), who shall be given an opportunity to provide~~

~~input to the NYISO concerning the review. Upon consideration of each review and input thereon from stakeholders and the PSC, but prior to NYISO Board approval, the NYISO shall issue three (3) proposed ICAP Demand Curves.~~

~~Any stakeholder, including the PSC, shall have thirty (30) days within which to request an opportunity to provide the NYISO Board with supplemental information for its consideration when acting on the proposed ICAP Demand Curves. Upon receipt of such a request, a NYISO Board subcommittee shall be convened, upon notice to all parties, to review filed information and to hear oral arguments on the issues that have been raised.~~

~~After considering the proposed ICAP Demand Curves and any comments related thereto, the NYISO Board shall issue three (3) final ICAP Demand Curves and shall file them for approval at FERC. Once the ICAP Demand Curves have been approved by FERC, they shall remain binding for the 3-year period until the next review, absent exigent circumstances.~~

Attachment I:

Miscellaneous Auction Procedures

Unless otherwise specified, a capitalized term used herein shall have the meaning specified in the ISO's Market Administration and Control Area Services Tariff, or in Attachment F of, or elsewhere in, this Manual.

Section 1: Procedures Applicable to Installed Capacity ~~Buyers~~**Bidders**

1.1 Submission of Bid Packages

~~Buyers~~**Bidders** bidding to purchase Unforced Capacity must submit a complete Bid Package to the ISO in the form prescribed in Attachment F to this Manual, i.e., a completed ~~Purchase~~**Purchase**-Agreement to Purchase or Sell Unforced Capacity in the NYISO Installed Capacity Auctions ("Purchase/Sale Agreement") and a properly formatted Electronic Bid., ~~as those terms are defined in Attachment F to this Manual.~~

~~Purchase~~**Purchase/Sale** Agreements must be submitted to the ISO via an overnight mail service or a delivery service that requires the signature of the addressee in order to record the date and time of delivery. ~~Purchase~~**Purchase/Sale** Agreements may not be submitted via FAX or email. Each ~~Purchase~~**Purchase/Sale** Agreement, upon receipt, will be time stamped by the ISO.

Electronic Bids must be submitted via ~~e-mail to the ISO at buyicap@nyiso.com~~ the Internet site maintained by the ISO at [www._____](http://www._____.). An Electronic Bid may contain more than one ~~individual~~**bid** (each an "Individual Bid"). ~~All Individual Bids submitted at a given time must be contained in only one Electronic Bid.~~ An Electronic Bid must be part of a properly constituted Bid Package.

~~If the ISO invalidates a Bid Package for any reason, it will notify the BuyerBidder that submitted the Bid Package, via e-mail, on the same day that the Bid Package was received.~~

~~Buyers~~**Bidders** may revise their Bid Packages at any time during the bidding Period by submitting an **amended Individual Bid** or new Electronic Bid. If a new Electronic Bid is timely, correctly and completely submitted by the ~~Seller~~**Bidder**, it will completely override any previous Electronic Bid(s) and any previous Electronic Bid(s) will have no further force or effect. **A newly uploaded Electronic Bid must include all Individual Bids that the Bidder intends to be in effect, including any previously submitted Individual Bids that are not being amended. The most recently received Individual Bid or Electronic Bid, as indicated by the date and time of submission reported in the Automated ICAP Market System, shall supersede any previous version of the Individual Bid or Electronic Bid being changed, and any superceded Individual Bid or Electronic Bid shall have no further force or effect.**

~~Buyers~~Bidders may not submit negative dollar bids. Only bids specifying a price greater than or equal to zero will be accepted.

1.2 Invalidation of Bids

The ISO shall invalidate an Electronic Bid for any of the following reasons:

- (a) The Electronic Bid is received by the ISO outside the bidding Period; ~~or~~
- (b) The Electronic Bid does not include all **required** information ~~required by the Electronic Bid form;~~ or
- (c) The Electronic Bid is not covered by sufficient collateral.
- ~~(e) The Electronic Bid contains an incorrect registrant name; or~~
- ~~(d) The Electronic Bid has been modified, amended or changed other than to provide required information and other than in connection with the submission of a revised Electronic Bid;~~
- ~~(e) The Electronic Bid is not password protected using the password provided to the Buyer by the ISO; or~~
- ~~(f) The Electronic Bid is submitted with a date and time stamp identical to any other Electronic Offer submitted by the Seller.~~

The ISO shall invalidate an Individual Bid for any of the following reasons:

- (a) The bid price is less than zero;
- (b) The quantity of Unforced Capacity specified is not given to a tenth of a MW;
- (c) The **P**price is not specified to two decimal places; or
- (d) Missing information in either the **P**price or MW columns; ~~or~~
- ~~(e) Multiple months are included in the 'Monthly Effective Period' field.~~

Section 2: Procedures Applicable to Installed Capacity ~~Sellers~~Offerors

2.1 Submission of Offer Packages

~~Sellers~~Offerors offering to sell Unforced Capacity must submit a complete Offer Package to the ISO in the form prescribed in Attachment ~~G~~F to this Manual, i.e., a completed ~~SalePurchase/Sale~~ Agreement and a properly formatted Electronic Offer. ~~as those terms are defined in Attachment G to this Manual.~~ Offer Packages must be submitted during the Offering Period established in Attachment A, and described in Attachment ~~G~~F, to this ~~m~~Manual.

~~SalePurchase/Sale~~ Agreements must be submitted to the ISO via an overnight mail service or a delivery service that requires the signature of the addressee in order to record the date and time of delivery. ~~SalePurchase/Sale~~ Agreements may not be submitted via FAX or email. Each ~~SalePurchase/Sale~~ Agreement, upon receipt, will be time stamped by the ISO.

Electronic Offers must be submitted via ~~e-mail to the ISO at sellicap@nyiso.com~~ the Internet site maintained by the ISO at ~~www._____~~. An Electronic Offer may contain more than one ~~Individual Offer~~ ~~(each an "Individual Offer")~~. ~~All Individual Offers must be contained in only one Electronic Offer.~~ An Electronic Offer must be part of a properly constituted Offer Package.

~~Sellers~~Offerors may revise their Offer Packages at any time during the Offering Period by submitting an ~~amended Individual Offer~~ or a new Electronic Offer. If a new Electronic Offer is timely, correctly and completely submitted by the Seller, it will completely override any previous Electronic Offer(s) and any previous Electronic Offer(s) will have no further force or effect. ~~A newly uploaded Electronic Offer must include all Individual Offers that the Offeror intends to be in effect, including any previously submitted Individual Offers that are not being amended. The most recently received Individual Offer or Electronic Offer, as indicated by the date and time of submission reported in the Automated ICAP Market System, shall supersede any previous version of the Individual Offer or Electronic Offer being changed, and any such superceded Individual Offer or Electronic Offer shall have no further force or effect.~~

~~If the ISO invalidates an Offer Package for any reason it will notify the Seller that submitted the Offer Package, via email, on the same day that the completed Offer Package was received.~~

2.2 Invalidation of Offers

The ISO shall invalidate an Electronic Offer for any of the following reasons:

- (a) The Electronic Offer is received by the ISO outside of the Offering Period; ~~or~~
- (b) The Electronic Offer does not contain all ~~required~~ information ~~required by the Electronic Offer form.~~;
- ~~(c) The Electronic Offer contains an incorrect registrant name;~~
- ~~(d) The Offer Package has been modified, amended or changed other than to provide required information and other than in connection with the submission of a revised Electronic Offers;~~
- ~~(e) The Electronic Offer is not password protected using the password provided to the Seller by the ISO;~~

~~(f) The Electronic Offer is submitted with a date and time stamp identical to any other Electronic Offer submitted by the Seller.~~

The ISO shall invalidate an Individual Offer for any of the following reasons:

- (a) More than one location has been specified;
- (b) The Resource name does not correspond to the Resource for which the Seller holds Unforced Capacity;
- (c) The offer price is less than zero;
- (d) The quantity of Unforced Capacity offered is not given to a tenth of a MW;
- (e) The quantity of Unforced Capacity offered is less than or equal to zero;
- (f) The quantity of Unforced Capacity offered for a Resource is greater than the amount of Unforced Capacity the Seller is authorized to sell from that Resource;
- (g) The quantity of Unforced Capacity offered is greater than the quantity the Seller is authorized to sell;
- ~~(g)~~(h) The Pprice is not specified to two decimal places;
- ~~(h)~~(i) Missing information in either the Pprice, MW or Resource name columns; or
- ~~(i)~~(j) Non-unique prices are given for Individual Offers to sell capacity for the same Resource. ; or
- ~~(j) Multiple months are included in the 'Monthly Effective Period' field.~~

2.3 Multiple Offers from the Same Installed Capacity Supplier

Installed Capacity Suppliers may submit multiple offers to sell Unforced Capacity associated with a given Installed Capacity Supplier. However, the total amount of Unforced Capacity offered for sale from a given Installed Capacity Supplier must not exceed the total amount of Unforced Capacity that may be supplied from that Installed Capacity Supplier, as determined pursuant to Section 4 of this manual.

Example: Valid offers to sell Unforced Capacity from an Installed Capacity Supplier that is qualified to supply 100.5 MW of Unforced Capacity. In this example, the Installed Capacity Supplier has offered the maximum allowable amount of Unforced Capacity.

Resource Name	Unforced Capacity	Offer Price
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	Offered (MW)	(\$/kW month)
XYZ - ABC	50.5	10.50
XYZ - ABC	50.0	11.25

Example: Invalid offers to sell Unforced Capacity from a Resource that is qualified to sell 100.5 MW of Unforced Capacity. In this example, all offers from this Installed Capacity Supplier ~~are~~ will be invalidated because the total Unforced Capacity offered exceeds the maximum amount of Unforced Capacity that the Installed Capacity Supplier is qualified to sell.

Resource Name	Unforced Capacity Offered (MW)	Offer Price (\$/kW month)
XYZ - ABC	50.3	10.50
XYZ - ABC	50.3	11.25

2.4 Requirement that Offers be Unique

All offers to sell Unforced Capacity associated with a given Installed Capacity Supplier must be made at a unique price.

Example: Invalid offers to sell Unforced Capacity from an Installed Capacity Supplier that is qualified to sell 100 MW of Unforced Capacity. In this example, all offers to sell Unforced Capacity ~~are~~ will be invalidated because the offer prices were not unique.

Resource Name	Unforced Capacity Offered (MW)	Offer Price (\$/kW month)
XYZ ABC	60.0	11.25
XYZ ABC	40.0	11.25

2.5 Subject Generators and the Capacity Reference Price

With respect to Subject Generators (as defined below), if the Price for a MW of Unforced Capacity offered in ~~the~~ an Auction is calculated to be greater than the Capacity Reference Price (see below), then the offer for that MW of Installed Capacity would be invalidated.

Section 3: Subject Generators

3.1 Definition and Requirements

Some Installed Capacity Suppliers located within the New York City Locality are subject to a FERC-approved Unforced Capacity price cap ~~of \$112.95/kW-year~~, the translated equivalent value of the FERC and PSC-approved \$105/kW-year price cap for Installed Capacity (“Subject Generators”).

Subject Generators may only sell their available Unforced Capacity in one or more ISO-administered Installed Capacity Auctions. ~~Under certain conditions, described in detail in Section 5 of this Manual and in Section 5.13 of the ISO Services Tariff, Subject Generators will be restricted in their ability to participate in the second phase of certain ISO-administered Installed Capacity Auctions.~~

3.2 Subject Generator List

The Resources listed below ~~shall be~~ are Subject Generators:

- Arthur Kill Units 2 and 3;
- Arthur Kill GT;
- Astoria Units 3, 4 and 5;
- Astoria GTs;
- East River Units 6 and 7;
- Gowanus GTs;
- Narrows GTs;
- Ravenswood Units 1, 2 and 3;
- Ravenswood GTs; and
- Waterside Units 6, 8 and 9.

~~Section 4: Proration of Installed Capacity Awards~~

~~4.1 Proration Methodology~~

~~In any Monthly Auction, if multiple bids to purchase Unforced Capacity in a Locality have the same bid price and that bid price equals the Market Clearing Price for that Locality, the MW amount of the awarded Unforced Capacity to each of these BuyersBidders will be prorated so that the MWs of Capacity awarded to each Buyer in association with that bid will be calculated as the product of the MW amount of the bid~~

~~and the ratio of the MW amount awarded to Bidders Bidding that price in that Locality to the total MW amount of all the bids to purchase in that Locality at that Market Clearing Price.~~

~~In any Monthly Auction, the ISO will award as many bids to buy Capacity as possible, subject to the limitation that the Market Clearing Price not exceed the price specified in the Buyer's bid.~~

~~As a result of the proportional allocation of MWs, Market Participants who purchased Unforced Capacity in an ISO administered Installed Capacity auctions may be awarded MWs in 0.1 MW increments.~~

Section 5: Section 4: Award Notices

5.14.1 Electronic Distribution of Award Notices

The ISO will send each Buyer and Seller that is selected to buy or sell Unforced Capacity an Award Notice, as defined in Attachments ~~F and G~~ to this ~~mManual, respectively~~, via e-mail within five (5) business days of the conclusion of the Capability Period Auction or the Obligation Procurement Period auction.

~~BuyersBidders~~ and ~~SellersOfferors~~ shall be presumed to have received Award Notices on the first business day after the Award Notices are e-mailed by the ISO.

5.24.2 Content of Award Notices

Award Notices sent to ~~BuyersBidders~~ shall set forth the ~~Market Clearing Price, the amount of Unforced Capacity, if any, the Bidder is obligated to purchase, the Market Clearing Price of such Unforced Capacity, the location of Installed Capacity Suppliers associated with the awarded Unforced Capacity and the Total Purchase Price, as that term is defined in Attachment F to this Manual.~~

Award Notices sent to ~~SellersOfferors~~ shall set forth ~~the Market Clearing Price, the total amount of Unforced Capacity sold, the Market Clearing Price of such Unforced Capacity, the location of the Installed Capacity Supplier(s) associated with the Unforced Capacity and the Total Selling Price, as that term is defined in Attachment G to this Manual.~~

5.34.3 Disputes Concerning Award Notices

~~Any Buyer or Seller that disputes an Award Notice, or the calculations underlying an Award Notice, must provide written notice to the ISO within the earlier of three (3) business days after the date that the Award Notice was received, or 11 calendar days after the relevant Installed Capacity auction. All disputes other than those concerning the Total Purchase Price or Total Selling Price shall be resolved pursuant to the Dispute Resolution Procedures set forth in the ISO Services Tariff. Disputes concerning Total~~

Purchase Price or Total Selling Price shall be resolved pursuant to the procedures set forth in Attachments ~~F and G~~ to this Manual, ~~respectively~~.

~~Section 6:~~ **Section 5: Posting of Installed Capacity Auction Results**

~~6.15.1~~ **Information Posted in Auction Results**

The ISO will publicly post on the website www.nyiso.com/markets/icapinfo.html for each “Monthly Effective Period,” the results of the Installed Capacity Auction and will include the following information:

1. The Market Clearing Price determined for each Locality in each Installed Capacity Auction;
2. The total amount of Unforced Capacity in each Locality, in the portion of the NYCA not included in any Locality, and in each External Control Area that was sold in each Monthly Auction;
3. The total amount of Unforced Capacity purchased in each Monthly Auction, broken down by the constraint placed upon the location of that Unforced Capacity by the Bidders placing those bids; and
4. The MW aggregate of the bids to purchase and the Offers to sell Unforced Capacity.

Attachment K:

Reportable Operating Data

NERC-GADS Data Reporting Requirements

Forced Outage

An unplanned failure that requires a unit to be removed from service, or the Load on the unit to be reduced before the end of the nearest following Weekend.

Maintenance Outage

A scheduled outage or derating that can be deferred beyond the end of the nearest following Weekend but that requires the unit to be removed from service or the Load reduced before the next Planned Outage.

Note: Any Resource that notifies the ISO that it can defer its outage beyond the end of the next following Weekend, but requests a maintenance outage before the end of the next following Weekend, will have its maintenance outage request granted by the ISO unless the ISO has specific reliability concerns that require the ISO to deny such a request.

Weekend

The period of time that begins every Friday at 10:01:00 PM and ends the following Monday at 8:00:59 AM.

NERC-GADS data or data equivalent to GADS Data for each Generator is to be provided to the ISO by the 20th of the month following the month for which the data applies.

See Section 4.4 of this Manual for the general Operating Data reporting requirements and the following pages for detailed Operating Data Reporting Requirements.

The input formats for NERC-GADS data can also be found on the NERC web -site at:

www.nerc.com

Find **GADS Services** in the **GO** link. The reporting manuals are also located there. The NERC-GADS data follows an 82 character fixed format as defined in the NERC GADS manuals.

The form on the following page delineates the Performance File and Event File data layouts. The data must be submitted electronically to the ISO (gads_data@nyiso.com) in standard ASCII Text File format.

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The pages following the Performance File and Event File data layouts further define GADS Data or data equivalent to GADS Data. All data will be used for internal ISO reliability studies and for calculating Unforced Capacity (“UCAP”) values.

In general, generating Resources with nameplate capacities greater than 10 MW or plants whose total capacity exceeds 25 MW are expected to submit the full GADS dataset. Those Resources will have a UCAP value based on [EFOR_d](#). Resources submitting equivalent GADS Data will have a UCAP value based on [their average](#) production ([similar to its](#) Capacity factor). All UCAP calculations are defined and described in Attachment J.

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NERC - GADS (Required for EFORd Calculations)																																																																																																			
All NYISO Required Fields are Highlighted & Identified																																																																																																			
PERFORMANCE FILE LAYOUT																																																																																																			
#2 Columns per RECORD																																																																																																			
RECORD 3	0 5 1 2 3 8 0 1 2 0 0 5 0 1 0	REC Wdr Cap 31-34 Unit Log# 33-34 Attempted Unit Start 47-49 Actual Unit Start 50-52	0 8 5 0 0 8 3 0 0 0 3 1 7 8 0 1 0 0 9 0 0 8	REC Wdr Cap 31-34 Unit Log# 33-34 Attempted Unit Start 47-49 Actual Unit Start 50-52	0 1	RECORD 4	0 2 5 6 0 7 4 4	Unit Available Hours 53-55 Forced Outage Hrs 56-58 Planned Outage Hrs 59-61	RECORD 5	0 4 8 8 0 2 3 6	Spnd. Cond. Hrs 26-31 Available Hrs 32-35 Planned Outage Hrs 36-38 Event Type 39-41 Start of Sched. 0 stages 42-51	RECORD 6	0 1 2 5 1 6 3 0	Blank Column 64-70 Event Type 71-73 Cross Avail. Cap 74-76 Net Avail. Cap 77-80	RECORD 7	9 7 1 2 3 8 0 1 2 0 0 5 0 0 1 0 0 1 1 5 0 0 0 1	Event Type 81-83 Event Number 84-86 Revision Code 87	RECORD 8	9 7 1 2 3 8 0 1 2 0 0 5 0 0 1 0 0 3 1 8 0	Event Type 81-83 Event Number 84-86 Revision Code 87																																																																															
* Do not zero-out or abbreviate any unused data fields.																																																																																																			
** Columns 11-15 are required to appear in an entity report.																																																																																																			
*** Columns #1-82 identify the component records.																																																																																																			
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NERC - GADS (Required for EFORd Calculations)
 All NYISO Required Fields are Highlighted & Identified

PERFORMANCE FILE LAYOUT

#2 Columns per RECORD

RECORD 01

9 6 1 2 3 8 0 1 2 0 0 0 1 0 0	0 8 6 0 0 8 3 0 0 0 3 1 7 8 0 1 0 0 9 0 0 8
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Required Fields for NYISO GADS Data

	Performance Record (01) Columns	Performance Record (02) Columns	Event Record (01) Columns	Event Record (02) Columns
Card Code	1-2	1-2	1-2	1-2
Utility Code	3-5	3-5	3-5	3-5
Unit Code	6-8	6-8	6-8	6-8
Year	9-12	9-12	9-12	9-12
Revision Code	15	15	17	17
Record Number	81-82	81-82	81-82	81-82
<i>(Performance Only)</i>				
Month	13-14	13-14		
Net Max. Capacity	31-34			
Net Dependable Capacity	35-38			
Net Actual Generation	39-45			
Unit Loading	46			
Attempted Unit Starts	47-49			
Actual Unit Starts	50-52			
Service Hours		16-19		
Reserve Shutdown Hours		20-23		
Pumping Hours		24-27		
Synch. Condensing Hours		28-31		
Available Hours		32-35		
Planned Outage		36-39		
Forced Outage		40-43		
Maintenance Outage		44-47		
Ext. of Sched. Outages		48-51		
Unavailable Hours		52-55		
Period Hours		56-59		
<i>(Event Only)</i>				
Event Number			13-16	13-16
Event Type			18-19	18-19
Start Date/Time			20-27	
End Date/Time			48-55	
Net Available Capacity			60-63	
System / Comp. Cause Code				20-23
Event Contribution Code				44

ISO NERC-GADS Reporting Requirements

Data marked with an * is the minimum dataset for data equivalent to GADS Data and will result in UCAP based on actual production, with allowance for scheduled outages. The full dataset will result in UCAP based on [EFOR_d](#). See Attachment J for the actual calculation methodology.

Performance Data

Card 01

*Card Code	Required
*Utility Code	Required (Assigned)
*Unit Code	Required (Assigned)
*Year	Required
*Report Period (Month)	Required
*Record Revision Code	Required
Gross Maximum Capacity	-
Gross Dependable Capacity	-
Gross (MWhr) Actual Generation	-
*Net Maximum Capacity	Required
*Net Dependable Capacity	Required
*Net (MWhr) Actual Generation	Required
Typical Unit Loading Characteristics	Required
Attempted Unit Starts	Required
Actual Unit Starts	Required
*Record Number	Required

Card 02

*Card Code	Required
*Utility Code	Required (Assigned)
Unit Code	Required (Assigned)
*Year	Required
*Report Period (Month)	Required
*Record Revision Code	Required
*Unit Service Hours (SH)	Required
*Reserve Shutdown Hours (RH)	Required
*Pumping Hours (if applicable)	Required
*Synchronous Condensing Hours (if applicable)	Required
*Available Hours (AH)	Required
*Planned Outage Hours (POH)	Required
Forced Outage Hours & Startup Failure Hours	Required
*Maintenance Outage Hours (MOH)	Required
*Extension of Scheduled Outage Hours (SEH)	Required
Unavailable Hours (UH)	Required
*Period Hours	Required
*Record Number	Required

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Card 03

Not Required

Card 04

Not Required

Event Report Data

Card 01

Card Code	Required
Utility Code	Required (Assigned)
Unit Code	Required (Assigned)
Year	Required
Event Number	Required
Record Revision Code	Required
Event Type	Required
Start of Event	Required
End of Event	Required
Gross Available Capacity as Result of Event	-
Net Available Capacity as Result of Event	Required
Record Number	Required

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Card 02

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<u>Card Code</u>	<u>Required</u>
<u>Utility Code</u>	<u>Required (Assigned)</u>
<u>Unit Code</u>	<u>Required (Assigned)</u>
<u>Year</u>	<u>Required</u>
<u>Event Number</u>	<u>Required</u>
<u>Record Revision Code</u>	<u>Required</u>
<u>Event Type</u>	<u>Required</u>
<u>System Component Cause Code</u>	<u>Required</u>
<u>Event Contribution Code</u>	<u>Required</u>
<u>Record Number</u>	<u>Required</u>

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Cards 03-99

Provide additional event data on system /component events. Not Required

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Special Case Resource (SCR) Commitment/Verification

The SCR Commitment workbook is located on the NYISO website at www.nyiso.com/markets/icapinfo.html. The most recent version of the "SCR Commitment Workbook with electronic forms" is located on this web page under the [applicable](#) Capability Period.

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