

located in the New York City Locality that is subject to capacity market mitigation measures may not be sold at a price greater than the annual mitigated price cap, except as explicitly provided in Sections 5.13.2, 5.13.3 and 5.14.1 of this Tariff.

In addition, any Customer that purchases Unforced Capacity associated with any generation that is subject to capacity market mitigation measures in an ISO-administered auction may not resell that Unforced Capacity in a subsequent auction at a price greater than the annual mitigated price cap, as applied in accordance with the ISO Procedures in accordance with Sections 5.13.2, 5.13.3, and 5.14.1 of this Tariff. The ISO shall inform Customers that purchase Unforced Capacity in an ISO-administered auction of the amount of Unforced Capacity they have purchased that is subject to capacity market mitigation measures.

The ISO shall have the right to audit all executed Installed Capacity contracts and related documentation of arrangements by an LSE to use its own generation to meet its Locational Minimum Installed Capacity Requirement for an upcoming Obligation Procurement Period.

## **5.12 Requirements Applicable to Installed Capacity Suppliers**

### **5.12.1 Installed Capacity Supplier Qualification Requirements**

In order to qualify as an Installed Capacity Supplier in the NYCA, Energy Limited Resources, Generators, Installed Capacity Marketers, Intermittent Power Resources, and System Resources rated 1 MW or greater, other than

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External System Resources and Control Area System Resources which have agreed to certain Curtailment conditions as set forth in the last paragraph of Section 5.12.1 below, and other than Special Case Resources, existing municipally-owned generation, and Energy Limited Resources, ~~and Intermittent Power Resources~~, to the extent those entities are subject to the requirements of Section 5.12.11 of this Tariff, shall:

- (i) provide information reasonably requested by the ISO including the name and location of Generators, and System Resources;
- (ii) in accordance with the ISO Procedures, perform DMNC tests and submit the results to the ISO, or provide to the ISO appropriate historical production data;
- (iii) abide by the ISO Generator maintenance coordination procedures;
- (iv) provide the expected return date from any outages (including partial outages) to the ISO;
- (v) in accordance with the ISO Procedures,
  - (a) provide documentation demonstrating that it will not use the same Unforced Capacity for more than one (1) buyer at the same time; and
  - (b) in the event that the Installed Capacity Supplier supplies more Unforced Capacity than it is qualified to supply in any specific month (i.e., is short on Capacity), documentation that it has procured sufficient Unforced Capacity to cover this shortfall.

- (vi) except for Installed Capacity Marketers and Intermittent Power Resources, Bid into the Day-Ahead Market, unless the Energy Limited Resource, Generator or System Resource is unable to do so due to an outage as defined in the ISO Procedures or due to temperature related de-ratings. Generators may also enter into the MIS an upper operating limit that would define the operating limit under

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- normal system conditions. The circumstances under which the ISO will direct a Generator to exceed its upper operating limit are described in the ISO Procedures;
- (vii) provide Operating Data in accordance with Section 5.12.5 of this Tariff;
  - (viii) comply with the ISO Procedures;
  - (ix) when the ISO issues a Supplemental Resource Evaluation request (an SRE), Bid into the in-day market unless the entity has a bid pending in the Real-Time Market when the SRE request is made or is unable to bid in response to the SRE request due to an outage as defined in the ISO Procedures, or due to other operational issues, or due to temperature related deratings; and
  - (x) Installed Capacity Suppliers located East of Central-East shall Bid in the Day-Ahead and Real-Time Markets all Capacity available for supplying 10-Minute Non-Synchronized Reserve (unless the Generator is unable to meet its commitment because of an outage as defined in the ISO Procedures), except for the Generators described in subsections (a), (b), (c) and (d) below:
    - (a) Generators providing Energy under contracts executed and effective on or before November 18, 1999 (including PURPA contracts) in which the power purchasers do not control the operation of the supply source but

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would be responsible for penalties for being off-schedule, with the exception of Generators under must-take PURPA contracts executed and effective on or before November 18, 1999, who have not provided telemetering to their local TO and historically have not been eligible to participate in the NYPP market, which will continue to be treated as TO Load modifiers under the ISO-administered markets;

- (b) Existing topping turbine Generators and extraction turbine Generators producing Energy resulting from the supply of steam to the district

steam system located in New York City (LBMP Zone J) in operation on or before November 18, 1999 and/or topping or extraction turbine Generators used in replacing or repowering steam supplies from such units (in accordance with good engineering and economic design) that cannot follow schedules, up to a maximum total of ~~365~~ 499 MW of such units;

- (c) ~~Existing~~ Intermittent Power Resources ~~in operation on or before November 18, 1999 within the NYCA, plus up to an additional 500 MW of such Generators~~; and
- (d) Units that have demonstrated to the ISO that they are subject to environmental, contractual or other legal or physical requirements that would otherwise preclude them from providing 10-Minute NSR.

The ISO shall inform each potential Installed Capacity Supplier that is required to submit DMNC data of its approved DMNC ratings for the Summer Capability Period and the Winter Capability Period in accordance with the ISO Procedures.

Requirements to qualify as Installed Capacity Suppliers for External System Resources and Control Area System Resources located in External Control Areas that have agreed not to Curtail the Energy associated with such Installed Capacity or to afford it the same Curtailment priority that it affords its own Control Area Load shall be established in the ISO Procedures.

Installed Capacity rights existing as of September 17, 1999 that do not correspond to Table 3 of Attachment L to the ISO OATT shall survive for the term of the relevant External Installed Capacity contract or until the relevant External Generator is retired.

### **5.12.3 Installed Capacity Supplier Outage Scheduling Requirements**

All Installed Capacity Suppliers, except for Control Area System Resources, and Special Case Resources, that intend to supply Unforced Capacity to the NYCA shall submit a confidential notification to the ISO of their proposed outage schedules in accordance with the ISO Procedures. Transmission Owners will be notified of these and subsequently revised outage schedules. Based upon a reliability assessment, if Operating Reserve deficiencies are projected to occur in certain weeks for the upcoming calendar year, the ISO will request voluntary re-scheduling of outages. In the case of Generators actually supplying Unforced Capacity to the NYCA, if voluntary re-scheduling is ineffective, the ISO will invoke forced re-scheduling of their outages to ensure that projected Operating Reserves over the upcoming year are adequate.

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A Generator that refuses a forced rescheduling of its outages for any unit shall be prevented from supplying Unforced Capacity in the NYCA with that unit during any month where it undertakes such outages. The rescheduling process is described in the ISO Procedures.

A Generator that intends to supply Unforced Capacity in a given month that did not qualify as an Installed Capacity Supplier prior to the beginning of the Capability Period must notify the ISO in accordance with the ISO Procedures so that it may be subject to forced re-scheduling of its proposed outages in order to qualify as an Installed Capacity Supplier. A Supplier that refuses the ISO's forced rescheduling of its proposed outages shall not qualify as an Installed Capacity Supplier for that unit for any month during which it schedules or conducts an outage.

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Capacity it has certified has not been sold for use in an External Control Area.

#### **5.12.5 Operating Data Reporting Requirements**

To qualify as Installed Capacity Suppliers in the NYCA, Resources shall submit to the ISO Operating Data in accordance with this Section 5.12.5 and the ISO Procedures. Resources that do not submit Operating Data in accordance with the following subsections and the ISO Procedures shall be subject to the sanctions provided in Section 5.12.12(a) of this Tariff.

Resources that were not in operation on January 1, 2000 shall submit Operating Data to the ISO no later than one month after such Resources commence commercial operation, and in accordance with the ISO Procedures and the following subsections as applicable.

##### **5.12.5(a) Generators, System Resources, Energy Limited Resources, and Special Case Resources**

To qualify as Installed Capacity Suppliers in the NYCA, Generators, External Generators, System Resources, External System Resources, Energy Limited Resources, and Special Case Resources, Intermittent power Resources and Municipal -Generators or the purchasers of Unforced Capacity associated with those Resources shall submit GADS Data, data equivalent to GADS Data, or other Operating Data to the ISO each month in accordance with the ISO Procedures. Prior to the successful implementation of a software modification that allows gas turbines to submit multiple bid points, these units shall not be considered to be forced out for any hours that the

~~5.12.5(e) — Intermittent Power Resources and Municipally Owned Generation~~

~~To qualify as Installed Capacity Suppliers in the NYCA, Intermittent Power Resources, or the purchasers of Unforced Capacity associated with those Resources, and municipally owned generation shall submit data equivalent to GADS Data or other Operating Data to the ISO each month in accordance with the ISO Procedures.~~

**5.12.5(d) Transmission Projects Granted Unforced Capacity Deliverability Rights**

An owner of a transmission project that receives UDRs must, among other obligations, submit outage data or other operational information in accordance with the ISO procedures to allow the ISO to determine the number of UDRs associated with the transmission facility.

**5.12.6 Operating Data Default Value and Collection**

**5.12.6(a) Monthly Calculations**

The ISO shall calculate each month for each Resource the amount of Unforced Capacity that each Installed Capacity Supplier is qualified to supply in the NYCA based on a rolling twelve-month calculation or as specified below, and in accordance with formulae provided in the ISO Procedures.

The amount of Unforced Capacity that each Generator, System Resource, Energy Limited Resource, Special Case

Resource, and municipally-owned generation is authorized to supply in the NYCA shall be based on the ISO's calculations of individual Equivalent Demand Forced Outage Rates. The amount of Unforced Capacity that each Control Area System Resource is authorized to supply in the NYCA shall be based on the ISO's calculation of each Control Area System Resource's availability. The amount of Unforced Capacity that each Intermittent Power Resource is authorized to supply in the NYCA shall be based on ~~the individual historical Capacity factor adjusted by the ISO to remove the effects of outages~~ the amount of capacity that an Intermittent Power Resource can reliably provide during system peak Load hours, as determined in accordance with the ISO Procedures.

~~Add to the ICAP manual: Unforced capacity from an Intermittent Power Resource for the summer capability period shall be the average production during the peak hours of HB 1400 to 1800 for the months of June, July and August during the immediately previous like capability period.~~

~~Unforced capacity from an Intermittent Power Resource for the winter capability period shall be the average production during the peak hours of HB 1600 to HB 2000 for the months December, January, and February during the immediately previous like capability period.~~

The ISO shall calculate Unforced Capacity values ~~the Equivalent Demand Forced Outage Rates, Availability rates, and Capacity factors annually~~ and update them ~~monthly~~ periodically using a rolling twelve-month calculation ~~rolling average of Operating Data~~ in accordance with formulae provided in the ISO Procedures. The ISO shall calculate ~~perform~~ separate Summer and Winter

Capability Periods Unforced Capacity ~~calculations values~~ for each Resource, ~~to more accurately reflect seasonal variations in their DMNC ratings.~~

**5.12.6(b) Default Unforced Capacity**

In its calculation of Unforced Capacity, the ISO shall deem a Resource to be completely forced out for each month for which the Resource has not submitted its Operating Data in accordance with Section 5.12.5 of this Tariff and the ISO Procedures. A Resource that has been deemed completely forced out

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for a particular month may submit new Operating Data, for that month, to the ISO at any time. The ISO will use such new Operating Data when calculating, in a timely manner in accordance with the ISO Procedures, a new ~~Unforced~~ Capacity value rolling average for the Resource.

Upon a showing of extraordinary circumstances, the ISO retains the discretion to accept at any time Operating Data which have not been submitted in a timely manner, or which do not fully conform with the ISO Procedures.

#### **5.12.6(c) Exception for Certain Equipment Failures**

When a Generator, Special Case Resource, Energy Limited Resource, or System Resource is forced into an outage by an equipment failure that involves equipment located on the high voltage side of the electric network beyond the step-up transformer, and including such step-up transformer, the outage will not be counted for purposes of calculating that Resource's Equivalent Demand Forced Outage Rate.

#### **5.12.7 Availability Requirements**

Subsequent to qualifying, each Installed Capacity Supplier shall, except as noted in Section 5.12.11 of this Tariff, on a daily basis: (i) schedule a Bilateral Transaction; (ii) Bid Energy in each hour of the Day-Ahead Market in accordance with the applicable

**5.12.11 (c) Energy Limited Resources**

An Energy Limited Resource may qualify as an Installed Capacity Supplier if it Bids its Installed Capacity Equivalent into the Day-Ahead Market each day and if it is able to provide the Energy equivalent of the Unforced Capacity for at least four (4) consecutive hours each day. Energy Limited Resources shall also Bid a Normal Upper Operating Limit or Emergency Upper Operating Limit, as applicable, designating their desired operating limits. Energy Limited Resources that are not scheduled in the Day-Ahead Market to operate at a level above their bid-in upper operating limit, may be scheduled in the RTC, or may be called in real-time pursuant to a manual intervention by ISO dispatchers, who will account for the fact that Energy Limited Resource may not be capable of responding.

**5.12.11(d) Intermittent Power Resources**

Intermittent Power Resources may qualify as Installed Capacity Suppliers, without having to comply with the daily bidding and scheduling requirements set forth in Section 5.12.7 of this Tariff, and may claim up to their ~~Unforced nameplate~~ Capacity as Installed Capacity. To qualify as Installed Capacity Suppliers, Intermittent Power Resources shall comply with the ~~notification~~ requirements of Section 5.12.1 and 5.12.7 of this Tariff. ~~In calculating Unforced Capacity for an Intermittent Power Resource, the historical Capacity factor will be adjusted to remove the effects of outages in accordance with the ISO Procedures.~~

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