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nyiso Installed Capacity Manual

Clean document.

Changes are not marked in this version.

**Section 3.5.1 contains language approved by the
ICAPWG but not yet reviewed or approved by BIC.**

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3.0 Unforced Capacity Requirements of Load Serving Entities

[. . .]

3.5 Customer-Switching

3.5.1 General Requirements for Customer-Switching within a Capability Year **[Section 3.5.1 includes proposed language approved by the ICAPWG but not yet reviewed or approved by BIC. This language is not blacklined]**

Establishment of Preliminary and Final Unforced Capacity Requirements

Each year (Attachment A provides specific dates), Transmission Owners shall submit an initial forecast with supporting data, which will reflect verified customer-switching that occurred during the prior calendar year. In addition to the initial forecasts and data submitted to the ISO, the Transmission Owner must provide to the ISO the electronic version of the notification letters sent to the affected LSEs demonstrating that such LSEs have been provided data regarding the customer changes assigned to them.

Each Transmission Owner shall also submit to the ISO aggregate peak Load data, coincident with the Transmission District peak, for all customers served by each LSE within its Transmission District, excluding those served by the municipal electric systems (see Attachment A). This data shall reflect verified customer-switching through December 31 of the previous year and may be derived from direct meters or Load profiles of customers served. This information shall also be submitted to each LSE affected by the customer-switching.

Based on documented customer-switching adjustments through the end of February, the ISO shall calculate a preliminary Unforced Capacity requirement for each LSE. The ISO will provide each LSE with its preliminary Unforced Capacity requirement estimate. The ISO will notify each LSE of its final Unforced Capacity requirement for each year, which shall reflect documented customer-shifts as of April 1st that are scheduled to occur before May 1st. In the event of a dispute as of April 10th regarding a Transmission Owner's forecast, the ISO shall nevertheless establish each LSE's final Unforced Capacity requirement, subject to possible adjustments required from a resolution of the dispute.

Monthly Adjustments to Final Unforced Capacity Requirement

The Transmission Owners will update the ISO and affected LSEs on a monthly basis concerning customer-switching. Each Transmission Owner will provide updated aggregated LSE reports to the ISO and to each LSE serving Load in the Transmission District by the date provided in Attachment A of this Manual. It is each Transmission Owners responsibility to submit all customer-switching information in a timely manner. The NYISO will determine the net change

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in Load for a Transmission Owner's Transmission District customer-switching if the NYISO has not received the appropriate customer-switching information in a timely manner.

The updated aggregated LSE reports, which are submitted early in each month, shall reflect all customer-switching through the end of the submittal month which were reported to Transmission Owners as of the last day of the previous month. In addition to customer switches scheduled for the month in which the report is submitted, the report will include previously unreported customer switches that occurred in past months and corrections for customer switches that were incorrectly reported in an earlier report.

As an example, a Transmission Owner will submit a LSE update report on July 7th which represents all customer-switching changes occurring through July 31st that the Transmission Owner received notice of by June 30th. This report might include the following customer switches: a customer switch scheduled to occur on July 20th, notification of a switch that occurred on June 5th that the Transmission Owner was unaware of when it submitted its report in June, and a date correction for a switch that occurred in May.

Based on customer-switching, the ISO will make monthly adjustments to each LSE's Unforced Capacity requirement for the month or months remaining in the Capability Year which follows the month in which the Transmission Owner's report was submitted. These adjustments will reflect each individual LSE's gain and loss of customers. The adjustments will be made in such a way as to keep the total Unforced Capacity requirement for the Transmission District constant.

To continue the example, in response to the Transmission Owners customer-switching report submitted in early July (based on changes reported to the Transmission Owner by June 30th), the ISO will recalculate affected LSE's Unforced Capacity requirement for the months of August through April (the last month of the Capability Year). The ISO will inform affected LSEs of their new Unforced Capacity requirement prior to the Monthly Auction occurring in July, allowing those LSEs affected ample time to acquire, as necessary, sufficient Unforced Capacity for the month of August.

See the Capability Period Timeline in Attachment A for details concerning the schedule of updates and notification requirements related to monthly customer-switching.

[...]

4.0 Installed Capacity Requirements Applicable to Installed Capacity Suppliers

[...]

4.2 DMNC Test Procedures (Section 5.12.8 ISO Services Tariff)

Potential Installed Capacity Suppliers must perform DMNC tests in accordance with the procedures described below (unless exempt in accordance with the provisions of Section 4.4.3 of this Manual), and provide the ISO with the required documentation of those tests. Alternatively, potential Installed Capacity Suppliers, with the exception of new Resources, may use historical production data for the immediately preceding like Capability Period, no more than 12 months old, in lieu of DMNC test data. The completeness, accuracy, and validity of the DMNC test data or historical production data sent to the NYISO is the responsibility of the Resource making such data submission.

An Installed Capacity Supplier offering to supply Unforced Capacity as a System Resource must submit DMNC test data, or historical production data, for each Generator that it seeks to aggregate. Interruptible Load Resources must provide evidence of a one (1) hour disconnection period less than one (1) year old.

Beginning with the Winter 2000-2001 Capability Period, final DMNC Test results (see Attachment D) must be transmitted to the ISO not later than sixty (60) days following the end of the test period.

4.2.1 DMNC Test Periods

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

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 ISO 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 (2) 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 ISO 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 preceding the auction. If the ISO 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 Resources that want to participate in ISO-administered auctions shall submit to the ISO a notification letter if they do not already have and will require a point ID to participate in the ISO 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 ISO may reasonably request. This letter does not oblige a Resource to qualify as an ICAP Supplier; it allows the ISO 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 ISO 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 ISO 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 (2) 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 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 ISO shall inform each potential Installed Capacity Supplier that is required to submit DMNC data of ISO-documented DMNC ratings for the Summer Capability Period in February, and for the Winter Capability Period in August (See Attachment A).

[. . .]

4.4 Operating Data Reporting Requirements (Section 5.12.5 ISO Services Tariff)

Installed Capacity Suppliers shall submit Operating Data to the ISO every month in accordance with the following subsections. The completeness, accuracy, and validity of the performance

data sent to the NYISO is the responsibility of the Resource making such data submission. Installed Capacity Suppliers that do not comply with the following subsections shall be subject to the sanctions provided in Section 5.12.12 of the ISO Services Tariff.

When an Installed Capacity Supplier (the “Seller”) sells Unforced Capacity to another Installed Capacity Supplier (the “Purchaser”), such as an Installed Capacity Marketer, the Seller and the Purchaser may designate the Purchaser as the entity responsible for fulfilling the obligations and requirements set forth in Section 4.4 of this Manual. Such designation shall be made in writing to the ISO at least five (5) calendar days before the date by which any of the relevant obligations or requirements must be fulfilled.

If no designation is made to the ISO, the Seller shall be responsible for fulfilling all the obligations and requirements set forth in this Section 4.4 of this Manual. The Purchasers that are designated pursuant to the preceding paragraph shall be subject to the sanctions provided in Section 5.12.12 of the ISO Services Tariff as if they were a Seller.

[. . .]

4.9 External Resources

External Generators, System Resources, Control Area System Resources and entities purchasing Installed Capacity from them may participate in the NYCA Installed Capacity market.

4.9.1 Requirements to Qualify as an External Installed Capacity Supplier

Prior to requesting External Installed Capacity Import Rights and supplying Unforced Capacity to the NYCA, External Generators, System Resources, Control Area System Resources and entities purchasing Installed Capacity from them must qualify as External Installed Capacity Suppliers. To qualify as External Installed Capacity Suppliers such entities must provide the following information to the ISO in a timely manner:

1. Name and location of the Resource (if multiple units are involved, identify each unit);
2. Assurance that the External Control Area in which the Resource is located either:
 - (a) Will not recall or curtail, for the purposes of satisfying its own Control Area Loads, imports from that External Control Area to the NYCA of an amount of Energy equal to the Installed Capacity Equivalent of the amount of Unforced Capacity that Resource is supplying to the NYCA; or
 - (b) Will afford NYCA Load the same curtailment priority that it affords its own Control Area Load;

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3. Documentation of a DMNC test, or its equivalent, in accordance with the procedures found in Section 4.2 or 4.10.3 of this Manual;
4. Submission of Operating Data for the prior twelve months in accordance with Sections 4.4 and 4.4.9, and Attachment K of this Manual;
5. Documentation which satisfies the Maintenance Scheduling Requirements in Section 4.3 of this Manual; and
6. Expected return dates from full or partial outages.

With the exception of item four (4), this information must be provided to the ISO at least two (2) days prior to the commencement of the initial first-come, first-serve External Installed Capacity Import Rights request period in which the prospective External Installed Capacity Supplier wishes to make a request, two (2) days prior to an ISO-administered Installed Capacity auction in which the External Installed Capacity Supplier wishes to offer Unforced Capacity, and at such additional times as required by the ISO and this Installed Capacity Manual (e.g., annual DMNC test results). The information required by item four (4) must be submitted in accordance with the timing requirements found in 4.4.9 of this Manual (by the tenth (10th) day of the month preceding the month in which the prospective External Installed Capacity Supplier wishes to supply Unforced Capacity to the NYCA).

The ISO may verify this data with the appropriate External Control Area.

4.9.2 Allocation of External Installed Capacity Import Rights for External Unforced Capacity Supply

The ISO lists in Attachment B of this Manual the maximum amount of Unforced Capacity that can be provided to the NYCA by Resources located in each neighboring Control Area. These figures are established in accordance with the procedures contained in Section 2.7 of this Manual. Once this amount has been determined for each neighboring Control Area, the allocation among ISO Customers of import rights to External Unforced Capacity supply is done according to the following procedures.

Grandfathered External Installed Capacity Rights

Details concerning Grandfathered Rights are provided in Attachment E to this Manual.

Other Allocations

After accounting for Grandfathered External Installed Capacity Import Rights, the ISO will allocate the remaining External Installed Capacity Import Rights for External Unforced Capacity supply on a first-come, first-serve basis. External Installed Capacity Import Rights may ultimately only be used by LSEs located within the NYCA, but any ISO Customer may submit a request for External Installed Capacity Import Rights.

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Initial requests for External Installed Capacity Import Rights may be sent to the ISO during the following time periods:

For a Capability Period (External Unforced Capacity to be imported to the NYCA for the entire 6-month Capability Period)

- Beginning at 8:00 AM EST seven (7) business days prior to the Capability Period Auction,
- Ending at 5:00 PM EST three (3) business days prior to this same auction.

If External Installed Capacity Import Rights are not fully subscribed after the Capability Period Auction has concluded, the ISO will open another period of first-come, first-serve allocations prior to each Monthly Auction for the month or months in which External Installed Capacity Import Rights remain.

For each month within a Capability Period (External Unforced Capacity to be imported to the NYCA for a particular month or months remaining in a Capability Period)

- Beginning at 8:00 AM EST five (5) business days prior to the Monthly Auction,
- Ending at 5:00 PM EST three (3) business days prior to this same auction.

Contents of Request

Each request must contain the following information:

1. Documentation of a Bilateral Transaction, with pricing redacted, between a qualified External Installed Capacity Supplier and either
 - (a) a Load within the NYCA, or
 - (b) an Installed Capacity Marketer **that demonstrates a commitment to a Load in the NYCA;**
2. The identity of the ISO Customer making the request;
3. The identity of the External Installed Capacity Supplier;
4. The name and location of the Resource (if multiple units are involved, identify each unit);
5. The Control Area in which the Resource for which the requesting entity seeks rights is located;
6. The MW amount requested to support the Unforced Capacity sale to the NYCA from the Resource designated in (4) above;

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7. The time period, in blocks of whole months, for which the External Installed Capacity Import Rights are requested;
8. E-mail address of the requesting party to which a response will be made.

The information listed above must be provided as a "Request for External Installed Capacity Import Rights" to the ISO's Manager of Resource Reliability via facsimile to the following number: 518-356-6208.

If the ISO determines, by 5:00 PM EST on the business day following receipt of an initial request (provided that this day falls during the time period for initial requests specified above) that the information provided in the request is incomplete or inadequate, the ISO will immediately notify the requesting party. The requesting party may resubmit its information to the ISO no later than 24 hours after the expiration of the time period for initial requests.

Only complete requests submitted within the time periods specified above will be evaluated by the ISO. The date and time stamp provided by the facsimile machine will determine the priority for the evaluation of requests. If a request is resubmitted for any reason, the latest time stamp will determine its priority.

The ISO will notify the requesting party if its request has been accepted or rejected, with reasons for rejection if such be the case, by 5:00 PM EST on the business day following receipt of a complete request. A rejection may be based on the following:

- Incomplete or inadequate information; or
- Fully subscribed External Installed Capacity Import Rights.

4.9.3 External Installed Capacity Sales in ISO-administered Auctions

By 5:00 PM EST two (2) business days prior to any ISO-administered Installed Capacity Auction all External Installed Capacity Import Rights should be matched between a Load in the NYCA and an External Installed Capacity Supplier. Unforced Capacity supplied by External Installed Capacity Suppliers that have claimed External Installed Capacity Import Rights which is not committed to an LSE serving NYCA Load will be offered for sale into the auction at a price of \$0/MW. The External Installed Capacity Supplier holding such External Installed Capacity Import Rights will be paid the market-clearing price determined in the auction.

If the ISO has not received certification from an LSE which demonstrates that the External Installed Capacity Import Rights it has secured are matched with a qualified External Installed Capacity Supplier, that LSE will relinquish those rights.

External Installed Capacity Suppliers may offer Unforced Capacity in ISO administered Installed Capacity auctions when External Installed Capacity Import Rights for the period associated with the applicable Installed Capacity auction have not been fully subscribed.

All purchasers of Unforced Capacity that is located in an External Control Area in an ISO-administered auction shall receive the External Installed Capacity Import Rights necessary in order to permit that Unforced Capacity to count towards the Unforced Capacity requirements of a NYCA LSE; consequently, in order to ensure that there are sufficient External Installed Capacity Import Rights available, the ISO shall limit the number of MW of Unforced Capacity that can be purchased in any External Control Area in those auctions. In each Installed Capacity auction, the ISO shall limit the number of MW of External Unforced Capacity that can be purchased to the number of MW of External Unforced Capacity that can be provided by Installed Capacity Suppliers located in a particular Control Area and the number of MW of External Unforced Capacity that can be imported to the NYCA in total, as determined in Section 2.7 and listed in Attachment B of this Manual, less all External Installed Capacity Import Rights already granted for that External Control Area and in general under the provisions of this Section 4.9.

4.9.4 Additional External Installed Capacity Supplier Requirements

Certification

External Installed Capacity Suppliers that have received External Installed Capacity Import Rights must provide the following additional information to the ISO no later than the 20th of the month preceding each month for which it intends to supply Unforced Capacity.

- Certification that Unforced Capacity being sold to the NYCA has not been sold elsewhere.

See Section 4.7 of this Manual for complete information in connection with monthly Installed Capacity Supplier certification requirements. The ISO will verify this data with the appropriate External Control Area.

Deliverability

External Installed Capacity Suppliers are required to demonstrate that the Energy associated with Unforced Capacity supplied to the NYCA is deliverable to the NYCA border. This demonstration occurs in two stages.

- 1) The Transfer Capability for the transmission of Energy associated with the Unforced Capacity that an External Installed Capacity Supplier wishes to supply to the NYCA is presumed to exist and such Energy is presumed to be deliverable to the NYCA border if the External Installed Capacity Supplier either:
 - Secures External Installed Capacity Import Rights during the first-come, first-serve allocation periods described above; or

- Sells External Unforced Capacity in an ISO-administered Installed Capacity auction pursuant to the procedures identified in this Manual; and
- 2) Deliverability of Energy associated with External Unforced Capacity is demonstrated through delivery of such Energy to the NYCA border at the time the Energy has been scheduled in the DAM or pursuant to an SRE. If the transmission tie between the NYCA and the Control Area where an External Installed Capacity Supplier is located is full the Energy associated with External Unforced Capacity from that Supplier does not need to be delivered to the NYCA border.

4.9.5 Charges Associated with External Unforced Capacity Deficiencies

In accordance with the Services Tariff, if an External Installed Capacity Supplier fails to deliver part or all of the Energy associated with Unforced Capacity it sold in the NYCA it will be deemed retroactively deficient for such failure. External Installed Capacity Suppliers unable to deliver such Energy to the NYCA border will be assessed the deficiency charge for Unforced Capacity associated with such deficiency and will be deemed to have been deficient from the last time the External Installed Capacity Supplier "demonstrated" delivery of its Installed Capacity Equivalent ("ICE"), or any part thereof, until it next delivers its ICE, subject to the limitation that any prior lack of demonstrated delivery will not precede the beginning of the current Capability Period.

[. . .]

4.12 Special Case Resources

Special Case Resources are Loads capable of being interrupted upon demand, and distributed generators, rated 100 kW or higher, that are not visible to the ISO's Market Information System. The Unforced Capacity of a Special Case Resource corresponds to its pledged amount of Load reduction as adjusted by historical performance factors and as increased by the Transmission District loss factor . The calculation of this amount shall be made in accordance with Section 3.3 of Attachment J.

4.12.1 Claiming of Unforced Capacity and RIPs

The Unforced Capacity of a Special Case Resource may be freely sold in Bilateral Transactions. However, such Unforced Capacity may not be claimed by an LSE towards satisfaction of its own Unforced Capacity requirement or be offered into an auction administered by the ISO unless there is a Responsible Interface Party ("RIP")* with respect to such Special Case Resource. RIPs are Market Participants that agree to be bound by the notification and other requirements

* RIPs fulfill functions similar to Curtailment Service Providers under the ISO's Emergency Demand Response Program.

applicable to RIPs under this Section 4.12. RIPs shall be responsible for all forms of communication to and from the ISO for purposes of dispatch, validation, and verification of Special Case Resources and the Unforced Capacity associated with Special Case Resources.

4.12.2 General Requirements

Every Special Case Resource must submit a Special Case Resource commitment in accordance with the form in Attachment K and be accepted by the ISO as an Installed Capacity Supplier before its Unforced Capacity may be claimed by an LSE towards its own Unforced Capacity requirement or be offered in an auction administered by the ISO. Every Special Case Resources must submit a Special Case Resource commitment to the ISO in accordance with the schedule and requirements of Section 4.2. Special Case Resources do not have to submit a notification letter or obtain a point ID as required of other Resources under Section 4.2.

A Special Case Resource that supplies Load reductions solely through the use of a distributed generator (whether or not operated in parallel with the NYCA) and that elects to measure such Load reductions by metering the output of such distributed generator under Section 3.3(b) of Attachment J, shall submit an appropriate DMNC test recorded on the appropriate form of Attachment D as part of its Special Case Resource commitment. All other Special Case Resources shall provide a Special Case Resource commitment in the form of Figure 1 of Attachment K. A Special Case Resource that supplies Load reductions solely through the use of a distributed generator and that elects to measure such Load reductions by metering the output of such distributed generator under Section 3.3(b) of Attachment J: (i) may not use a DMNC in calculating its Unforced Capacity that exceeds the total Load at the site of the distributed generator; (ii) must deduct from the output of such generator any auxiliary power consumed by the generator and supplied from an external source; and (iii) may not serve a load bank with the output of the generator when responding to ISO dispatch under Section 4.12.3.

Special Case Resources must meet the qualifications and comply with the procedures described below. RIPs claiming Unforced Capacity from Special Case Resources must comply with the requirements and procedures set forth below.

The Unforced Capacity of Special Case Resources may only be offered in auctions administered by the ISO or be claimed by an LSE towards its Unforced Capacity requirement in even increments of 100 kw (e.g. 590 kw of Unforced Capacity would be rounded down to 500 kw). However, Special Case Resources may be aggregated to minimize the effect of this requirement, provided that each such aggregation is identified as a single block of Unforced Capacity

4.12.3 Performance

A Special Case Resource must make Energy available, for a minimum four (4) hour block (except where environmental constraints require a shorter block), in amounts that correspond to the Installed Capacity Equivalent of the amount of Unforced Capacity it supplies to the NYCA as specified in Section 3.3 (c) of Attachment J, by reducing Load or transferring Load to a distributed generator, within two (2) hours of a notice provided by the ISO to the RIP, following a 21-hour notice. If the Special Case Resource is unable to provide full output within two (2) hours due to operational constraints, the RIP may petition the ISO for permission to provide

maximum output from the Special Case Resource within a longer period. The ISO's permission will not be unreasonably withheld. In granting permission, the ISO will calculate the appropriate derating factor for use in determining the amount of Unforced Capacity that it can provide in the future.

A Special Case Resource may be required by the ISO to demonstrate its pledged Load reduction capability once in every Capability Period if it has not otherwise already been called by the ISO to reduce Load in such period.

In the event that a Special Case Resource located at a retail customer was in operation (in the case of a distributed generator) or providing Load reduction (in the case of interruptible Load), at the time of the system or Transmission District peak upon which the Unforced Capacity requirement of the LSE serving that customer is based, the LSE's Unforced Capacity requirement shall be increased by the amount of Load that was served or interrupted by the Special Case Resource.

Transmission Owners shall permit short periods of parallel operation for Load switching from the Transmission Owner's electrical system to distributed generation equipment claimed as Special Case Resource Unforced Capacity provided that the distributed generator meets the Transmission Owner's interconnection requirements.

4.12.4 Notification Procedures

The ISO will provide 21 hour-ahead notification and two (2) hour notice, as required by this Manual, to the RIP. The 21 hour-ahead notification will be provided after 11 am, day-ahead, when the Day-Ahead Market closes. The ISO commits not to use 21 hour notification of potential need to operate indiscriminately but rather only when the Day-Ahead Market indicates serious shortages of supply for the next day. The 21 hour-ahead notice may occur at anytime, including a weekend day or a holiday, as needed.

The ISO shall provide notice no fewer than two (2) hours ahead of required operation or interruption.

RIPs shall contact their Special Case Resources through whatever communication protocols are agreed to between the Special Case Resources and the RIPs.

RIPs claiming Special Case Resource Unforced Capacity shall provide the ISO with their phone and Internet contact information that allows for notification by the ISO at any time. RIPs shall confirm receipt of both instances of notification (21 hour-ahead and two (2) hour) within 1 hour by Internet or telephone reply to the ISO. Such reply must confirm the relay of proper notification by the RIPs to their SCR clients, where applicable.

4.12.5 Capacity Adjustment Procedures

A Special Case Resource that fails to respond to RIP notification by reaching pledged Load reduction capability or maximum pledged generator output within two (2) hours following notice from the ISO to the RIP, or that fails to provide output for the period required by the ISO or four

(4) hours, whichever is less, will be considered forced out (for unperformed hours) for purposes of calculating the Unforced Capacity value of the Special Case Resource for future Obligation Procurement Periods.

A Special Case Resource that has successfully petitioned the ISO for permission to reach maximum output in more than two (2) hours will be considered forced out in the amount of Unforced Capacity not backed by Energy within two (2) hours of the notice from the ISO to the RIP.

A Special Case Resource that cannot operate for the full four (4) hours when called for by the ISO, due to environmental permit limits or otherwise, shall be considered forced out for the hours it is unable to operate or is operated at reduced output.

4.12.6 RIP Requirements

In addition to other requirements under this Section 4.12, an RIP claiming Unforced Capacity from a Special Case Resource for sale into an ISO-administered auction or for its own requirements (in the case of an RIP which is an LSE) shall fulfill the following obligations:

- Give notice of the claiming of such Unforced Capacity on a one-time basis to the LSE supplying Energy to the retail customer on whose premises the Special Case Resource is located (if different from the RIP).
- Notify the ISO as provided in Section 4.3.3 whenever the Special Case Resource is unavailable to provide its pledged Load reduction.
- Report operating data to the ISO each month as provided in Section 4.4.7 using the form provided in Figure 2 of Attachment K and provide copies of such form to the appropriate TO and the LSE supplying Energy to the retail customer on whose premises the Special Case Resource is located (if different from the RIP).
- Make certifications to the ISO each month as provided in Section 4.7.
- Document reductions in Load with interval billing meter readings on customer Load (or with readings on the distributed generator(s) in the case of a Special Case Resource whose performance is calculated under Section 3.3(b) of Attachment J) for the four (4) hour period following the two (2) hour ISO notice under Section 4.12.4. In the event that Energy made available from Special Case Resource Unforced Capacity is a small percentage of the total metered Load at the location of the Special Case Resource, such that it may not be clearly reflected by meter reads alone, the ISO will also accept operations logs to augment metered output to ensure accurate verification. The RIP or the Transmission Owner, as appropriate, shall retain all interval meter readings upon which it bases its certification of compliance, for a period of three (3) years.

4.12.7 ISO Verification

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The ISO retains the right to audit any records kept by the RIP, the Transmission Owner, or the Special Case Resource which are used to support the RIP's certification of compliance with the procedures set forth in this Section 4.12.

[...]

Attachment A:

Installed Capacity Reporting and Auction Timeline

Attachment A has been removed from the Installed Capacity Manual. Attachment A can be found on the NYISO website at www.nyiso.com (insert precise address when known).

[...]

Attachment K:

[. . .]

Special Case Resource (SCR) Commitment/Verification

SCR End-Use Customer: _____

Address: _____

LBMP Zone: _____

Check one: NYC _____ LI _____ ROS _____

Transmission Owner _____ Service Voltage _____

Meter Number/Account: _____

Permanent Recording Meter on Generator/Curtailable Load: YES / NO ID# _____

Method of Load Curtailment (check where appropriate):

On-Site Generator: _____ Curtailable Load: _____ Combination: _____

Parallel Operation Agreement: _____ Non-Parallel: _____

Generator Type: Diesel _____ Gas _____ Oil _____ Other _____

If other, describe: _____

Generator Nameplate Rating: _____

The Special Case Resource Customer is in compliance with any New York State Department of Environmental Conservation regulations that are applicable to it.: YES / NO

Disclaimer: It is the responsibility of the Customer to comply with all local, state and federal air emissions regulations. Questions concerning compliance should be forwarded to the respective regulating authority.

Method of Calculating Load Curtailment (check one)

Customer Load Reduction under Section 3.3(a) of Attachment J: _____

Generator Output under Section 3.3(b) of Attachment J: _____

Responsible Interface Party Information

Type of RIP (circle one): TO LSE Aggregator Direct Customer

Name of RIP: _____

Contact: _____

Address: _____

Phone (1 hour e-mail response required): _____

Fax: _____

E-mail (1-hour e-mail response required): _____

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Steps:

1. SCRs calculating load reduction based on generator output under Section 3.3.(b) of Attachment J shall submit the appropriate DMNC test form with this commitment and skip to Step 7. All others shall continue with the steps below.
2. Record the SCR End-use Customer maximum monthly one hour integrated demand for the two most recent Capability Periods (Figure 1).

**Figure 1
Actual Maximum Monthly One-Hour Integrated Demand**

| | | | | | |
|-------------|------|------|--------|-----------|----------------|
| Year _____ | June | July | August | September | Summer Average |
| Date/Time | | | | | N/A |
| Demand (MW) | | | | | |

| | | | | | |
|-------------|----------|---------|----------|-------|----------------|
| Years _____ | December | January | February | March | Winter Average |
| Date/Time | | | | | N/A |
| Demand (MW) | | | | | |

3. Capability Period for which commitment is requested (circle one):

Summer
Winter
4. Determine the average peak monthly demand ($APMD_{gm}$) for the last like Capability Period selected in step 3: _____
5. Level of demand to which customer commits during SCR implementation (Customer Minimum Demand (CMD_{gm})): _____
6. Determine the amount of Load customer is willing to reduce its demand by during SCR implementation ($APMD_{gm} - CMD_{gm} = Installed\ Capacity\ Equivalent\ (ICE_{gm})$): _____
7. For SCRs using Section 3.3(b) of Attachment J **only**, generator output to which SCR commits during SCR implementation (Contracted Generator Output (CGO_{gm}) = ICE_{gm}) _____ and Capability Period for which commitment is requested (circle one):

Summer
Winter
8. Transmission Loss Adjustment: _____ kW
9. Sum of ICE_{gm} and Transmission Loss Adjustment amount: _____ kW*
10. Dates SCR may be called upon to curtail Load:
Starting: _____ Ending (if applicable): _____
11. Report actual Load/generator output from meter readings covering the time period of the SCR implementation request (Figure 2) by the 20th of the month following the month in which the request occurs.

* The entry on this line will be adjusted by the ISO in accordance with a historic performance factor as specified in Section 3.3 of Attachment J to determine the UCAP for the Resource in question (i.e., to determine the amount that can be claimed by an LSE towards its Unforced Capacity Requirement or that can be sold in an ISO administered auction).

**CLEAN Proposed Modifications to Stage 2 ICAP Manual, dated May 20, 2002
Prepared for May 21, 2002 ICAPWG Meeting, Subject to Review**

IN WITNESS WHEREOF, this Unforced Capacity commitment has been submitted on this,
the _____ day of _____, 20_____.

Name of Certifying Entity: _____

By: _____

Title: _____

[. . .]