

## **4.14 Unforced Capacity Deliverability Rights**

Unforced Capacity Deliverability Rights (“UDRs”) are rights associated with new incremental transmission projects that provide a merchant transmission interface to a NYCA Locality (i.e., an area of the NYCA in which a minimum amount of Installed Capacity must be maintained, ROS, NYC, LI)). External UDRs are associated with such interfaces between a NYCA Locality and an External Control Area. Local UDRs are associated with an interfaces between a non-constrained region in the NYCA and a NYCA Locality. When combined with Unforced Capacity from the adjoining Control Area or non-constrained NYCA region, UDRs allow such Unforced Capacity to be treated as if it were located in the NYCA Locality, thereby contributing to an LSE’s Locational Unforced Capacity Requirement.

### **4.14.1 Determination and Assignment of Unforced Capacity Deliverability Rights**

The ISO will determine the amount of UDRs to be assigned to each new incremental transmission facility. The amount of UDRs assigned to each new incremental transmission facility will be based on the transmission capability, reliability and availability of the facility, appropriate NYSRC reliability studies, the amount of UDRs previously assigned to facilities located in the same source jurisdiction providing an interface with the applicable NYCA Locality, and other factors as determined appropriate by the ISO.

### **4.14.2 Duration and Adjustment of Unforced Capacity Deliverability Rights**

An incremental transmission project will be awarded UDRs throughout its project life. The amount of UDRs awarded to a particular project may be adjusted periodically by the ISO. Adjustments to such an award will reflect the availability of the associated project. The ISO may make further adjustments based on reasonable factors.

### **4.14.3 Use of External Unforced Capacity Deliverability Rights**

In order to use External UDRs, an Installed Capacity Supplier must match those UDRs with Unforced Capacity associated with an appropriate Resource located in the applicable External Control Area (or a Resource able to wheel-through the applicable External Control Area). The ISO will determine any necessary restrictions on the level of Unforced Capacity each Resource interested in using External UDRs can combine with such UDRs. This determination will be made based on existing transmission capability in that External Control Area, and other factors as appropriate.

When an entity combines UDRs with acceptable Unforced Capacity, the resulting product, when supplied to an LSE in the appropriate NYCA Locality, will be treated as Unforced Capacity located in the NYCA Locality and will contribute to that LSE’s Locational Unforced Capacity Requirement.

External Installed Capacity Suppliers using UDRs must fulfill all External Installed Capacity Supplier requirements found in the Services Tariff and ISO procedures for the Unforced Capacity they seek to combine with UDRs.

#### **4.14.4 Use of Local Unforced Capacity Deliverability Rights**

An entity located in a non-constrained region of the NYCA may combine qualified Unforced Capacity with UDRs associated with an incremental transmission project to supply LSE's in the applicable NYCA Locality with Unforced Capacity that will fulfill the Locational Unforced Capacity Requirement of the LSE.

NYCA Installed Capacity Suppliers using UDRs must fulfill all Installed Capacity Supplier requirements found in the Services Tariff and ISO procedures for the Unforced Capacity they seek to combine with UDRs.