DRAFT FOR DISCUSSION

NYISO COMPREHENSIVE RELIABLITY PLANNING PROCESS

Section 9.4

0 The NYISO, in conjunction with the ESPWG, will develop criteria for determining the cutoff date for a determination that a market-based solution will not be available to meet a Reliability Need on a timely basis.

Proposed Criteria

- In the first instance, the NYISO shall employ its procedures for monitoring the viability of a market-based solution to determine when it may no longer be viable.
- Under the conditions where a market-based solution is proceeding within the timeframe for the implementation of the regulated backstop solution, it becomes even more critical for the NYISO to conduct a continued analysis of the viability of such market-based projects.
- The developer of such a market-based project shall submit to the NYISO, on a periodic basis [period to be determined], updated information on the project's status, including:
 - Status of final permits
 - Status of major equipment
 - Current status of construction schedule
 - Estimated in-service date
 - Any potential impediments to completion by the reliability need date
 - Any other information requested by the NYISO
- The developer shall immediately report to the NYISO when it has any indication that the project in-service date may slip beyond the reliability need date
- Based upon the above information, the NYISO will perform an independent review of the development status of the market-based project to determine that it remains viable to meet the identified reliability need in a timely fashion.

- If the NYISO determines that the market-based project is no longer viable, it will immediately request the Responsible TO to invoke its regulated backstop solution, or to seek other measures to ensure the reliability of the system.
- If the NYISO determines that the market-based project is still viable, but that its in-service date is likely to slip beyond the reliability need date, the NYISO will request the Responsible TO to prepare a "gap solution" in accordance with the provisions of Attachment Y of the NYISO OATT.

Jpb 9/2/04