30.7 Interconnection System Reliability Impact Study

30.7.1 Interconnection System Reliability Impact Study Agreement

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 30.3.3.4, or Section 30.6.1, simultaneously with the delivery of the Interconnection Feasibility Study to the Developer or the validation of the Interconnection Request for a Merchant Transmission Facility Developer transitioning to the Large Facility Interconnection Procedures from the Transmission Interconnection Process, if such Developer has not already completed and obtained Operating Committee approval of a System Impact Study under Attachment FF to the OATT , the NYISO shall provide to the Developer and ~~Connecting~~ Connecting Transmission Owner an Interconnection System Reliability Impact Study ("SRIS") Agreement in the form of Appendix 3 to these Large Facility Interconnection Procedures. The Interconnection System Reliability Impact Study Agreement shall provide that the Developer shall compensate the NYISO and Connecting Transmission Owner for the actual cost of the SRIS. ~~Within three (3) Business Days following the Interconnection Feasibility Study results meeting,~~ Upon tendering the SRIS Agreement, the NYISO shall provide to Developer a non-binding good faith estimate of the cost and timeframe for completing the SRIS.

30.7.2 Execution of Interconnection System Reliability Impact Study Agreement

The Developer shall execute the Interconnection System Reliability Impact Study Agreement and deliver the executed Interconnection System Reliability Impact Study Agreement to the NYISO no later than thirty (30) Calendar Days after its receipt along with demonstration of Site Control, and the required deposit.

If the NYISO is responsible for performing the entire study, the required deposit is $120,000 ($150,000 if the Developer elects to include a preliminary, non-binding evaluation of

the Large Facility's deliverability under the Deliverability Interconnection Standard). If the Developer is hiring a third-party consultant to perform the analytical portion of the study, the required deposit is $40,000 ($70,000 if the Developer elects to include a preliminary, non-binding evaluation of the Large Facility's deliverability under the Deliverability Interconnection Standard). If the Developer does not provide all required technical data when it delivers the Interconnection System Reliability Impact Study Agreement, the NYISO shall notify the Developer of the deficiency within five (5) Business Days of the receipt of the executed Interconnection System Reliability Impact Study Agreement and the Developer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Interconnection System Reliability Impact Study Agreement or deposit. The NYISO and Transmission Owner shall execute the Interconnection System Reliability Impact Study Agreement within thirty (30) Calendar Days after its receipt by the Developer.

If the SRIS uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Developer or Connecting Transmission Owner and NYISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 30.7.6 as applicable. For the purpose of this Section 30.7.2, if the NYISO, Connecting Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 30.3.3.4, shall be the substitute.

30.7.3 Scope of Interconnection System Reliability Impact Study

The SRIS shall evaluate the impact of the proposed interconnection on the reliability of the New York State Transmission System. The SRIS shall be conducted in accordance with Applicable Reliability Standards. The SRIS will consider the Base Case, and if not already included in the Base Case, all generating and merchant transmission facilities (and with respect to (iii) below, any identified System Upgrade Facilities associated with such higher queued interconnection and, if security or cash has been posted in accordance with Attachment S, System Deliverability Upgrades, except for Highway facility upgrades that have not yet been triggered under Section 25.7.12.3.1 of Attachment S) that, on the date the SRIS scope is approved by the Operating Committee: (i) are directly interconnected to the New York State Transmission System or to the Distribution System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have accepted their cost allocation for System Upgrade Facilities and posted security for such System Upgrade Facilities in accordance with Attachment S; and (iv) have no Queue Position but have executed a Standard Large Generator Interconnection Agreement or requested that an unexecuted Standard Large Generator Interconnection Agreement be filed with FERC. Certain changes have been made, effective January 17, 2010, to the Base Case requirements for Interconnection System Reliability Impact Studies. These changed requirements will be applied prospectively to projects with study scopes for a System Reliability Impact Study approved by the Operating Committee on or after that effective date; provided, however, that Developers with a System Reliability Impact Study in progress and a study scope approved by the Operating Committee prior to that effective date may elect, at their own expense, to modify the Base Case assumptions for that study consistent with the changed requirements. Such an election will be memorialized in a revised study scope

subject to the approval of the Operating Committee and, to the extent necessary, an amended System Reliability Impact Study Agreement.

The SRIS will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The SRIS will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing Energy Resource Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The SRIS will provide a list of facilities that are required as a result of the Interconnection Request and a nonbinding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct. The NYISO Operating Committee shall approve the specific study scope proposed for each SRIS.

At Developer's option, and subject to an additional $30,000 SRIS deposit, the SRIS may include a preliminary evaluation of the Large Facility under the Deliverability Interconnection Standard if the Large Facility elected both Energy Resource Interconnection Service and Capacity Resource Interconnection Service in its Interconnection Request. Such preliminary deliverability evaluation will state the assumptions upon which it is based; state the results of the preliminary analyses; identify potential System Deliverability Upgrades at a high level; and provide preliminary System Deliverability Upgrade cost estimates which may be based on generic information. To the extent the project subsequently elects to proceed to a Class Year Interconnection Facilities Study, the portion of the Class Year Interconnection Facilities Study costs attributable to the Class Year Deliverability Study would not be offset by any expenses paid by the Developer for a preliminary deliverability evaluation in its SRIS.

30.7.4 Interconnection System Reliability Impact Study Procedures

The NYISO shall coordinate the SRIS with any Affected System that is affected by the Interconnection Request pursuant to Section 30.3.5 above. The NYISO shall utilize existing studies to the extent practicable when it performs the study. The NYISO shall use Reasonable Efforts to complete the SRIS within ninety (90) Calendar Days after the receipt of the fully executed Interconnection System Reliability Impact Study Agreement, study deposit, and technical data. If NYISO uses Clustering, the NYISO shall use Reasonable Efforts to deliver a completed SRIS within ninety (90) Calendar Days after the close of the Queue Cluster Window. The NYISO Operating Committee shall approve each final SRIS.

At the request of the Developer or at any time the NYISO determines that it will not meet the required time frame for completing the SRIS, NYISO shall notify the Developer as to the schedule status of the SRIS. If the NYISO is unable to complete the SRIS within the time period, it shall notify the Developer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the NYISO shall provide the Developer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the SRIS, subject to confidentiality arrangements consistent with Section 30.13.1.

30.7.5 Study Report Meeting

Within ten (10) Business Days of providing an SRIS report to Developer, NYISO and Connecting Transmission Owner shall meet with Developer to discuss the results of the SRIS.

30.7.6 Re-Study

If the NYISO determines that re-study of the SRIS is required due to a higher queued project dropping out of the queue, a modification of a higher queued project subject to 30.4.4, or

re-designation of the Point of Interconnection pursuant to Section 30.7.2, NYISO shall notify Developer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of re-study shall be borne by the Developer being re-studied.