4.3.3 Special Case Resources (Section 4.12 of this *ICAP Manual*)

Although SCRs are not subject to maintenance scheduling requirements, each SCR must be capable of being interrupted on demand at the direction of the NYISO, as specified in Section 5.12.11.1 of the *NYISO Services Tariff* and this *ICAP Manual*. The RIP for a SCR that meets the criteria of the SCR Load Change Reporting Threshold as defined in Section 2.19 of the *NYISO Services Tariff*, or that is not capable of being interrupted on demand at the direction of the NYISO shall report such an occurrence to the NYISO in accordance with the requirements set forth in Sections 4.3.3.1 and 4.3.3.2 of this *ICAP Manual*.

4.3.3.1 Reporting SCR Change of Load

RIPs shall report a SCR Change of Load, as defined in Section 2.19 of the *NYISO Services Tariff*, in accordance with Section 5.12.11.1.3.1 of the *NYISO Services Tariff* and meeting the criteria of a Qualified Change of Load Condition as defined in Section 2.17 of the *NYISO Services Tariff*.

Procedures for identifying a SCR Change of Load for individual SCRs are defined in the table below. The RIP is required to document a SCR Change of Load and when the total Load reduction for SCRs that have a SCR Change of Load within the same Load Zone is greater than or equal to 5 MWs, the RIP shall report the SCR Change of Load for each SCR in accordance with Section 5.12.11.1.3.1 of the *NYISO Services Tariff*.

Qualified Change of Load Condition	SCR Change of Load Reporting Requirement
(i) The SCR is expected to have a reduction in total Load that meets or exceeds the SCR Load Change Reporting Threshold that is expected to continue for a total period that is greater than seven (7) consecutive days.	Submit SCR Change of Load form no later than 5:00:00 P.M. two (2) business days prior to the onset of the SCR Change of Load. Include start and expected end dates of the SCR Change of Load.
(ii) The SCR is experiencing a reduction in total Load that meets or exceeds the SCR Load Change Reporting Threshold that is expected to continue for a total period that is greater than seven (7) consecutive days.	Submit SCR Change of Load form no later than 5:00:00 P.M. on the seventh calendar day of the onset of the SCR Change of Load. Include date when the SCR Change of Load began and the expected end date.
(iii) The SCR experienced an unanticipated reduction in total Load that meets or exceeds the SCR Load Change Reporting Threshold for a period greater than seven (7) consecutive days within any month in which the SCR sold capacity or adjoining months in which the SCR sold capacity in either month.	Submit SCR Change of Load form no later than 5:00:00 P.M. on the day following the day the RIP became aware of the SCR Change of Load, include start and end dates of the SCR Change of Load.

The SCR Change of Load report shall be in writing on the SCR Change of Load form and must be received via electronic mail to SCR_Registration@nyiso.com. RIPs shall also notify the NYISO in writing as soon as practicable but no later than 5:00:00 P.M. two (2) business days following the date on which the SCR's load returns from a SCR Change of Load. The RIP's written notice shall be on the SCR Change of Load form and must be received via electronic mail to SCR_Registration@nyiso.com.

4.3.3.2 Reporting SCR Change of Status

RIPs shall report a SCR Change of Status, as defined in Section 2.19 of the *NYISO Services Tariff* in accordance with Section 5.12.11.1.3.2 of the *NYISO Services Tariff* and meeting the criteria of a Qualified Change of Load Condition as defined in Section 2.17 of the *NYISO Services Tariff*. When the SCR Change of Status is being reported for a future month(s) in the Capability Period, RIPs shall report the SCR Change of Status by uploading the required information into the Demand Response Information System (DRIS) using the enrollment file. When the SCR Change of Status is being reported for a month(s) in the Capability Period that has closed for enrollment, RIPs shall report the SCR Change of Status in the DRIS as specified in the *DRIS User's Guide*.

Qualified Change of Status Condition	SCR Change of Status Reporting Requirement

(i) The SCR is expected to have a reduction in total Load that meets or exceeds the SCR Load Change Reporting Threshold that will extend for a period of greater than sixty (60) consecutive days.	• When enrollment for a month(s) corresponding to the SCR Change of Status has not closed:
	  • Upload SCR Change of Status value and any change to the SCR declared value into the DRIS using the enrollment file.
	• When enrollment for a month(s) corresponding to the SCR Change of Status has already closed:
	  • Report partial auction sales through the DRIS in accordance with 4.12.4.7 of this *ICAP Manual*.
	  • Report SCR Change of Status value in the DRIS as specified in the *DRIS User's Guide*.
	  • Upload SCR Change of Status value and any change to the SCR declared value into the DRIS during next SCR enrollment period for any additional future months the SCR Change of Status will be in effect.

(ii) The SCR is experiencing a reduction in	• When enrollment for a month(s)

Qualified Change of Status Condition	SCR Change of Status Reporting Requirement
total Load that meets or exceeds the SCR Load Change Reporting Threshold that is expected to continue for a total period that is greater than sixty (60) consecutive days.	corresponding to the SCR Change of Status has not closed: • Upload SCR Change of Status value and any change to the SCR declared value into the DRIS using the enrollment file. • When enrollment for a month(s) corresponding to the SCR Change of Status has already closed: • Report partial auction sales through DRIS in accordance with 4.12.4.7 of this *ICAP Manual*. • Report SCR Change of Status value in the DRIS as specified in the *DRIS User's Guide*. • Upload SCR Change of Status value and any change to the SCR declared value into the DRIS during next SCR enrollment period for any additional future months the SCR Change of Status will be in effect.
(iii) The SCR has experienced an unanticipated reduction in total Load that meets or exceeds the SCR Load Change Reporting Threshold that has existed for a period greater than sixty (60) consecutive days in which the SCR sold capacity.	• When enrollment for a month(s) corresponding to the SCR Change of Status has already closed: • Report partial auction sales through the DRIS in accordance with 4.12.4.7 of this *ICAP Manual*. • Upload SCR Change of Status value and any change to the SCR declared value into the DRIS during next SCR enrollment period for any additional future months the SCR Change of Status will be in effect. • If the SCR has a Qualified Change of Status Condition that persists for more than sixty (60) days: • Report SCR Change of Status value in the DRIS as specified in the *DRIS User's Guide* including start and end dates no later than 5:00:00 P.M. two (2) business

Qualified Change of Status Condition	SCR Change of Status Reporting Requirement
	days after the load reduction that meets the criteria of the SCR Change of Status has exceeded sixty (60) days. • If the SCR Change of Status occurred in the past: • Report SCR Change of Status value in the DRIS as specified in the *DRIS User's Guide* including start and end dates no later than 5:00:00 P.M. on the last day of the Capability Period in which the SCR Change of Status began. The NYISO will not accept a SCR Change of Status after 5:00:00 P.M. on the last day of the Capability Period in which the SCR Change of Status began.

The RIP is required to report the end date of the SCR Change of Status regardless of whether or not the end date is in the current Capability Period or a future Capability Period.

For each month in which (a) the SCR Change of Status is in effect for a SCR and (b) the RIP imports into the DRIS any change in the enrollment for the SCR, the RIP shall upload to the DRIS (i) the SCR Change of Status value and (ii) any corresponding changes in the declared values. While a SCR Change of Status is in effect, the Net ACL for the month will be equal to the applicable ACL plus the Incremental ACL minus the reduction amount reported for the SCR Change of Status on the SCR Change of Status record with the most recent reporting date that applies to the month. For any SCR with a SCR Change of Status for at least one day in a month, the reduced ACL shall be applied for the entire month.

There shall be no relief from penalties or other obligations for failure to perform if the RIP was an Installed Capacity Supplier in any month within the Capability Period.

4.3.3.3 Increasing ACL in Conjunction with Change of Status Event Ending within Same Capability Period as Initiated

For a SCR that increases its load due to the end of a SCR Change of Status event in the same Capability Period in which the reduction pursuant to a SCR Change of Status report began, the RIP for a SCR whose ACL was reduced in accordance with 4.3.3.2, may (a) increase the SCR's ACL for any months remaining in the Capability Period in which the reduction occurred, (b) provided such increase corresponds to the 4.3.3.2 reduction, (c) in an amount not to exceed the ACL for that Capability Period prior to the 4.3.3.2 reduction. For the first month after the SCR Change of Status has ended, the SCR Change of Status value reported in the enrollment file uploaded to the DRIS must be zero, and any

corresponding change to the declared value associated with the SCR Change of Status must be included as part of the enrollment file upload to the DRIS on or before the monthly deadline for resource enrollment changes.

4.3.3.4 Option for ACL if a Change of Status Event in Like Capability Period Different than Initiated

For a SCR returning from a SCR Change of Status in an equivalent Capability Period other than the Capability Period in which it began to reduce load in respect of a Change of Status report, the RIP for that SCR may claim as an ACL for that current Capability Period the ACL for the equivalent Capability Period established in the enrollment file imported into the DRIS (whether by the SCR's current or former RIP) immediately prior to reporting the SCR Change of Status.

4.12.2.1.1 SCR Performance Factors

The SCR performance factor for the current Capability Period shall be computed as the performance of the SCR in mandatory events and tests in which the SCR was required to reduce load from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period. This individual SCR performance factor shall be the result of the average of the SCR's adjusted hourly performance factors for each of the SCR's best four consecutive hours in all of its mandatory events and required one-hour tests. Each adjusted hourly performance factor is the lesser of the raw performance factor or one.

If the SCR was not enrolled in any Capability Period required to calculate the performance factor for the current Capability Period, the SCR shall be assigned the performance factor of the RIP.

Performance Factor for a SCR with Load Curtailment

When the SCR is enrolled with a response type of B or C, as defined in the *NYISO DRIS User's Guide*, the raw hourly performance factor is computed as the hourly capacity reduction of the SCR divided by the applicable ACL of the SCR less the committed maximum demand of the SCR. The minimum hourly raw performance factor of a SCR shall be zero. The hourly capacity reduction is equal to the applicable ACL of the SCR minus the metered Load for the event or test hour. The minimum hourly capacity reduction for an individual SCR shall be zero.

The precise formulation is as follows:

$$SCR\ PF_{BCg} = \frac{\sum_{h \in NLRHgbe} \min\left(\frac{\max\left(ACL_{gh} - ML_{gh}, 0\right)}{ACL_{gh} - CMD_{gh}}, 1\right)}{NLRH_{gbe}}$$

Where:

SCR PF_{BCg}= the performance factor of the Resource *g* with a response type B or C for the current Capability Period;

ACL_{gh} = the enrollment Net ACL or the Verified ACL, for Resource g applicable to hour h from the applicable Capability Period, using data reported in the DRIS;

ML_{gh} = the metered Load for Resource g for hour h from the applicable Capability Period, using data reported in the performance data file uploaded to DRIS;

CMD_{gh} = the committed maximum demand for Resource g applicable to hour h from the applicable Capability Period, using data reported by the RIP in the enrollment file uploaded to DRIS;

$NLRH_{gbe}$ = the number of hours from the applicable Capability Period, up to four per mandatory event plus any hour in which Resource *g* was required to demonstrate load reduction as part of one or more performance tests called by the NYISO;

b = the Capability Period immediately preceding the Prior Equivalent Capability Period in which Resource *g* was enrolled and was obligated to respond to mandatory events and required tests, or the time at which Resource g began to serve as a SCR available to reduce load;

e = the most recent Prior Equivalent Capability Period in which Resource *g* was enrolled and was obligated to respond to mandatory events and required tests.

Performance Factor for a SCR enrolled with output from a Local Generator

When the SCR is enrolled with a response type of G, as defined in the *NYISO DRIS User's Guide*, the raw hourly performance factor is computed as the hourly capacity reduction of the SCR for the event or test hour divided by the applicable ACL of the SCR less the committed maximum demand of the SCR. The minimum hourly raw performance factor of a SCR shall be zero. The hourly capacity reduction is equal to the metered generator output for the event or test hour. The minimum hourly capacity reduction for an individual SCR shall be zero.

The precise formulation is as follows:

$$SCR\ PF_{Gg} = \frac{\sum_{h \in NLRHgbe} \min\left(\frac{\max\left(ML_{gh}, 0\right)}{ACL_{gh} - CMD_{gh}}, 1\right)}{NLRH_{gbe}}$$

Where:

SCR PF_{Gg} = the performance factor of the Resource *g* with a response type G for the current Capability Period;

ACL_{gh} = the enrollment Net ACL or the Verified ACL, for Resource g applicable to hour h from the applicable Capability Period; using data reported in the DRIS;

ML_{gh} = the metered output of the Local Generator, less any output from the generator used to support the load of the SCR in accordance with Section 4.12.2 of this *ICAP Manual* subheading "SCRs with Local Generators", for Resource g for hour h from the applicable Capability Period, using data reported in the performance data file uploaded to DRIS;

CMD_{gh} = the committed maximum demand for Resource g applicable to hour h from the applicable Capability Period, using data reported by the RIP in the enrollment file uploaded to DRIS;

$NLRH_{gbe}$ = the number of hours in which Resource *g* was required to reduce load during the applicable Capability Period, up to four per mandatory event plus any hour in which Resource *g* was required to demonstrate load reduction as part of one or more performance tests called by the NYISO;

b = the Capability Period immediately preceding the Prior Equivalent Capability Period in which Resource *g* was enrolled and was obligated to respond to mandatory events and required tests,;

e = the Prior Equivalent Capability Period in which Resource *g* was enrolled and was obligated to respond to mandatory events and required tests.

4.12.2.1.5 SCR Aggregation Performance Factor

The SCR Aggregation performance factor is calculated each month, after the close of Aggregation Management as specified in the ICAP Event Calendar and DRIS Event Calendar. The SCR Aggregation performance factor for the current Capability Period and auction month shall be determined using enrollment and hourly event and required test response data from all SCRs assigned to the SCR Aggregation from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period.

To compute the hourly raw performance of the SCR Aggregation for each hour that the SCRs assigned to the SCR Aggregation were required to reduce load in a mandatory event and required one-hour tests from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period, the hourly raw performance of the SCR Aggregation shall be the sum of the capacity reduction value from all SCRs assigned to the SCR Aggregation for the month divided by the difference between the sum of the ACLs and the sum of the CMDs from all of the SCRs assigned to the SCR Aggregation for the month.

The adjusted SCR Aggregation performance factor for each hour is the lesser of the hourly raw performance factor or one. The SCR Aggregation performance factor for the month shall be the result of the sum of the hourly adjusted performance factors during the best four consecutive hours in each mandatory event and one-hour tests from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period divided by the total number of hours in which the SCR Aggregation was required to reduce load for the mandatory events, up to a maximum of four consecutive

hours per mandatory event, and required one-hour tests from the Prior Equivalent Capability Period and the Capability Period immediately preceding the Prior Equivalent Capability Period.

If a SCR assigned to the SCR Aggregation for the current Capability Period was not enrolled in any Capability Period required to calculate the performance factor for the current Capability Period and auction month, the SCR will not be included in the calculation of the SCR Aggregation performance factor.

The precise formulation is as follows:

$$SCR\ Aggregation\ PF_{am} = \frac{\sum_{h \in NLRHabe} \min\left(\frac{\sum_{g \in ah}\left(max\left(ACL_{BCgh} - ML_{BCgh}, 0\right) + max\left(ML_{Ggh}, 0\right)\right)}{\sum_{g \in ah}\left(ACL_{gh} - CMD_{gh}\right)}, 1\right)}{NLRH_{abe}}$$

Where:

SCR Aggregation PF_{am} = the performance factor of the SCR Aggregation *a*, as determined for month *m*;

ACL_{BCgh} = the enrollment Net ACL or the Verified ACL, for the SCR *g* with response type B or response type C assigned to the SCR Aggregation *a* , using data reported in the DRIS l;

ML_{BCgh}= the metered Load for SCR *g* with response type B or response type C assigned to the SCR Aggregation *a* for hour h, using data reported in the performance data file uploaded to DRIS;

ML_{Ggh} = the metered output of the Local Generator, less any output from the generator used to support the load of the SCR in accordance with Section 4.12.2 of this *ICAP Manual* subheading "SCRs with Local Generators", for Resource g for hour h from the applicable Capability Period, using data reported in the performance data file uploaded to DRIS;

ACL_{gh} = the enrollment Net ACL or the Verified ACL, for the SCR *g* assigned to the SCR Aggregation *a*, using data reported in the DRIS;

CMD_{gh} = the committed maximum demand for Resource *g* applicable to hour *h* from the applicable Capability Period, using data reported by the RIP in the enrollment file uploaded to DRIS;

$NLRH_{abe}$ = the number of hours in which Resource *g* was required to reduce load during the applicable Capability Period, up to four per mandatory event plus any hour in which Resource *g* was required to demonstrate load reduction as part of one or more performance tests called by the NYISO;

b = the Capability Period immediately preceding the Prior Equivalent Capability Period in which the SCR was enrolled and was obligated to respond to mandatory events and required tests ;

e = the most recent Prior Equivalent Capability Period in which the SCR was enrolled and was obligated to respond to mandatory events and required tests;

4.12.4.2 Provisional Average Coincident Load

A RIP may enroll a SCR with a Provisional ACL in accordance with Section 5.12.11.1.2 of the *NYISO Services Tariff*. The RIP must report the meter installation date on the enrollment upload to the DRIS for each SCR being enrolled with a Provisional ACL. The meter installation date of the SCR must remain the same for the entire period in which the SCR is enrolled with a Provisional ACL with the same RIP.

A demand response resource enrolled in the Prior Equivalent Capability Period in the NYISO Emergency Demand Response Program (EDRP) is ineligible to enroll in the ICAP/SCR program with a Provisional ACL when being enrolled with the same RIP.

Determining Eligibility to Enroll A SCR with A Provisional ACL

Beginning with the 2014 Summer Capability Period, a RIP may verify the eligibility of a SCR to enroll with a Provisional ACL during the time frame corresponding to the SCR enrollment period as specified in the ICAP Event Calendar and DRIS Event Calendar and using the Transmission Owner Account Number of the SCR and the Provisional ACL Eligibility Import file through the DRIS. The Provisional ACL Eligibility Import will provide the RIP with one of the following results: (a) the SCR is eligible to enroll using a Provisional ACL and may be enrolled through the SCR enrollment process; (b) the SCR is ineligible to enroll using a Provisional ACL in accordance with Section **Error! Reference source not found.** of this *ICAP Manual*.

All Provisional ACLs shall be subject to verification using the Verified ACL calculated in accordance with the verification process set forth in Section 5.12.11.1.2 of the *NYISO Services Tariff*. The RIP is responsible for uploading into the DRIS the interval billing meter data of the SCR for the Capability Period SCR Load Zone Peak Hours from the Capability Period in which the SCR was enrolled with a Provisional ACL, beginning with hours that fall between the meter installation date for the SCR enrolled with a Provisional ACL through the end of the Capability Period in which the SCR was enrolled with a Provisional ACL. Any Load supported by generation produced from a Local Generator, other behind-the-meter generator, or other supply source located behind the SCR's meter operating during the applicable Capability Period SCR Peak Load Zone Hours may not be included in the SCR's metered Load values reported for the verification of its Provisional ACL.

For a resource with a Provisional ACL, if twenty (20) or more Capability Period SCR Load Zone Peak Hours occur during the period between the meter installation date and the end of the Capability Period, the NYISO shall calculate a Verified ACL from the Provisional ACL verification data as the average of the SCR's highest twenty hourly loads taken from the relevant interval metered load dataset reported to the DRIS by the RIP.

For a resource with a Provisional ACL, if there are fewer than twenty (20) applicable Capability Period SCR Load Zone Peak Hours occurring during the period between the meter installation date and the end of the Capability Period the NYISO shall set the Verified ACL equal to the Provisional ACL from the SCR enrollment.

Failure by a RIP to report required interval data for the Provisional ACL verification process in accordance with Section 5.12.11.1.2 of the *NYISO Services Tariff* shall result in the Verified ACL being set to zero for the Capability Period in which the resource was enrolled with a Provisional ACL.

The Verified ACL will be used in the calculation of the SCR's performance factor, and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential deficiency charges.

In accordance with Section 5.14.2.3.1 of the *NYISO Services Tariff* SCRs enrolled with a Provisional ACL shall be subject to potential deficiency charges as a result of overstating the Provisional ACL and shall be subject to all other shortfalls and deficiency charges that may apply to the RIP under Section 5.14.2 as an Installed Capacity Supplier, including but not limited to those that may result from the invalid enrollment of the SCR, failure to timely report a Qualified Change of Status Condition, and the underperformance of the SCR in the RIP portfolio. Where a single SCR's participation in the ICAP/SCR program gives rise to more than one potential shortfall within the Capability Period, the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR from among the specific shortfall type identified under Section 5.14.2.3 of the *NYISO Services Tariff*.

Pursuant to Section 5.12.12.2 of the *NYISO Services Tariff* SCRs enrolled with a Provisional ACL may also be subject to potential sanctions for failure to report the metered Load data required for verification of the Provisional ACL. The SCR may also be subject to a financial sanction for failure to timely report a Qualified Change of Status Condition, in addition to the corresponding shortfall penalty as provided in Section 5.14.2.3.3 of the *NYISO Services Tariff*.

4.12.4.3 Changes to ACL

4.12.4.3.1 Increase to ACL: Incremental ACL

A RIP may increase the ACL of a SCR in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff* by reporting the qualifying increase, the Incremental ACL value, on the enrollment upload to the DRIS for the first month of enrollment with an Incremental ACL. The RIP may also report an increase to the declared value of a SCR that meets the criteria of a SCR Load Change Reporting Threshold as defined in Section 2.19 of the *NYISO Services Tariff*. The Incremental ACL must be reported for each subsequent month that the RIP reports a change to the SCR enrollment within the Capability Period. When the Incremental ACL crosses into the following Capability Period, the RIP must report the Incremental ACL value for the first month of enrollment within the following Capability Period and each subsequent month within that Capability Period that the RIP reports a change to the SCR enrollment within the Capability Period.

When a RIP enrolls a SCR using the ACL data request enrollment process set forth in Section 4.12.4.2.2 of this *ICAP Manual*, the RIP may report an Incremental ACL value for the SCR upon viewing and approving the use of existing ACL data.

All Incremental ACLs shall be subject to verification using the Verified ACL calculated in accordance with the verification process set forth in Section 5.12.11.1.5 of the *NYISO Services Tariff*. The RIP is responsible for uploading into the DRIS the required interval billing meter data of the SCR for each month's Monthly SCR Load Zone Peak Hours from the Capability Period in which the SCR was enrolled with an Incremental ACL. Such Monthly SCR Load Zone Peak Hours shall be posted to the NYISO website and imported into the DRIS during the time frame corresponding to the posting of the Capability Period SCR Load Zone Peak Hours in accordance with Section 5.12.11.1.1 of the *NYISO Services Tariff* and Section 4.12.4.1 of this *ICAP Manual*. Any Load supported by generation produced from a Local Generator, other behind-the-meter generator, or other supply source located behind the SCR's meter operating during the applicable Monthly SCR Load Zone Peak Hours may not be included in the SCR's metered Load values reported for the verification of its Incremental ACL.

Failure by a RIP to report required interval data for the Incremental ACL verification process in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff* shall result in the Verified ACL being set to zero for all months within the Capability Period in which the resource was enrolled with an Incremental ACL.

The Verified ACL will be used in the calculation of the SCR's performance factor, and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential deficiency charges.

Any SCR enrolled with an Incremental ACL that was required to perform in a mandatory event hour prior to the first performance test or in the first performance test in the Capability Period, may also be required to perform in the second performance test in the Capability Period in accordance with Section 5.12.11.1.5 of the *NYISO Services Tariff*. Subsequent to the first performance test in the Capability Period, the DRIS may be used by the RIP to identify SCRs required to perform in the second performance test, including SCRs enrolled with an Incremental ACL. The detailed process for identifying these SCRs is described in the *NYISO DRIS User's Guide*. When a SCR is required to perform in either a mandatory event hour or the first performance test and then again in the second performance test in the Capability Period, performance from both test hours shall be considered in the calculation of the SCR's performance factor and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential shortfalls and deficiency charges.

In accordance with Section 5.14.2.3.2 of the *NYISO Services Tariff* SCRs enrolled with an Incremental ACL shall be subject to potential shortfalls and deficiency charges as a result of overstating the Incremental ACL and shall be subject to all other shortfalls and deficiency charges that may apply to the RIP under 5.14.2 as an Installed Capacity Supplier, including but not limited to those shortfalls that may result from the invalid enrollment of the SCR, failure to timely report a Qualified Change of Status Condition, and the underperformance of the SCR in the RIP portfolio. Where a single SCR's participation in the ICAP/SCR program gives rise to more than one potential shortfall within the Capability Period , the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability

Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR from among the specific shortfall type identified under Section 5.14.2.3 of the *NYISO Services Tariff.*

Pursuant to Section 5.12.12.2 of the *NYISO Services Tariff* SCRs enrolled with an Incremental ACL may also be subject to potential sanctions for failure to report the metered Load data required for verification of the Incremental ACL and failure to report the metered Load data when the SCR is required to perform in the second performance test in the Capability Period. The SCR may also be subject to a financial sanction for failure to timely report a Qualified Change of Status Condition, in addition to the corresponding shortfall penalty as provided in Section 5.14.2.3.3 of the *NYISO Services Tariff*.

4.12.4.3.2 Decrease to ACL: SCR Change of Status

A RIP is required to report a decrease, to the ACL of a SCR, a SCR Change of Status, in accordance with Section 5.12.11.1.3.2 of the *NYISO Services Tariff* and Section 4.3.3.2 of this *ICAP Manual*.

When a RIP enrolls the SCR using the ACL data request enrollment process set forth in Section 4.12.4.2.2 of this *ICAP Manual*, the RIP must report, when applicable, a SCR Change of Status for the SCR upon viewing and approving the use of existing ACL data when such SCR Change of Status begins or is occurring on the effective date of the SCR enrollment.

Any SCR enrolled with a SCR Change of Status that was required to perform in a mandatory event hour prior to the first performance test or in the first performance test in the Capability Period, may also be required to perform in the second performance test in the Capability Period in accordance with Section 5.12.11.1.3.2 of the *NYISO Services Tariff*. When a RIP reports a SCR Change of Status for a SCR after the close of enrollment for the last month of the Capability Period, the SCR will not be required to perform in the second performance test, and shall be evaluated for a potential shortfall for SCR Change of Status; no sanction shall be applied for failure to report performance for the second performance test. Subsequent to the first performance test in the Capability Period, the DRIS may be used by the RIP to identify SCRs required to perform in the second performance test, including SCRs with a SCR Change of Status. The detailed process of identifying these SCRs is described in the *NYISO DRIS User's Guide*. When a SCR is required to perform in either a mandatory event hour or the first performance test and then again in the second performance test in the Capability Period, performance from both test hours shall be considered in the calculation of the SCR's performance factor and all other associated performance factors (*i.e.*, RIP and SCR Aggregation performance factors), and where applicable, potential shortfall and deficiency charges except when the SCR Change of Status is reported after the close of enrollment for the last month of the Capability Period as described above.

Changes to ACL due to a reported SCR Change of Status as required per Section 4.3.3.2 of this *ICAP Manual* are also subject to in-period verification using actual hourly interval billing meter data for the applicable Capability Period.

In accordance with Section 5.14.2.3.3 of the *NYISO Services Tariff* a RIP that has enrolled a SCR that experiences a SCR Change of Status shall be subject to potential deficiency charges as a result of failing to timely report the SCR Change of Status and shall be subject to all other shortfalls and deficiency charges that may apply to the RIP under Section 5.14.2 as an Installed Capacity Supplier, including but not limited to those that may result from the invalid enrollment of the SCR, overstating the SCR's Provisional ACL or Incremental ACL, and the underperformance of the SCR in the RIP portfolio. Where a single SCR's participation in the ICAP/SCR program gives rise to more than one potential shortfall within the Capability Period , the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR from among the specific shortfall type identified under Section 5.14.2.3 of the *NYISO Services Tariff.*

Pursuant to Section 5.12.12.2 of the *NYISO Services Tariff* SCRs experiencing a SCR Change of Status may also be subject to a potential sanction for failure to report the metered Load data when the SCR is required to perform in the second performance test in the Capability Period. The SCR may also be subject to a financial sanction for failure to timely report a Qualified Change of Status Condition, in addition to the corresponding shortfall penalty as provided in Section 5.14.2.3.3 of the *NYISO Services Tariff*.

4.12.4.5 Testing of SCRs

Each SCR is required by the NYISO to demonstrate its maximum registered megawatt value once in every Capability Period. The NYISO will accept as evidence of such demonstration the higher of its greatest load reduction either in a mandatory event hour prior to the first performance test or in a performance test hour, provided such performance test did not exceed one clock hour on the date and at the time specified by the NYISO. In addition to demonstrating its maximum registered megawatt value once in every Capability Period as described above, a SCR enrolled with an Incremental ACL or a SCR Change of Status may also be required to perform in the second performance test in the Capability Period in accordance with Sections 5.12.11.1.5 and 5.12.11.1.3.2 of the *NYISO Services Tariff*. Further detail is provided in Sections 4.12.4.3.1 and 4.12.4.3.2 of this *ICAP Manual*.

The RIP shall be eligible for Energy payments for the one-hour performance test provided the NYISO receives from the RIP all required data and that the RIP complies with other performance test-related requirements in respect of the SCR. Two Capability Period performance tests shall be conducted within each Capability Period; the first performance test within the Capability Period will be conducted on the date and at the time designated by the NYISO between August 15 and September 7 for the Summer Capability Period, and between February 15 and March 7 for the Winter Capability Period; the second Capability Period performance test shall be conducted on the date and at the time designated by the NYISO, namely, in late September or October (Summer Capability Period) or late March or April (Winter Capability Period).

During the Summer Capability Period, the NYISO shall conduct the performance test in hours that correspond to the time boundaries of the Capability Period SCR Load Zone Peak

Hours. During the Winter Capability Period, the NYISO shall conduct the performance test in hours that include one (1) hour before and one (1) hour after the actual hours included in the Capability Period SCR Load Zone Peak Hours, for that Winter Capability Period, not to exceed the time boundaries of the Capability Period SCR Load Zone Peak Hours.

All SCRs enrolled with and accepted by the NYISO on or before the date that is four business days prior to the date of the first performance test in the Capability Period (excluding the date of the performance test), such enrollment in any auction month within the Capability Period, and that were not called to perform in a mandatory event prior to the first performance test, must perform in the first performance test for each Capability Period in which the SCR is accepted on any date regardless of whether megawatts from the SCR had been offered prior to the date of the performance test. Any SCR that was called to perform in a mandatory event prior to the date of the first performance test shall have the option to retest in the first performance test in the Capability Period.

For example, if the performance test was on a Friday on the 10th day of a month, SCRs enrolled with and accepted by the NYISO on or before the Monday prior to the 10th (i.e., accepted on the 6th) that were not called to perform in a mandatory event prior to the 10th, must perform the performance test. All SCRs enrolled with and accepted by the NYISO, such enrollment in any auction month within the Capability Period, that were not required to perform in the first Capability Period performance test and were not called to perform in a mandatory event prior to the date of the first performance test shall perform in the second performance test within the Capability Period on the date and at the time specified by the NYISO regardless of whether megawatts from the SCR had been offered prior to the date of this performance test.

The only exception to the requirement to test is for a SCR that was (i) registered with and accepted by the NYISO in the last month of a Capability Period for enrollment in the following Capability Period and (ii) was not registered by another RIP for any month during the same Capability Period, in which case the SCR would not need to respond to a performance test in the month the registration was accepted but would need to respond to the performance test called by the NYISO for the following Capability Period for which the SCR is being enrolled.

If a RIP terminates the enrollment with the NYISO of a SCR prior to the date of a performance test (termed a *Former Enrolled SCR*), the RIP, at its election, may provide performance test data for the Former Enrolled SCR, if the Former Enrolled SCR performed in the performance test. If the Former Enrolled SCR is enrolled by a different RIP in the same Capability Period, the new RIP may provide performance test data for the SCR for the performance test the SCR is eligible to perform in based on the enrollment date with the new RIP.

If neither RIP reports performance test data nor mandatory event data, when applicable, for the SCR, a value of zero (0) will be attributed to the SCR's performance in the computation of the SCR's performance factor, SCR specific shortfalls and deficiency charges. If only one RIP reports performance test data or mandatory event data, when applicable, for the SCR, the greatest load reduction value determined for the SCR from that data will be used in all associated performance calculations; the load reduction value in the performance test shall be considered when evaluating the shortfall of RIP portfolio performance. If both RIPs provide performance test data or mandatory event data, when applicable, for the SCR,

the greatest load reduction value determined for the SCR from the data provided by the RIP that enrolled the SCR last in the Capability Period will be used in all performance calculations; the load reduction value in the performance test reported for the SCR by each RIP that enrolled the SCR in the Capability Period shall be considered in evaluating the shortfall of RIP portfolio performance for each RIP.

4.12.4.6 Shortfall for RIP Portfolio Performance

In accordance with Section 5.14.2.3.4 of the *NYISO Services Tariff*, each RIP's portfolio of SCRs will have its performance evaluated on a Load Zone basis for purposes of determining whether a RIP was deficient in providing the UCAP it had sold and was obligated to provide during any month in the Capability Period. Each SCR's performance in a performance test and events will be considered when determining RIP portfolio performance. This evaluation will be based on the Installed Capacity Equivalent of the greatest load reduction of the portfolio achieved by its SCRs on a Load Zone basis during a single hour in a performance test or event called by the NYISO during the Capability Period. The determination of the total load reduction for the first performance test hour shall only include the load reduction of SCRs that demonstrate and report performance during the first performance test. Mandatory event response used in lieu of a first performance test shall not be used in the determination of the total load reduction for the first performance test. The Installed Capacity Equivalent of the greatest load reduction during a single hour is then converted to the UCAP equivalent of the greatest performance during a single hour in the Load Zone and compared to the UCAP sold for each month of the Capability Period. Within a Load Zone, if the UCAP equivalent of the greatest performance of the RIP's SCRs during a single hour is less than the total amount of UCAP sold by the RIP for a month in a Capability Period Auction or a Monthly Auction and certified prior to that month's ICAP Spot Market Auction, the UCAP sold in that month's ICAP Spot Market Auction, or the UCAP sold as a Bilateral Transaction and certified prior to that month's ICAP Spot Market Auction, the RIP did not meet its full commitment. A shortfall for the month shall be identified in UCAP terms, and the RIP will be subject to a deficiency charge, equal to one and one-half times the applicable Market-Clearing Prices of Unforced Capacity determined using the applicable ICAP Demand Curve for that ICAP Spot Market Auction times the amount of its shortfall for each month.

Within a Capability Period, for RIPs with SCRs that have reported a SCR Change of Status, in months where the SCR Change of Status is in effect, the performance of the SCR shall be based on the Net ACL. For RIPs with SCRs that have enrolled with an Incremental ACL, in months where the Incremental ACL is in effect, the performance of the SCR shall be based on the Verified ACL. For RIPs with SCRs that have enrolled with a Provisional ACL, in months where the Provisional ACL is in effect, the performance of the SCR shall be based on the Verified ACL. For all other SCRs enrolled by the RIP, the performance of the SCR shall be based on the enrolled ACL.

When a RIP is subject to multiple deficiency charges for the same SCR for the same Capability Period, the NYISO shall assess to the RIP only the greatest deficiency charge related to such SCR. The NYISO shall apply the following procedure to the determination

of the RIP portfolio performance when the RIP is subject to multiple deficiency charges for the same SCR for the same months within the Capability Period. When a SCR has previously been assessed a deficiency charge for an ineligible enrollment, a Provisional ACL enrollment, Incremental ACL enrollment, or SCR Change of Status enrollment, the SCR shall be removed from both the UCAP equivalent of the greatest performance during a single hour and the UCAP sales during the determination of the RIP portfolio performance for the applicable months within the Capability Period.

The performance during the test of SCRs that move from one RIP portfolio to another RIP portfolio will be credited to the RIP that was required to demonstrate the SCR performance in that test. If the NYISO identifies a RIP portfolio performance shortfall, the RIP shall have an opportunity to demonstrate to the NYISO (a) that a SCR that was a resource of the RIP was registered with another RIP at the time of an event or performance test, and (b) the performance of the SCR during the test when it was enrolled with another RIP for the month under review. Provided such demonstration is to the satisfaction of the NYISO, the portion of such SCR's performance will be used in the computation of the RIP's portfolio performance shortfall for the month.

The performance of capacity resources registered with and accepted by the NYISO subsequent to the first performance test in conducted between August 15 and September 7 (Summer Capability Period) or conducted between February 15 and March 7 (Winter Capability Period) will only apply to month(s) in (x) which the added resources participated and (y) the Capability Period for which the SCR was tested, not every month in the Capability Period.

4.12.4.8 Reporting SCR Performance Data

Performance for each SCR shall be reported for all hours during all called SCR events and required one-hour performance tests in a Capability Period. Each Capability Period, the NYISO will calculate performance factors for each SCR based on all of the following values from the Prior Equivalent Capability Period and the Capability Period preceding the Prior Equivalent Capability Period: (a) the best set of four (4) consecutive hours in each mandatory event of four hours or more, (b) all hours for mandatory events of less than four hours, and (c) all required one-hour test data. For SCRs called to perform in a mandatory event prior to the first performance test, the load reduction value used in performance factor calculations shall be selected as the higher of the greatest load reduction in a mandatory event hour or the load reduction demonstrated in the first performance test.

The RIP shall report the performances of each SCR individually directly into the DRIS using an import file formatted as specified in the *NYISO Demand Response Information System User's Guide* (available from the NYISO Web site at http://www.nyiso.com/public/markets_operations/documents/manuals_guides/index.jsp). The NYISO shall track each SCR's performance in accordance with the procedures contained in this Section 4.12. Performance measurements will be calculated in accordance with Sections 4.12.2.1**Error! Reference source not found.** of this *ICAP Manual*.

If SCR data is not received by the NYISO in the form and manner and within the time period prescribed for any of the hours used for performance measurement, those hours will be treated as forced outage hours unless the SCR was previously identified as not committed for that month. If a resource (including one that ceases to be registered with the NYISO or a resource of the RIP at the time of the performance test) does not perform the test, or if required performance test data is not received by the NYISO within the specified time period after a performance test, the hour performance test period will be treated as a forced outage hour. All hours, including those in excess of the hours used for performance measurement, including performance tests, will be used to determine Energy payments in accordance with Section 4.12.7, statistics for NYISO internal use, the computation of deficiency charges, and as the basis for various external reports, and for other purposes in accordance with the *NYISO Services Tariff*.

In the event that a SCR located at a retail customer was in operation (in the case of a Local Generator) or providing Load reduction (in the case of interruptible Load), at the time of the NYCA system or Transmission District peak upon which the Minimum Unforced Capacity Requirement of the LSE serving that customer is based, the LSE's Minimum Unforced Capacity Requirement shall be increased by the amount of Load that was served or interrupted by the SCR.