

REVISED DRAFT FOR DISCUSSION

NYISO COMPREHENSIVE RELIABILITY PLANNING PROCESS

Section 6.3

The NYISO will develop procedures establishing qualifications and criteria for a valid market-based solution in conjunction with ESPWG. Such qualifications shall recognize the differences between various resources' characteristics and development time lines.

Proposed Criteria

- **NYISO to determine the benchmark based upon the time necessary to construct the regulated backstop solution proposed by the Responsible TO (BM). The NYISO shall make this determination based upon its independent analysis of the project schedule provided by the Responsible TO.**
- **NYISO to determine the estimated time to complete the market-based proposal based upon the schedules and other information submitted by the developers (MBP). Information that may be required includes, but is not limited to:**
 - **Evidence of a commercially viable technology**
 - **Major milestone schedule**
 - **Demonstration of site control**
 - **Whether a contract is under negotiation or in place**
 - **Status of NYISO interconnection studies**
 - **Status of NYISO interconnection agreement**
 - **Status of any required permits**
 - **Evidence of equipment procurement**
 - **Evidence of financing**
- **Developer shall promptly provide all data required to assist the NYISO in its review of the proposed market-based project within the schedule provided for the Request for Solutions process.**
- **NYISO will treat any confidential data in accordance with the provisions of Attachment Y of the NYISO OATT and the LGIA.**
- **Failure to provide any data requested by the NYISO within a reasonable period of time (not to exceed 60 days from the date of the NYISO request) will result in the**

rejection of the proposed project from further consideration in that round of the Comprehensive Reliability Planning Process.

- **If MPB<BM by 3-5 years: NYISO will use a screening analysis to verify the feasibility of the market-based proposal. This analysis will not require such things as final permit approvals or final contract documents.**
- **If MPB<BM by 1-2 years: NYISO will perform a more extensive review of the proposed project. This review will include such elements as status of interconnection studies, contract negotiations, permit applications, financing and site control.**
- **If MPB<BM by less than 1 year: NYISO will perform a detailed review of the proposed project's status and schedule. At this stage it is expected that the proposed project will have obtained its final permits, any required interconnection studies will be completed, an interconnection agreement has been filed, the developer will have accepted its interconnection cost allocation, financing will be in place and equipment will be on order.**
- **The NYISO, prior to making a determination about the viability* of a specific proposed solution, will communicate its intended determination to the project sponsor along with the basis for its intended determination. The NYISO shall provide sponsor a reasonable period (not more than 2 weeks) to respond to the NYISO's intended determination, including an opportunity to provide additional information to the NYISO to support the viability of the proposed solution.**
- **If the NYISO, following its analysis, determines that a proposed project is not viable* to meet an identified reliability need, such proposal will not be included in the CRP.**

* **Note: In the context of the Comprehensive Reliability Planning Process, the term "viable" shall mean that there is a reasonable likelihood that the proposed project will effectively address the identified reliability need in a timely fashion.**

Jpb

8/30/04

R9/2/04

R9/10/04

R10/16/04

R11/10/04