

Stakeholder Feedback: Clarify when a former RMR Generator is subject to a repayment obligation

Impact: Pro-Forma Section 3.3.7, 4.3.4, Rate Schedule 8

The repayment obligation applies when a former RMR Generator is participating in the ISO Administered Markets while it is eligible to receive market-based rates, until the obligation has been fully repaid. The repayment obligation is not imposed while a former RMR Generator or former Interim Service Provider is in a Mothball Outage or IIFO, or is Retired. If a former RMR Generator or former Interim Service Provider returns from being Retired, or from being in a Mothball Outage or IIFO, to participate in the ISO Administered Markets while it is eligible to receive market-based rates, then the ISO will recalculate and reinstate an updated repayment obligation in accordance with Rate Schedule 8 to its Services Tariff.

Stakeholder Feedback: Add a definition of “RMR Agreement”

Section 38.1: We did not add a definition of “RMR Agreement” because it is already defined in the OATT.

Stakeholder Feedback: Limit scope of instances for which the NYISO may determine that a Generator Deactivation Reliability Need may not be timely addressed

Impact: Attachment FF 38.3.3, Immediate Reliability Need

38.3.3 Immediate Reliability Need

The ISO may take immediate action to implement an interim solution to maintain reliability if: ~~(i) the ISO identifies a threat to the reliability of the New York State Power System as a result of a Forced Outage of a Generator, and (ii) the ISO determines that the resulting reliability a Generator Deactivation Reliability n~~Need may not be timely addressed through the normal Generator Deactivation Process. To maintain reliability in such circumstances, the ISO may abbreviate, as necessary, the time periods and requirements set forth in this Attachment FF and make any necessary filings with the Commission.

Stakeholder Feedback: Clarify language that allows a Generator to participate in responding to Reliability Need that is only on non-BPTF facilities

Section 38.3.4 and 38.3.5 were amended to state:

“Any Generator that the ISO determines is Viable and Sufficient may participate as a Generator Deactivation Solution to part or all of a Near-Term Generator Deactivation Reliability Need, including a reliability need arising only on non-BPTFs.”

Stakeholder Feedback: Clarify what is required of a generator to leave the market at its requested deactivation date, when no reliability need is identified

Impact: Attachment FF 38.3.6

38.3.6 Deactivation Prior to the Expiration of the 365 Day Notice Period

If: (i) the ISO determines in the Generator Deactivation Assessment either that a Generator Deactivation Reliability Need would not arise from a Market Participant's Generator being Retired or entering into a Mothball Outage, or that the need can be timely addressed in the ISO's biennial reliability planning process, and (ii) the Market Participant indicated in the Generator Deactivation Notice an interest in deactivating its Generator earlier than the completion of the 365-day notice period, then the ISO will notify the Market Participant when its Generator has completed all required ISO administrative processes and procedures, and may be Retired or enter into a Mothball Outage, which deactivation date shall be no earlier than 91 days after the Generator Deactivation Assessment Start Date.

Stakeholder Feedback: Limit scope of generators required to submit information at the behest of the NYISO for consideration as a Generator Deactivation Solution

Impact: Attachment FF 38.4.1

38.4.1 If the ISO determines in its Generator Deactivation Assessment ~~determines~~ that a Generator Deactivation Reliability Need ~~should~~ must be addressed in the Generator Deactivation Process, the ISO shall solicit Generator Deactivation Solutions to address the Generator Deactivation Reliability Need. A Developer must submit a proposed Generator Deactivation Solution within sixty (60) days of the ISO's request.

~~The solicitation process set forth in t~~This Section 38.4 ~~is not the appropriate process for offering does not apply to~~ a Market Participant's Generator that is in a Mothball Outage, an ICAP Ineligible Forced Outage, or has been mothballed since before May 1, 2015 ~~as a proposed Generator Deactivation Solution. The Market Participant for~~ Instead, such a Generator may ~~instead be offered as a Generator Deactivation Solution by~~ submitting a statement of intent to participate in the Generator Deactivation Process ~~and satisfy the other requirements set forth in accordance with~~ Section 38.5 ~~and satisfying the other requirements of that Section.~~

Stakeholder Feedback: Clarify the information that must be submitted by a Developer of a regulated transmission.

Section 38.4.2.3: The NYISO clarified that proposed regulated transmission solutions to a Generator Deactivation Reliability Need must satisfy project information requirements regardless of whether the need is on BPTF or non-BPTFs:

"The proposed regulated transmission solution to a Generator Deactivation Reliability Need must satisfy the project information requirements in Sections 31.2.4.8.1, 31.2.4.8.2, and 31.2.6.5.1.1 of Attachment Y of the ISO OATT."

Stakeholder Feedback: State that the NYISO will consider the impact of market based solutions and demand response before making a selection.

Section 38.10.1 was amended to state: “In selecting a solution to address a Generator Deactivation Reliability Need the ISO will first consider the expected impact of any Viable and Sufficient market-based or demand response Generator Deactivation Solutions it identifies on the scope of the need.”

Stakeholder Feedback: Clarify that the NYISO may select an interim solution as well as the permanent solution to a Reliability Need arises on non-BPTFs.

Section 38.10.1.2: The NYISO added language stating that for reliability needs on non-BPTFs, the ISO may select an interim solution, such as an RMR generator, in addition to the permanent transmission solution.

Stakeholder Feedback: Specify that if there is a viable and sufficient transmission solution, selection of a Generator RMR will be a last resort.

Section 38.10.2.1 Where a viable and sufficient transmission solution is available, the NYISO has added language stating that its selection process is designed to ensure that an RMR Agreement with a Generator is a last resort.

Stakeholder Feedback: Clarify directionality of overlap for Distinctly Higher NPV

Impact: Attachment FF 38.10.2.2

38.10.2.2 Determining if a Solution has a “Distinctly” Higher Net Present Value

A Generator Deactivation Solution has a “distinctly” higher net present value if it is the Viable and Sufficient solution with the lowest reasonably calculated net cost to consumers to meet the identified Reliability Need until the permanent solution can be implemented. A generation solution has a “distinctly” higher net present value than a transmission solution if, after accounting for the accuracy range of each transmission project cost estimate and generation revenue estimate using the confidence interval the ISO selects, the ISO determines that the range of net present values of the generation solution is higher than has no overlap with the range of the net present values of the transmission solution. If there is an overlap between the ranges of net present values

between a generation solution and a transmission solution overlap, then the generation solution does not have a distinctly higher net present value than the transmission solution. If the ISO determines that a generation solution has a distinctly higher net present value than a transmission solution, then both solutions will be considered in accordance with Section 38.10.2.4 of this solution selection process.

Stakeholder Feedback: Clarify language and rule set for NYISO when there is a “Multi-Element Solution”

Impact: Attachment FF 38.10.2.3

the ISO shall also consider the operational, performance, and market impacts and the size of the Generators when selecting the generation component of a multi-element solution.

Alternatively, the ISO may select a Viable and Sufficient generation solution in place of a ~~partial transmission multi-element~~ solution that includes transmission if it determines that the generation solution has a “distinctly higher net present value” than the combination of partial transmission and generation solutions the ISO might otherwise select under this Section 38.10.2.~~34-1~~. The ISO shall choose between a multi-element solution that includes transmission and a generation solution that has a distinctly higher net present value than the multi-element solution using the selection criteria specified in Section 38.10.2.4.

Stakeholder Feedback: State that for Generator solutions the NYISO will consider the Developer’s property rights; rights of way are relevant to transmission solutions:

The NYISO amended Section 38.10.4.6 to state that:

The ISO will consider, as applicable, whether the Developer or Market Participant: (i) already possesses **property rights** or the rights of way necessary to implement the solution; . . .

Stakeholder Feedback: Clarify rules for ISPs providing notice that they want to remain in the market

Impact: Attachment FF 38.13.2.7 & 38.13.2.8

- If still an ISP, 30 days, if having deactivated, 60 days

38.13.2.7 A Generator that was an Interim Service Provider that has deactivated and that wants to return to participating in any of the ISO Administered Markets while it is eligible to receive market-based rates must give the ISO at least 60 days advance notice of its desire to return to the markets ISO Administered Markets in order to

permit the ISO to determine a repayment obligation (if any) in accordance with Services Tariff Rate Schedule 8, and an associated credit requirement in accordance with Sections 26.4 and 26.5 of the ISO Services Tariff.

38.13.2.8 A Generator that is an Interim Service Provider that wants to continue participating in the ISO Administered Markets while it is eligible to receive market-based rates (after it is no longer an Interim Service Provider and when it is not operating pursuant to an RMR Agreement) must give the ISO at least 30 days advance notice of its desire to continue participating in the ISO Administered Markets in order to permit the ISO to determine and impose a repayment obligation (if any) in accordance with Services Tariff Rate Schedule 8, and an associated credit requirement in accordance with Sections 26.4 and 26.5 of the ISO Services Tariff.

Stakeholder Feedback: Define “commence construction” of a Generator Deactivation Solution

The NYISO has revised 38.15.2 to include a definition of physical construction, as follows:

38.15.2 Notwithstanding Section 38.15.1, the ISO shall not halt a regulated transmission Generator Deactivation Solution once the Developer: (i) has received its Article VII certification or other applicable siting permits or authorizations under New York State law or (ii) if permitting or regulatory approval is not required, has commenced **physical** construction of the Generator Deactivation Solution, **including excavation and pouring for foundations or the installation or erection of improvements.**

Stakeholder Feedback: Allow for the payment of Capital Expenditures to Interim Service Providers under a limited set of conditions

Impact: Attachment FF 38.17.3, Rate Schedule 8

38.17.3 The ISO may agree to permit Interim Service Providers to recover Capital Expenditures during the [365 day notice period] if (a) recovery is authorized as an Additional Cost under Section 38.16 of the ISO OATT, or (b) the Capital Expenditure is necessary to permit the Interim Service Provider to address the Reliability Need during the [365 day notice period], and Generator Owner commits (either by entering into a contract with the ISO or by filing a tariff with the Commission) that the Capital Expenditure will be completed and placed in-service by a specific date that falls within the [365 day notice period].