

## **5.12 Requirements Applicable to Installed Capacity Suppliers**

### **5.12.1 Installed Capacity Supplier Qualification Requirements**

In order to qualify as an Installed Capacity Supplier, Generators and controllable transmission projects electrically located in the NYCA, and transmission projects with associated incremental transfer capability, must have obtained Capacity Resource Interconnection Service (“CRIS”) pursuant to the applicable provisions of Attachment S to the ISO OATT and have entered service: controllable transmission projects must also have obtained Unforced Capacity Deliverability Rights and transmission projects with associated incremental transfer capability must also have obtained External-to-ROS Deliverability Rights. Generators that ~~are-participate~~ in the markets as Co-located Storage Resources or Hybrid Storage Resources must each, independently, obtain CRIS in order to qualify as Installed Capacity Suppliers. Even if a Generator has otherwise satisfied the requirements to participate in the ISO’s Installed Capacity market, a Generator in Inactive Reserves, an ICAP Ineligible Forced Outage, a Mothball Outage, or that is Retired is ineligible to participate in the ISO’s Installed Capacity market. A Generator that elects to participate in the ICAP Market, and is within a defined electrical boundary, electrically interconnected with, and routinely serves a Host Load (which Host Load does not consist solely of Station Power) at a single PTID can only participate in the Installed Capacity market as a Behind-the-Meter Net Generation Resource. Generators that ~~are-participate in the~~ markets as Co-located Storage Resources must each, independently, comply with all applicable market rules contained in this Services Tariff Section 5.12 as an Energy Storage Resource, ~~or as~~ an Intermittent Power Resource, Limited Control Run-of-River Hydro Resource, or as a Fast-Start Resource (a Generator), as appropriate. Generators that participate in the markets as components of a Hybrid Storage Resource must comply with all applicable market rules

contained in this Services Tariff Section 5.12 as an Energy Storage Resource, Intermittent Power Resource or Limited Control Run-of-River Hydro Resource, unless an exception applies.

In addition, to qualify as an Installed Capacity Supplier in the NYCA, Energy Limited Resources, Generators, Installed Capacity Marketers, Intermittent Power Resources, Behind-the-Meter Net Generation Resources, Limited Control Run-of-River Hydro Resources and System Resources rated 1 MW or greater, other than External System Resources and Control Area System Resources which have agreed to certain Curtailment conditions as set forth in the third to last paragraph of Section 5.12.1 below, Responsible Interface Parties, existing municipally-owned generation, Energy Limited Resources, and Intermittent Power Resources, to the extent those entities are subject to the requirements of Section 5.12.11 of this Tariff, and Energy Storage Resources with a nameplate capacity rating that allows a minimum injection to the NYS Transmission System or distribution system of 0.1 MW or greater shall:

5.12.1.1 provide information reasonably requested by the ISO including the name and location of Generators, and System Resources;

5.12.1.2 in accordance with the ISO Procedures, perform DMNC or DMGC tests and submit the results to the ISO, or provide to the ISO appropriate historical production data;

5.12.1.3 abide by the ISO Generator maintenance coordination procedures;

5.12.1.4 provide the expected return date from any outages (including partial outages) to the ISO;

5.12.1.5 in accordance with the ISO Procedures,

5.12.1.5.1 provide documentation demonstrating that it will not use the same Unforced Capacity for more than one (1) buyer at the same time, and

5.12.1.5.2 in the event that the Installed Capacity Supplier supplies more Unforced Capacity than it is qualified to supply in any specific month (*i.e.*, is short on Capacity), documentation that it has procured sufficient Unforced Capacity to cover this shortfall.

5.12.1.6 except for Installed Capacity Marketers and Intermittent Power Resources that depend upon wind or solar as their fuel, Bid into the Day-Ahead Market, unless the Energy Limited Resource, Generator, Limited Control Run-of-River Hydro Resource or System Resource is unable to do so due to an outage as defined in the ISO Procedures or due to temperature related de-ratings. Generators may also enter into the MIS an upper operating limit that would define the operating limit under normal system conditions. The circumstances under which the ISO will direct a Generator to exceed its upper operating limit are described in the ISO Procedures;

5.12.1.6.1 Co-located Storage Resources must each submit a CSR injection Scheduling Limit and a CSR withdrawal Scheduling Limit for each hour of the Day-Ahead Market consistent with Section 5.12.7.1 below;

5.12.1.7 provide Operating Data in accordance with Section 5.12.5 of this Tariff;

5.12.1.8 provide notice to the ISO of any proposed transfers of deliverability rights to be carried out pursuant to Sections 25.9.4 - 25.9.6 of Attachment S to the ISO OATT, on the Class Year Start Date if a request to transfer CRIS at a different location, and upon the submission of the request if it is a request to transfer CRIS at the same location.

5.12.1.9 comply with the ISO Procedures;

5.12.1.10 when the ISO issues a Supplemental Resource Evaluation request (an SRE), NYCA Resources must Bid into the in-day market unless (and only to the extent) the entity has a bid pending in the Real-Time Market when the SRE request is made or is unable to bid in response to the SRE request due to an outage as defined in the ISO Procedures, or due to other operational issues, or due to temperature related deratings.

If an External Installed Capacity Supplier is a Generator, or if an External Generator is associated with an Unforced Capacity sale using UDRs or EDRs, then except to the extent such a Generator is unable to Bid in response to the SRE request due to an outage as defined in the ISO Procedures, due to physical operating limitations affecting the Generator, or due to other operational issues that are outside the Installed Capacity Supplier's control, as determined by the ISO, it must take all of the following actions for each hour of an SRE request

- (a) Bid an Import to the NYCA in a MW quantity equal to the lesser of (i) the ICAP equivalent of the UCAP sold, or (ii) the maximum MW the Generator is able to produce, at the approved Proxy Generator Bus, at the applicable minimum Bid Price, and
- (b) ensure that the External Generator is operating and is available to provide all of the MW that were Bid to be imported into the NYCA, up to the ICAP equivalent of the UCAP sold, for the entire duration of the SRE request, and
- (c) obtain all reservations and transmission service necessary to deliver all of the MW that were Bid to be imported into the NYCA or to a Locality from the Generator, up to the ICAP equivalent of the UCAP sold from the External Generator, at the approved Proxy Generator Bus.

If the External Installed Capacity Supplier that is a Generator, or the External Generator associated with an Unforced Capacity sale using UDRs or EDRs, is not able to Import the quantity of Energy equal to the ICAP equivalent of the UCAP sold from the Generator or EDR to the NYCA, or if a UDR to the Locality, for every hour of an SRE request then, except to the extent already addressed by a declared outage, the Generator shall provide to the ISO an explanation of the reasons for its failure or inability to perform, including evidence demonstrating any physical operating limitations or other operational issues that prevented the Generator from Importing the quantity of Energy equal to the ICAP equivalent of the UCAP sold from the Generator to the NYCA. To the extent the ISO determines that the information and supporting evidence provided demonstrates that the failure or inability to deliver occurred for reasons outside the control of the External Installed Capacity Supplier or the External Generator associated with an Unforced Capacity sale using UDRs or EDRs, then the deficiency charge set forth in Section 5.12.12.2 below that applies solely to violations of this Section 5.12.1.10, shall not be assessed.

If an External Installed Capacity Supplier is a Control Area System Resource then, except to the extent it is unable to Bid in response to the SRE request due to an outage as defined in the ISO Procedures or due to operational issues that are outside the Installed Capacity Supplier's control, it must take all of the following actions for each hour of an SRE request (x) Bid an Import in a MW quantity equal to the ICAP equivalent of the UCAP sold, at the approved Proxy Generator Bus, at the applicable minimum Bid Price, and (y) obtain all

reservations and transmission service necessary to deliver the ICAP equivalent of the UCAP sold from the Control Area System Resource to the NYCA at the approved Proxy Generator Bus.

If the External Installed Capacity Supplier that is a Control Area System Resource is not able to Import the quantity of Energy equal to the ICAP equivalent of the UCAP sold from the Control Area System Resource to the NYCA for every hour of an SRE request then, except to the extent already addressed by a declared outage, the External Installed Capacity Supplier shall provide to the ISO an explanation of the reasons for its failure or inability to perform, including evidence demonstrating any operational issues that prevented the External ICAP Supplier from Importing the quantity of Energy equal to the ICAP equivalent of the UCAP sold from the Control Area System Resource to the NYCA. To the extent the ISO determines that the information and supporting evidence provided demonstrates that the failure or inability to deliver occurred for reasons outside the External Installed Capacity Supplier's control, then the deficiency charge set forth in Section 5.12.12.2 below that applies solely to violations of this Section 5.12.1.10, shall not be assessed. A Control Area System Resource must demonstrate that transmission outage(s) prevented delivery of all available Resources in order for the ISO to determine that the Control Area System Resource's failure to Import the quantity of Energy equal to the ICAP equivalent of the UCAP sold occurred for a reason that was outside the External Installed Capacity Supplier's control.

When an External Installed Capacity Supplier that is responding to an ISO SRE request Bids its Import at a Non-Competitive Proxy Generator Bus, its obligation to Bid an Import at the applicable minimum Bid Price includes the obligation to ensure that neither the External Installed Capacity Supplier nor any of its Affiliates are offering other Imports at an equivalent or greater economic priority at the Non-Competitive Proxy Generator Bus.

5.12.1.11 Installed Capacity Suppliers located East of Central-East shall Bid in the Day-Ahead and Real-Time Markets all Capacity available for supplying 10Minute Non-Synchronized Reserve (unless the Generator is unable to meet its commitment because of an outage as defined in the ISO Procedures), except for the Generators described in Subsections 5.12.1.11.1, 5.12.1.11.2 and 5.12.1.11.3 below;

5.12.1.11.1 Generators providing Energy under contracts executed and effective on or before November 18, 1999 (including PURPA contracts) in which the power purchasers do not control the operation of the supply source but would be responsible for penalties for being off-schedule, with the exception of Generators under must-take PURPA contracts executed and effective on or before November 18, 1999, who have not provided telemetering to their local TO and historically have not been eligible to participate in the NYPP market, which will continue to be treated as TO Load modifiers under the ISO-administered markets;

5.12.1.11.2 Existing topping turbine Generators and extraction turbine Generators producing Energy resulting from the supply of steam to the district steam system located in New York City (LBMP Zone J) in operation on or before November

18, 1999 and/or Generators used in replacing or repowering steam supplies from such units (in accordance with good engineering and economic design) that cannot follow schedules, up to a maximum total of 533 MW of such units; and

5.12.1.11.3 Units that have demonstrated to the ISO that they are subject to environmental, contractual, [ISO Tariff](#), or other legal or physical requirements that would otherwise preclude them from providing 10-Minute NSR.

5.12.1.12 A Resource that was determined by the ISO to be qualified as a Behind-the-Meter Net Generation Resource and for which Net Unforced Capacity was calculated by the ISO for a Capability Year can annually, by written notice received by the NYISO prior to August 1, elect not to participate in the ISO Administered Markets as a Behind-the-Meter Net Generation Resource. Such notice shall be in accordance with ISO Procedures. A Resource that makes such an election cannot participate as a Behind-the-Meter Net Generation Resource for the entire Capability Year for which it made the election, but can, however, prior to August 1 of any subsequent Capability Year, provide all required information in order to seek to re-qualify as a Behind-the-Meter Net Generation Resource.

5.12.1.13 An Energy Storage Resource may de-rate its maximum capability in order to meet the applicable Services Tariff Section 5.12.14 run-time requirement. ESRs electing to de-rate their maximum capability shall perform a DMNC test at an output level consistent with its de-rated capability in accordance with Services Tariff Section 5.12.14 and ISO Procedures (*see*, Installed Capacity Manual § 4).

5.12.1.14 Energy Limited Resources and Energy Storage Resources must elect an Energy Duration Limitation that corresponds to a Duration Adjustment Factor, as



described in Section 5.12.14 below, and validate the Energy Duration Limitation pursuant to Section 5.12.1.2 above. An Installed Capacity Supplier may elect any Energy Duration Limitation that it can demonstrate pursuant to Section 5.12.1.2.

The ISO shall inform each potential Installed Capacity Supplier that the ISO must receive and approve DMNC or DMGC data, as applicable of its approved DMNC or DMGC ratings for the Summer Capability Period and the Winter Capability Period in accordance with the ISO Procedures.

Requirements to qualify as Installed Capacity Suppliers for External System Resources and Control Area System Resources located in External Control Areas that have agreed not to Curtail the Energy associated with such Installed Capacity or to afford it the same Curtailment priority that it affords its own Control Area Load shall be established in the ISO Procedures.

External Installed Capacity not associated with UDRs, including capacity associated with External CRIS Rights, EDRs, Grandfathered External Installed Capacity Agreements listed in Attachment E of the ISO Installed Capacity Manual, the Existing Transmission Capacity for Native Load listed for New York State Electric & Gas Corporation in Table 3 of Attachment L to the ISO OATT, Import Rights, and External System Resources, is only qualified to satisfy a NYCA Minimum Unforced Capacity Requirement and is not eligible to satisfy a Locational Minimum Installed Capacity Requirement.

Not later than 30 days prior to each ICAP Spot Market Auction, each Market Participant that may make offers to sell Unforced Capacity in such auction shall submit information to the ISO, in accordance with ISO Procedures and in the format specified by the ISO that identifies each Affiliated Entity, as that term is defined in Section 23.2.1 of Attachment H of the Services Tariff, of the Market Party or with which the Market Party is an Affiliated Entity. The names of

entities that are Affiliated Entities shall not be treated as Confidential Information, but such treatment may be requested for the existence of an Affiliated Entity relationship. The information submitted to the ISO shall identify the nature of the Affiliated Entity relationship by the applicable category specified in the definition of “Affiliated Entity” in Section 23.2.1 of Attachment H of the Services Tariff.

#### **5.12.5.5 Co-located and Hybrid Storage Resources**

Generators that ~~are-participate as~~ Co-located Storage Resources or Hybrid Storage Resources must each, individually, comply with the requirements of Section 5.12.5.1 of this Services Tariff.

Generators that ~~are-participate as~~ Co-located Storage Resources must submit outage data or other operational information in accordance with ISO Procedures that will allow the ISO to validate the CSR Scheduling Limits associated with the Co-located Storage Resources CSR Scheduling Limits will be incorporated into each CSR Generator’s UCAP calculation (*see* Services Tariff Section 5.12.6.2).

Generators that participate as part of a Hybrid Storage Resource must submit outage data and other operational information in accordance with ISO procedures that will allow the ISO to validate the UOL and LOL of the Hybrid Storage Resource and the operating limits (e.g. the Upper and Lower Operating Limits) of its components. The UOL and LOL of a Hybrid Storage Resource will be incorporated into each component Generator’s UCAP calculation (*see* Services Tariff Section 5.12.6.2).

## **5.12.6 Capacity Calculations, Operating Data Default, Value and Collection**

### **5.12.6.2 UCAP Calculations**

The ISO shall calculate for each Resource the amount of Unforced Capacity that each Installed Capacity Supplier is qualified to supply in the NYCA in accordance with formulae provided in the ISO Procedures. A Resource's Unforced Capacity will be the applicable Adjusted Installed Capacity multiplied by the quantity of 1 minus the Resource's derating factor.

The amount of Unforced Capacity that each Generator, except for the Generator of a Behind-the-Meter Net Generation Resource, System Resource, Energy Limited Resource, Special Case Resource, and municipally-owned generation is authorized to supply in the NYCA shall be based on the ISO's calculations of individual Equivalent Demand Forced Outage Rates. The amount of Unforced Capacity that each Energy Storage Resource is authorized to supply in the NYCA shall be based on the individual availability of the Energy Storage Resource in the Real-Time Market and calculated by the ISO in accordance with ISO Procedures. Except as provided in Section 5.12.6.2.1 of this Services Tariff, this calculation shall not include hours in any month that the Energy Storage Resource was in an outage state that started on or after May 1, 2015 and that precluded its eligibility to participate in the Installed Capacity market. The amount of Unforced Capacity that an Energy Storage Resource that is participating as a part of a Co-located Storage Resource or Hybrid Storage Resource is authorized to supply in the NYCA shall account for reductions to the CSR Scheduling Limits or the UOL or LOL of a Hybrid Storage Resource, or the unavailability of the associated facilities, in accordance with ISO Procedures.

The amount of Unforced Capacity that each Control Area System Resource is authorized to supply in the NYCA shall be based on the ISO's calculation of each Control Area System Resource's availability. The amount of Unforced Capacity that each Intermittent Power

Resource is authorized to supply in the NYCA shall be based on the ISO's calculation of the amount of capacity that the Intermittent Power Resource can reliably provide during system peak Load hours in accordance with ISO Procedures.

Starting with the Capability Year beginning May 1, 2021 and continuing until the Capability Year that begins in May 2024, this calculation will be weighted according to the respective Peak Load Window weighting factors provided in the table below. Separate Summer and Winter Peak Load Windows are applicable based on the penetration of duration limited resources in Section 5.12.14.

Hour Beginning	Summer Peak Load Window		Winter Peak Load Window	
	6 Hour	8 Hour	6 Hour	8 Hour
12		5.00%		
13	12.50%	10.00%		
14	18.75%	17.50%		5.00%
15	18.75%	17.50%		5.00%
16	18.75%	17.50%	18.75%	17.50%
17	18.75%	17.50%	18.75%	17.50%
18	12.50%	10.00%	18.75%	17.50%
19		5.00%	18.75%	17.50%
20			12.50%	10.00%
21			12.50%	10.00%

Except as provided in Section 5.12.6.2.1 of this Services Tariff, this calculation shall not include hours in any month that the Intermittent Power Resource was in an outage state that started on or after May 1, 2015 and that precluded its eligibility to participate in the Installed Capacity market.

The amount of Unforced Capacity that an Intermittent Power Resource or Limited Control Run-of-River Hydro Resource that is participating as part of a Co-located Storage Resource or a Hybrid Storage Resource is authorized to supply in the NYCA shall account for

reductions to the CSR Scheduling Limits or the UOL or LOL of a Hybrid Storage Resource, or the unavailability of the associated facilities, in accordance with ISO Procedures.

Until the Capability Year that begins in May 2024, the amount of Unforced Capacity that each Limited Control Run-of-River Hydro Resource is authorized to provide in the NYCA shall be determined separately for Summer and Winter Capability Periods as the rolling average of the hourly net Energy provided by each such Resource during the 20 highest NYCA integrated real-time load hours in each of the five previous Summer or Winter Capability Periods, as appropriate, stated in megawatts. Except as provided in Section 5.12.6.2.1 of this Services Tariff, for a Limited Control Run-of-River Hydro Resource in an outage state that started on or after May 1, 2015 and that precluded its eligibility to participate in the Installed Capacity market during one of the 20 highest NYCA integrated real-time load hours in any one of the five previous Summer or Winter Capability Periods, the ISO shall replace that Winter or Summer Capability Period, as appropriate, with the next most recent Winter or Summer Capability Period such that the rolling average of the hourly net Energy provided by each such Resource shall be calculated from the 20 highest NYCA integrated real-time load hours in the five most recent prior Summer or Winter Capability Periods in which the Resource was not in an outage state that precluded its eligibility to participate in the Installed Capacity market on one of the 20 highest NYCA integrated real-time load hours in that Capability Period.

Prior to Capability Year beginning May 1, 2021, the ISO shall calculate separate Summer and Winter Capability Period Unforced Capacity values for each Generator, System Resource, Special Case Resource, Energy Limited Resource, and municipally owned generation and update them periodically using a twelve-month calculation. Starting with the Capability Year beginning May 1, 2021, the ISO shall calculate separate Summer and Winter Capability Period Unforced

Capacity values for each Special Case Resource and update them periodically using a twelve-month calculation in accordance with ISO Procedures. Starting with the Capability Year beginning May 1, 2021, the calculation for each Generator, System Resource, Energy Limited Resource, and municipally owned generation will use the months comprising the two most recent like Capability Periods in accordance with formulae provided in the ISO Procedures; provided, however, except as provided in Section 5.12.6.2.1 of this Services Tariff, for a Generator in an outage state that started on or after May 1, 2015 and that precluded its eligibility to participate in the Installed Capacity market at any time during any month from which GADS or other operating data would otherwise be used to calculate an individual Equivalent Demand Forced Outage Rate, the ISO shall replace such month's GADS or other operating data with GADS or other operating data from the most recent like month in which the Generator was not in an outage state that precluded its eligibility to participate in the Installed Capacity market.

The ISO shall calculate separate Summer and Winter Capability Period Unforced Capacity values for Energy Storage Resources and update them seasonally as described in ISO Procedures.

The ISO shall calculate separate Summer and Winter Capability Period Unforced Capacity values for Intermittent Power Resources and update them seasonally as described in ISO Procedures.

The amount of Unforced Capacity that each Behind-the-Meter Net Generation Resource is authorized to supply in the NYCA shall be its Net-UCAP. Net-UCAP is the lesser of (i) the ISO's calculation of the Generator of the Behind-the-Meter Net Generation Resource Adjusted DMGC multiplied by one minus its Equivalent Demand Forced Outage Rate, and then decreased

by its Adjusted Host Load translated into Unforced Capacity terms consistent with Section 5.11.1 of this Tariff, and (ii) the Resource's Net-ICAP.

#### **5.12.7 Availability Requirements**

Subsequent to qualifying, each Installed Capacity Supplier shall, except as noted in Sections [5.12.7.2 and](#) 5.12.11 of this Tariff, on a daily basis: (i) schedule a Bilateral Transaction; (ii) Bid Energy in each hour of the Day-Ahead Market in accordance with the applicable provisions of Section 5.12.1 of this Tariff; or (iii) notify the ISO of any outages.

Installed Capacity Suppliers with Energy Duration Limitations corresponding to a Duration Adjustment Factor, as described in Section 5.12.14 below, must on a daily basis during the Peak Load Window and for the number of consecutive hours that correspond to its Energy Duration Limitation, or for the entirety of the Peak Load Window for an Energy Storage Resource : (i) schedule a Bilateral Transaction; (ii) Bid Energy in the Day-Ahead Market in accordance with the applicable provisions of Section 5.12.1 of this Tariff; or (iii) notify the ISO of any outages. The ISO may adjust the Peak Load Window that Installed Capacity Suppliers with Energy Duration Limitations will be responsible for scheduling, bidding, or notifying for, with scheduling or bidding in hours outside the Peak Load Window in Section 5.12.14. An RMR Generator can only schedule a Bilateral Transaction to the extent expressly authorized in its RMR Agreement.

The total amount of Energy that an Installed Capacity Supplier schedules, bids, or declares to be unavailable on a given day must equal or exceed the Installed Capacity Equivalent of the Unforced Capacity it supplies.

For Energy Storage Resources without an Energy Duration Limitation, the total amount of Energy that is scheduled, Bid, or declared to be unavailable shall also include the maximum of the Energy Storage Resource's (i) negative Installed Capacity Equivalent, or (ii) Lower Operating Limit, such that amount scheduled, Bid, or declared to be unavailable reflects the entire withdrawal to injection operating range. Energy Storage Resources with an Energy Duration Limitation must, on a daily basis, and for each hour outside of the Peak Load Window: (i) Bid in the Day-Ahead Market in accordance with the applicable provisions of Section 5.12.1 of this Tariff; or (ii) notify the ISO of any outages, the maximum of the Energy Storage Resource's (a) negative Installed Capacity Equivalent, or (b) Lower Operating Limit. The amount scheduled, Bid, and/or declared to be unavailable must reflect the Energy Storage Resource's entire withdrawal operating range.

#### **5.12.7.1 Co-located Storage Resource Availability Requirements**

In addition to independently satisfying the requirements of Section 5.12.7 for each Generator that participates in a Co-located Storage Resource, each Installed Capacity Supplier must, on a daily basis, and for each hour of the Day-Ahead Market Day: (i) provide a CSR injection Scheduling Limit; and (ii) notify the ISO of any derate or outage to the interconnection facilities comprising the point of interconnection. The sum of the CSR injection Scheduling Limit and the derate or outage must equal or exceed the sum of the Installed Capacity Equivalent of the Unforced Capacity supplied by the Intermittent Power Resource, Limited Control Run-of-River Hydro Resource or Generator and the applicable Section 5.12.7 hourly Bid, Schedule, or Notify obligation of the Energy Storage Resource. Each Installed Capacity Supplier must also on a daily basis, and for each hour of the Day-Ahead Market Day: (i) provide a CSR withdrawal Scheduling Limit; and (ii) notify the ISO of any derate or outage to the interconnection facilities



comprising the point of interconnection. The sum of the CSR withdrawal Scheduling Limit and the derate or outage must equal or exceed the Energy Storage Resource's applicable 5.12.7 hourly Bid, Schedule, or Notify obligation.

#### **5.12.7.2 Hybrid Storage Resource Availability Requirements**

The total amount of Energy that a Hybrid Storage Resource schedules, bids, or declares to be unavailable on a given day must equal or exceed the Installed Capacity Equivalent of the Unforced Capacity that its Energy Storage Resource supplies. A Hybrid Storage Resources must satisfy the Availability Requirements for its Energy Storage Resource, in accordance with Section 5.12.7. Intermittent Power Resources and Limited Control Run-of-River Hydro Resources that participate as part of a Hybrid Storage Resources are not required to .

#### **5.12.12.2 Sanctions for Failing to Comply with Scheduling, Bidding, and Notification Requirements**

On any day in which an Installed Capacity Supplier fails to comply with the scheduling, bidding, or notification requirements of Sections 5.12.1.6 or 5.12.1.10, or with Section 5.12.7 of this Tariff, or in which a Supplier of Installed Capacity from External System Resources or Control Area System Resources located in an External Control Area that has agreed not to Curtail the Energy associated with such Installed Capacity, or to afford it the same Curtailment priority that it affords its own Control Area Load, fails to comply with scheduling, bidding, or notification requirements for certification as an Installed Capacity Supplier established in the ISO Procedures, the ISO may impose a financial sanction up to the product of a deficiency charge (pro-rated on a daily basis for Installed Capacity Suppliers) and the maximum number of MWs that the Installed Capacity Supplier failed to schedule or Bid in any hour in that day provided, however, that no financial sanction shall apply to any Installed Capacity Supplier who

demonstrates that the Energy it schedules, bids, or declares to be unavailable on any day is not less than the Installed Capacity that it supplies for that day rounded down to the nearest 0.1 MW, or rounded down to the nearest whole MW for an External Installed Capacity Supplier. For Installed Capacity Suppliers that have an Energy Duration Limitation, the deficiency charge will be pro-rated on a daily basis only taking into account hours during the Peak Load Window corresponding with the Resource's Energy Duration Limitation obligation, excluding Energy Storage Resources which will be evaluated over all hours during the Peak Load Window, and the maximum number of MWs that the Installed Capacity Supplier with an Energy Duration Limitation failed to schedule or Bid in any hour in the Peak Load Window of that day provided, however, that no financial sanction shall apply to any Installed Capacity Supplier that demonstrates that the Energy it schedules, bids, or declares to be unavailable on any day is not less than the Installed Capacity that it supplies for that day rounded down to the nearest 0.1 MW. The deficiency charge may be up to one and one-half times the applicable Market-Clearing Price of Unforced Capacity determined in the ICAP Spot Market Auction corresponding to where the Installed Capacity Supplier's capacity cleared, and for each month in which the Installed Capacity Supplier is determined not to have complied with the foregoing requirements.

In addition to the financial sanctions described above, the Installed Capacity Supplier offering a Generator that participates as a Co-located Storage Resource may also be subject to a financial sanction for failing to comply with the requirements of Services Tariff Section 5.12.7.1. When such Installed Capacity Supplier fails to comply with Services Tariff Section 5.12.7.1, the ISO may impose a financial sanction up to the product of a deficiency charge and the difference between Installed Capacity Equivalent of the Unforced Capacity of the Generator and the CSR Scheduling Limit. If an Installed Capacity Supplier is subject to financial sanctions for its failure

to comply with Services Tariff Section 5.12.7.1, it is also subject to a penalty under this Section for failing to comply with the scheduling, bidding, or notification requirements of Sections 5.12.1.6 or 5.12.1.10, or with Section 5.12.7 of this Tariff for the same Day-Ahead Market hour, the NYISO shall assess only the greater of the two sanctions for that hour.

An Installed Capacity Supplier offering an Energy Storage Resource as part of a HSR may also be subject to financial sanction for failure to comply with Services Tariff Section 5.12.7.2.

In addition, if any Installed Capacity Supplier fails to comply with the scheduling, bidding, or notification requirements of Sections 5.12.1.6 or 5.12.1.10, or with Section 5.12.7 of this Tariff, or if an Installed Capacity Supplier of Unforced Capacity from an External Control Area fails to comply with the scheduling, bidding, or notification requirements for certification as an Installed Capacity Supplier established in the ISO Procedures, during an hour in which the ISO curtails Exports associated with NYCA Installed Capacity Suppliers consistent with Section 5.12.10 of this Tariff and with ISO Procedures, then the ISO may impose an additional financial sanction equal to the product of the number of MWs the Installed Capacity Supplier failed to schedule during that hour and the corresponding Real-Time LBMP at the applicable Proxy Generator Bus.

To the extent an Installed Capacity Supplier of Unforced Capacity from an External Control Area or an External Generator associated with an Unforced Capacity sale using UDRs or EDRs fails to comply with Section 5.12.1.10 of this Tariff, the Installed Capacity Supplier or External Generator associated with an Unforced Capacity sale using UDRs or EDRs shall be subject to a deficiency charge calculated in accordance with the formula set forth below for each Obligation Procurement Period:

$$Deficiency\ charge = 1.5 * PRICE * \left( \frac{1000kW}{1MW} \right) * \left( \frac{\sum_{n=1}^N (\max ( ICAP_n^{MWh} - SRE_n^{MWh}, 0))}{N} \right)$$

Where:

N = total number of hours of SRE calls during the relevant Obligation Procurement Period

PRICE = ICAP Spot Market Auction clearing price for the relevant Obligation Procurement Period

$ICAP_n^{MWh}$  = for each hour  $n$  of SRE calls during the relevant Obligation Procurement Period, the ICAP equivalent of the UCAP sold from the External Installed Capacity Supplier that is a Generator, or the External Generator associated with an Unforced Capacity sale using UDRs or EDRs, or the Control Area System Resource in MWh, minus (x) any MWh that are unavailable due to an outage as defined in the ISO Procedures, or due to due to physical operating limitations affecting the External Installed Capacity Supplier that is a Generator, or the External Generator associated with an Unforced Capacity sale using UDRs or EDRs, or due to other operational issues that the ISO determines to be outside the Installed Capacity Supplier's control, and (y) any MWh that were Bid as Imports to the NYCA at the appropriate Proxy Generator Bus at a price that was designed to ensure the Import was scheduled to the greatest extent possible, but that were not scheduled by the ISO

$SRE_n^{MWh}$  = MWh provided to the NYCA at the appropriate Proxy Generator Bus from the External Installed Capacity Supplier that is a Generator, or the External Generator associated with an Unforced Capacity sale using UDRs or EDRs, or

the Control Area System Resource, during each hour  $n$  of SRE calls during the relevant Obligation Procurement Period.

If an Installed Capacity Supplier's failure to fully comply with this Tariff would, in addition to being assessed a deficiency charge calculated in accordance with the formula set forth above, also permit the ISO to impose a different deficiency charge or a financial sanction under this Section 5.12.12.2, or to impose a deficiency charge for a shortfall under Section 5.14.2.2 of this Tariff, then the ISO shall only impose the penalty for failure to comply with Section 5.12.1.10 of this Tariff on the Installed Capacity Supplier for the hour(s) in which the Installed Capacity Supplier failed to meet its obligations under Section 5.12.1.10 of this Tariff.

If the Installed Capacity Supplier is a Responsible Interface Party that enrolled a SCR with an Incremental ACL in accordance with this Services Tariff, and also reported an increase to the Installed Capacity the SCR has eligible to sell after the first performance test in the Capability Period, the ISO may impose an additional financial sanction due to the failure of the RIP to report the required performance of the SCR against the Net ACL value in the second performance test in the Capability Period. This sanction shall be the value of the reported increase in the eligible Installed Capacity associated with the SCR that was sold by the RIP in each month of the Capability Period, during which the reported increase was in effect, multiplied by up to one and one-half times the applicable Market-Clearing Price of Unforced Capacity determined in the ICAP Spot Market Auction for each such month.

If the Installed Capacity Supplier is a Responsible Interface Party, and the Average Coincident Load of the Special Case Resource has been decreased after the first performance test in the Capability Period, due to a SCR Change of Status in accordance with this Services Tariff and ISO Procedures, the ISO may impose an additional financial sanction resulting from the

failure of the RIP to report the required performance of the SCR against the Net ACL value of the SCR when the SCR was required to perform in the second performance test in the Capability Period in accordance with Section 5.12.11.1.3.2 of this Services Tariff. This sanction shall be the value of the Unforced Capacity equivalent of the SCR Change of Status MW reported for the SCR during the months for which the SCR was enrolled with a SCR Change of Status and was required to demonstrate in the second performance test as specified in Section 5.12.11.1.3.2 of this Services Tariff, multiplied by up to one and one-half times the applicable Market-Clearing Price of Unforced Capacity determined in the ICAP Spot Market Auction for each such month.

If a RIP fails to provide the information required by Section 5.12.11.1.3 of this Services Tariff in accordance with the ISO Procedures for reporting a Qualified Change of Status Condition, and the ISO determines that a SCR Change of Status occurred within a Capability Period, the ISO may impose a financial sanction equal to the difference, if positive, between the enrolled ACL and the maximum one hour metered Load for the month multiplied by up to one-half times the applicable Market-Clearing Price of Unforced Capacity determined in the ICAP Spot Market Auction for each month the Installed Capacity Supplier is deemed to have a shortfall in addition to the corresponding shortfall penalty as provided in Section 5.14.2.

For each month in which a RIP fails to report required verification data and the applicable ACL value is set to zero in accordance with Section 5.12.11 of this Services Tariff, the ISO shall have the right to recover any energy payments made to the RIP for performance of the SCR by reducing other payments or other lawful means.