



# Capacity Performance Credit Impacts

Credit Subcommittee  
July 7, 2015

- There is NO change to the Credit Requirement for Existing Resources, they will continue to have no credit requirement.
- There is NO change to the Credit Requirements for Non-Capacity Performance Resources.
- Planned Capacity Performance (CP) Resources have updated Credit Requirements and a new type has been created called "Planned Financed Resources"
- Additional Milestones for reduced credit requirements for Planned CP Resources added

- Prior to the Base Residual Auction the credit requirement for all Planned CP Resources shall be the greater of:
  - 50% of net Cost of New Entry (CONE) by Locational Delivery Area (LDA)
    - RTO net CONE will be used by all external resources or those resources not in a modeled LDA
  - \$20/MW-day

- After the Base Residual Auction the credit requirement for all Planned CP Resources shall be the greater of:
  - 20% of the clearing price by Locational Delivery Area (LDA)
    - RTO clearing price will be used by all external resources or those resources not in a modeled LDA
  - \$20/MW-day
  - The lesser of:
    - 50% of net CONE by LDA
    - 150% of net CONE minus the BRA clearing price (on an installed MW basis, by LDA)

- “Planned Financed Generation Capacity Resource” shall mean a Planned Generation Capacity Resource that has executed an Interconnection Service Agreement and has completed the Financial Close milestone prior to the 2015 Base Residual Auction (“2015 BRA”).
- All appropriate milestones will be supported by a sworn, notarized certification of a duly authorized independent engineer.
- External Planned Resources must have the amount of the credit reduction subtracted from 100% of firm transmission service
  - e.g. to go to 25% of the credit requirement, 75% of the firm transmission service must be procured

Credit Reductions (%) for Planned Generation Capacity Resources and Planned External Generation Capacity Resources	
Credit Milestones Certified by an Independent Engineer (where applicable)	Incremental Credit Reduction from Initial Credit Requirements
Effective date of ISA for Planned Generation Capacity Resources or agreement equivalent to ISA for Planned External Generation Capacity Resources	50%
Financial Close	15%
Full Notice to Proceed and Commencement of construction (e.g. footers or foundation poured)	5%
Main power generating equipment delivered	5%
Commencement of Interconnection Service	25%

## Credit Reductions (%) for Planned Financed Generation Capacity Resources and Planned Financed External Generation Capacity Resources

Credit Milestones Certified by an Independent Engineer (where applicable)	Incremental Credit Reduction from Initial Credit Requirements
Full Notice to Proceed	50%
Commencement of construction (e.g. footers or foundation poured)	15%
Main power generating equipment delivered	10%
Commencement of Interconnection Service	25%