

Attributes for Comparing New Generator Connection Policy Options

Developed Between Stakeholders and ISO Staff

- **Locational price/cost signals** Ensure that policy allows generators to pay and receive costs that accurately reflect market conditions at their location.
- **Avoid disincentives to developing new generation** Provide ex-ante price certainty, avoid barriers to market entry and consider the scope of risk and certainty of financial hedges.
- **Avoid exercise of market power** Minimize opportunities for any generator to unfairly exercise market power or implement gaming strategies.
- **Send signals that encourage efficient use and expansion of the transmission grid.**
- **Rely on competitive markets** Provide choices to the marketplace.
- **Encourage consistency with and improvement to the ISO Market Design**
- **Equity / treatment of existing and new/future generators / vintaging / grandfathering** Is it acceptable to place requirements on new/future generators that are not placed on existing generators?
- **Cost causation** Appropriately assign market costs to factors that cause them.
- **Credit for System Benefits** Compensate generators fairly for using generation to solve transmission problems and for locational (siting) benefits.
- **Ease of implementation/administration** If there is a difference in implementing and/or administering one option relative to the other, is the difference worth the difference in effect?