

40.9.2 Exemptions

The following exemptions apply to the CAISO's Availability Standards program of this Section 40.9:

- (1) Resources with a Pmax less than one (1.0) MW will not be used to determine Availability Standards, will not be subject to Non-Availability Charges or Availability Incentive Payments, and will not be subject to the additional Outage reporting requirements of this Section 40.9.
- (2) Capacity under a resource specific power supply contract that existed prior to June 28, 2009 and Resource Adequacy Capacity that was procured under a contract that was either executed or submitted to the applicable Local Regulatory Authority for approval prior to June 28, 2009, and is associated with specific Generating Units or System Resources, will not be subject to Non-Availability Charges or Availability Incentive Payments. Such contracted Resource Adequacy Capacity, except for non Resource-Specific System Resources, will be included in the development of Availability Standards and will be subject to any Outage reporting requirements necessary for this purpose. The exemption will apply only for the initial term of the contract and to the MW capacity quantity and Resource Adequacy Resources specified in the contract prior to June 28, 2009. The exemption shall terminate upon the conclusion of the initial contract term. Exempt contracts may be [amended](#), re-assigned or undergo novation on or after June 28, 2009, but the exemption shall not apply for any extended contract term, increased capacity quantity or additional resource(s) beyond those specified in the contract prior to June 28, 2009. Scheduling Coordinators for Resource Adequacy Resources subject to these contracts will be required to certify the start date of the contract, the expiration date, the Resource ID(s), and the amount of Resource Adequacy Capacity associated with each Resource ID included in the contract. For Resource Adequacy Resources whose Qualifying Capacity value is determined by historical output, the capacity under a resource

specific power supply contract or Resource Adequacy Capacity that was procured under a contract that was either executed or submitted to the applicable Local Regulatory Authority for approval that meets the requirements in this subsection (2) will not be subject to Non-Availability Charges or Availability Incentive Payments, except that the deadline date for either type of contract shall be August 22, 2010 instead of June 28, 2009. [Such contract may be amended on or after August 22, 2010, but the exemption shall not apply to any extended contract term or increased capacity quantity beyond those specified in the contract prior to August 22, 2010. Further, Scheduling Coordinators shall be exempt from Outage reporting requirements for Resource Adequacy Resources under contracts not subject to Non-Availability Charges or Availability Incentive Payments in accordance with this paragraph unless Outage reporting data is provided for in the contract.](#)

- (3) For a contract entered into prior to June 28, 2009 that provides for the amount of Resource Adequacy Capacity to increase during the original term of the contract, based on a ratio of the Resource Adequacy Resource's output or due to an addition of capacity, the exemption provided in subsection (2) of this Section 40.9.2 will apply to the additional capacity allowed under the contract; provided that the capacity increase (i) is expressly contained in the provisions of the contract, (ii) occurs during the primary term of the contract; and (iii) does not result from contract extensions or other amendments to the original terms and conditions of the contract. Scheduling Coordinators for Resource Adequacy Resources subject to contracts that provide for such capacity increases or additions must include in their certification, in addition to the requirements of subsection (2) of this Section 40.9.2, (i) the citation to any contract provisions that might entitle them to increased exempt Resource Adequacy Capacity from the contracted resources during the primary term of the contract; (ii) the amount of additional capacity to which they might be entitled; and (iii) the actual effective

date of the capacity increase. If the actual amount of capacity and/or the actual effective date of the capacity increase is not known at the time of the initial certification, the Scheduling Coordinator shall provide a supplemental certification(s) when this information becomes known. For Resource Adequacy Resources whose Qualifying Capacity value is determined by historical output the exemption provided in subsection (2) of this Section 40.9.2 will apply to an increase in the capacity under a resource specific power supply contract or Resource Adequacy Capacity that was procured under a contract that was either executed or submitted to the applicable Local Regulatory Authority for approval that meets the requirements in this subsection (3), except that the deadline date for either type of contract to be exempt shall be August 22, 2010 instead of June 28, 2009.

- (4) Demand response resources will not be used to determine Availability Standards, will not be subject to Non-Availability Charges or Availability Incentive Payments, and will not be subject to the additional Outage reporting requirements of this Section 40.9.
- (5) Resource Adequacy Capacity provided through contracts for Energy from non-specified resources delivered within the CAISO Balancing Authority Area will not be used to determine Availability Standards, will not be subject to Non-Availability Charges or Availability Incentive Payments, and will not be subject to the additional Outage reporting requirements of this Section 40.9; and
- (6) Resource Adequacy Resources of a Modified Reserve Sharing LSE or a Load following MSS will be used to determine the Availability Standards and will be subject to any Outage reporting requirements necessary for this purpose. Non-Local Capacity Area Resource Adequacy Resources of a Modified Reserve Sharing LSE or a Load following MSS will not be subject to Non-Availability Charges or Availability Incentive Payments, but those entities shall remain

responsible for any other applicable deficiency payments under this CAISO Tariff or the applicable MSS Agreement.

~~(7) Scheduling Coordinators for Qualifying Facilities that are Resource Adequacy Resources shall be exempt from the Outage reporting requirements of Section 40.9 if the resource (i) is not subject to the Outage reporting requirements of Section 9.3.10, and (ii) provides Resource Adequacy Capacity under an existing agreement for Regulatory Must-Take Generation that is exempt from the application of Non-Availability Charges and Availability Incentive Payments pursuant to Section 40.9.2(2) or 40.9.2(3). This exemption from the Outage reporting requirements of Section 40.9 shall end for each resource when its contract terminates or it is no longer eligible for exemption under Section 40.9.2(2) or 40.9.2(3), whichever is earlier.~~

~~(8) Scheduling Coordinators for Qualifying Facilities that are Resource Adequacy Resources shall be exempt from the Outage reporting requirements of Section 40.9, and will not be subject to Non-Availability Charges or Availability Incentive Payments, if the resource (i) is not subject to the Outage reporting requirements of Section 9.3.10, and (ii) provides Resource Adequacy Capacity pursuant to an existing agreement for Regulatory Must-Take Generation that was executed prior to the August 22, 2010 deadline for exemption under Section 40.9.2(2), and remains in effect pursuant to California Public Utilities Commission Decision 07-09-040 that extended the term of expiring contracts until _____, This exemption from the Outage reporting requirements of Section 40.9 shall end for each resource when its contract terminates.~~

Exclusions from the Availability Standards and Outage reporting requirements established in this Section 40.9 are for this Section 40.9 alone and do not affect any other obligation unrelated to Availability Standards and Outage reporting arising under the CAISO Tariff.