

## Comparison of LT-CRR Design Alternatives

	<b>11/29 “Alternative 1”</b>	<b>11/29 “Alternative 2”</b>	<b>11/7 White Paper</b>
<b>KEY PROCESS</b>			
<b>MRTU start-up date</b>	Not affected	Modest delay required	Not affected
<b>LT-CRR in Release 1</b>	No	Near end-state version	Simplified version
<b>LT-CRR in CRR Year 2 (2009)</b>	End-state version	End-state version	End-state version
<b>Conclude design process by</b>	Date TBD (to be determined) beyond 1/07	1/07	1/07 for simplified version Later date TBD for end-state version
<b>1/07 Compliance filing includes</b>	Conceptual design + schedule for complete proposal + tariff for end-state version	Complete proposal + tariff for end-state version	Complete proposal + tariff for simplified version Conceptual design + schedule for complete proposal + tariff for end-state version
<b>Key Features</b>			
<b>Allocation of LT-CRR to LSEs</b>	Not until CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT) for Seasonal CRR)	Year 1	Year 1 utilizes “enhanced” release process and PNT for Seasonal CRR
<b>Auction of LT-CRR for any creditworthy party</b>	Not until CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT))	Year 1	Not until CRR Year 2

	for Seasonal CRR)		
<b>A “Tier Zero” dedicated to release of LT-CRR</b>	Not until CRR Year 2	Year 1	Not until CRR Year 2
<b>LT-CRR Instrument</b>	Not until CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT) for Seasonal CRR)	A sequence of 10 one-year obligations	<b>Option A:</b> guaranteed renewal of a portion of allocated seasonal CRR <b>Option B:</b> 10-year obligation
<b>Time differentiation of the LT-CRR (On peak and off-peak)</b>	Not until CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT) for Seasonal CRR)	Yes	Yes
<b>Maximum amount of Grid Capacity available or LT-CRR</b>	TBD for CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT) for Seasonal CRR)	TBD; may reduce the upper bound annually to allow for staggered release of LT-CRRs	TBD percentage of the annual CRRs awarded
<b>Maximum amount of LSEs’ allocation of LT-CRR</b>	TBD for CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT) for Seasonal CRR)	TBD percentage of each LSE’s annual eligible quantity	<b>Option A:</b> Up to 50% of the PNT eligibility for each LSE. <b>Option B:</b> TBD percentage of the seasonal CRRs awarded to each LSE
<b>LT-CRR allocation to out-of-control-area LSEs</b>	TBD beginning in CRR Year 2 (Year 1 relies on currently filed Priority Nomination Tier (PNT) for Seasonal CRR)	TBD	TBD
<b>Full Funding of LT-CRRs</b>	Yes beginning in CRR Year 2	Yes	Yes
<b>LT-CRR priority for long term supply arrangements</b>	TBD beginning in CRR Year 2	TBD	Limited priority under <b>Option A</b>