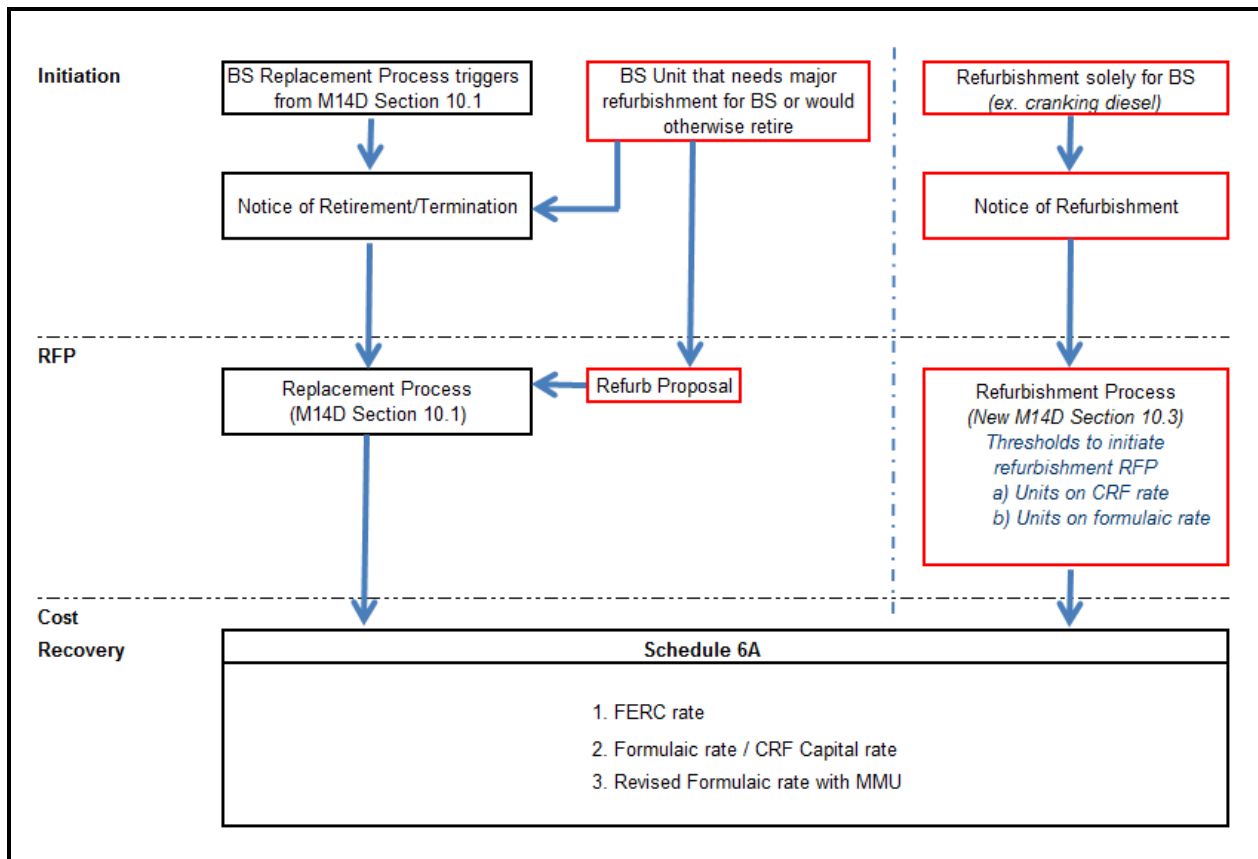


Black Start Refurbishment Process Summary



Notes for clarification and further discussion (to be covered in new Manual M14D Section 10.3 language):

1. Black Start unit that needs major repair or would otherwise retire needs to submit notice of retirement to trigger Black Start Replacement Process, and then submit refurbishment proposal as a bid in replacement process.
2. Thresholds for Refurbishment Process:
 - a. For units on CRF rate: link threshold to remaining % of CRF payout - if refurbishment proposal is greater than the remaining CRF payments then an RFP is required. As the unit gets closer to the end of commitment the threshold reduces and the likelihood for an RFP will increase.
 - b. For units on formulaic rate: link threshold to a percentage (10%) above current revenue requirement (ie. if refurbishment cost proposal is 110% of current revenue requirement then RFP is required).
3. Provisions for extended service payment for units that are not selected in Replacement Process or Refurbishment Process RFP, are needed to provide black start service temporarily, and require additional capital investment -- extend existing black start payments and include RMR type language to address additional capital costs.
4. Cost recovery -- for units that submit refurbishment proposal and are selected through either Replacement or Refurbishment process, the unit owner will be paid during the capital recovery period the greater of black start revenues (per Schedule 6A) or any cleared RPM auction revenues.