

# TRANSMISSION SERVICES MANUAL

## Transmission Services Manual

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## Revision History Page

Revision	Date	Changes
2.0	1/20/05	<p><b>Summary of Changes</b></p> <p><b>All Sections</b>  Document Format Change  Replaced all instances of ISO with NYISO w/exception to the Forms in the Appendices  Replaced all instances of Exhibits w/Figures and Tables, respectively.  Updated acronym usage.  Spelling, grammar, and syntax changes.  Changed all instances of OH (Ontario Hydro) to Ontario</p> <p>Changed all instances of SCD to RTD all instances of BME to RTC, and all instances of Hour-Ahead Market to RTS or Real-Time.</p> <p><b>Tech Bulletins Merged:</b></p> <ul style="list-style-type: none"> <li>○ 20, Incremental Bids for Import and Wheel-Through Transactions, (Create new Sec 7.1.9)</li> <li>○ 21, Grandfathered Transmission Rights Transactions in the MIS, (Create new Sec 6.3.4)</li> <li>○ 27, NERC Electronic Tagging under NYISO Operation, (Add to Section 7.3)</li> <li>○ 38, Transmission Service Charge Development &amp; Updating, (Add to Sec 4.2.4)</li> <li>○ 39, Using Distribution Factor Tables to Estimate Transmission Charges, (Add to Sec 4.2.4)</li> <li>○ 57, Unbundling Transmission Congestion Contracts, (Create new Section 5.2.8)</li> <li>○ 66, Calculation and posting of ATC and TTC, as applied to the New York Control Area (NYCA) (Merged w/ Sections 7.4.1, 7.4.2, 7.4.3, &amp; 7.4.4)</li> <li>○ 84, Discounting of on &amp; off-peak external Transmission Service Charge (TSC) rates</li> <li>○ 89, Prescheduling of transactions for external LBMP or bilateral wheel- throughs. (Create new Sec 7.1.10)</li> <li>○ 90, Submitting and managing preschedule requests (Merged into MPUG)</li> </ul> <p><b>By Section and Attachment</b></p> <p>1 Overview- No Changes</p> <p>2. Types of Transmission Service Corrections/revision to Tariff references Minor editorial changes.</p> <p>2.1 Corrected Transmission Services Charges to read "Transmission Congestion Contracts."</p> <p>3. Eligibility and Communications Requirements Corrections/revision to Tariff references Minor editorial changes.</p> <p>3.1.1 Added provision paragraph- "If the Transmission Customer does not own, control or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers (or other representatives) that the purpose of its Application is not to assist an Eligible Customer to avoid reciprocity requirements.</p> <p>4. Transmission Service Rates and Charges Corrections/revision to Tariff references Minor editorial changes. Modified and/or deleted language relative to TSC and NTAC exports to NE to coincide with the elimination of rate pancaking.</p> <p>4.1.10 Removed entire part of the section beginning with "Example Calculations Using Summary Tables."</p> <p>4.2.1 Replaced second bullet in The Wholesale TSC does not apply to with "Wholesale TSC does not apply to "a Transmission Owner's use of its own system to provide bundled retail service, even if the TO receives delivery of energy and capacity from another TO, to its Native Load Customers pursuant to a retail service tariff on file with the New York State (NYS) Public Service Commission (PSC)."</p> <p>4.2.2 Added to first paragraph: "TO and NYISO, respectively."</p> <p>4.3. Deleted from second sentence of first paragraph: "until after the LBMP Transition Period ends" and replaced with "through the LBMP Transition Period."</p>

		<ul style="list-style-type: none"> <li>▪ Tech Bulletins Merged: <ul style="list-style-type: none"> <li>○ 38, Transmission Service Charge Development &amp; Updating, (Add to Sec 4.2.4)</li> <li>○ 39, Using Distribution Factor Tables to Estimate Transmission Charges, (Add to Sec 4.2.4) 84, Discounting of on &amp; off-peak external Transmission Service Charge (TSC) rates</li> </ul> </li> <li>5. New language added to 5.0. <ul style="list-style-type: none"> <li>Deletion of sections 5.1 through 5.4.5.</li> </ul> </li> <li>▪ Tech Bulletins Merged: <ul style="list-style-type: none"> <li>○ 57, Unbundling Transmission Congestion Contracts, (Create new Section 5.2.8)</li> </ul> </li> <li>*Replaced sections related to auction revenue allocation to reflect recent FERC approval of congestion rent shortfall allocation process</li> <li>6. Existing Agreements Corrections/revision to Tariff references Minor editorial changes <ul style="list-style-type: none"> <li>▪ Tech Bulletins Merged: <ul style="list-style-type: none"> <li>○ 21, Grandfathered Transmission Rights Transactions in the MIS, (Create new Sec 6.3.4)</li> </ul> </li> </ul> </li> <li>7. Transmission Transactions <ul style="list-style-type: none"> <li>7.1.8 Deleted references to decremental bids for customers using internal generators.</li> <li>7.1.9 Deleted first sentence of first paragraph: “Decremental Bids for import transactions and Decremental Bids for wheel-through transactions are evaluated differently than internal or export transactions.” Deleted last sentence of first paragraph” “The Decremental Bid is a determining factor of whether or not import and wheel-through transactions get are scheduled. Decremental bids are not used to determine the schedules associated with internal or export transactions.” Under the header “Examples: Wheel-through transactions: Deleted last sentence of first paragraph: “, since the concept of replacement energy for the reduction in one end of a wheel-through transaction does not exist.””</li> <li>7.2.1 Deleted last paragraph in Section 7.2.1 “The Purchasing Selling Entity (PSE) must be a NYISO customer and is the party responsible for submitting the anticipated transaction schedule into the ETAG system” and replaced with “The Purchasing Selling Entity (PSE) that is a NYISO customer is responsible for submitting the anticipated transaction schedule into the ETAG system.”</li> <li>7.3.4 Deleted last sentence from third Para: “Transmission Reliability Margin (TRM)” and replaced with “operating margin.” Deleted end of last sentence from fourth paragraph: “taking into account TRM but not CBM.”</li> </ul> </li> <li>▪ Corrections/revision to Tariff references</li> <li>▪ Minor editorial changes</li> <li>▪ Tech Bulletins Merged: <ul style="list-style-type: none"> <li>○ 20, Decremental Bids for Import and Wheel-Through Transactions, (Create new Sec 7.1.9)</li> <li>○ 27, NERC Electronic Tagging under NYISO Operation, (Add to Section 7.3)</li> <li>○ 66, Calculation and posting of ATC and TTC, as applied to the New York Control Area (NYCA) (Merged w/ Sections 7.4.1, 7.4.2, 7.4.3, &amp; 7.4.4)</li> <li>○ 89, Prescheduling of transactions for external LBMP or bilateral wheel throughs. (Create new Sec 7.1.10)</li> <li>○ 90, Submitting and managing preschedule requests (Merged into MPUG)</li> </ul> </li> <li>Appendix A: Sub-Zone Boundary Definitions-Move to standalone document (<a href="http://www.nyiso.com/services/documents/manuals/additional_doc_manuals.html">http://www.nyiso.com/services/documents/manuals/additional_doc_manuals.html</a>)</li> <li>Appendix B: Service Agreements for Transmission Service-Changed to Appendix A (<a href="http://www.nyiso.com/services/documents/manuals/additional_doc_manuals.html">http://www.nyiso.com/services/documents/manuals/additional_doc_manuals.html</a>).</li> <li>Appendix C: Wholesale TSC Information-Changed to Appendix B.</li> <li>Appendix D: Deleted.</li> <li>Appendix E: Deleted.</li> </ul>
<b>1.0</b>	<b>9/2/99</b>	<b>Initial Release</b>

# 1. Overview

## References

- New York Independent System Operator/Transmission Owner (NYISO/ TO) AGREEMENT- Appendices A-1 and A-2

This section describes the New York State (NYS) Transmission System and the facilities under NYISO jurisdiction.

### 1.1. New York State Transmission System

The NYS Transmission System serves 48,000 square miles of NYS. The backbone of the system operates at 345 kV. The NYS Transmission System includes:

- Transmission Facilities Under NYISO Operational Control
- Transmission Facilities Requiring NYISO Notification
- All remaining transmission facilities within the New York Control Area (New York Control Area).

Figure 1.1-1 shows the 765, 345, and 230 kV backbone of the NYS Transmission System and its interfaces to neighboring power systems.

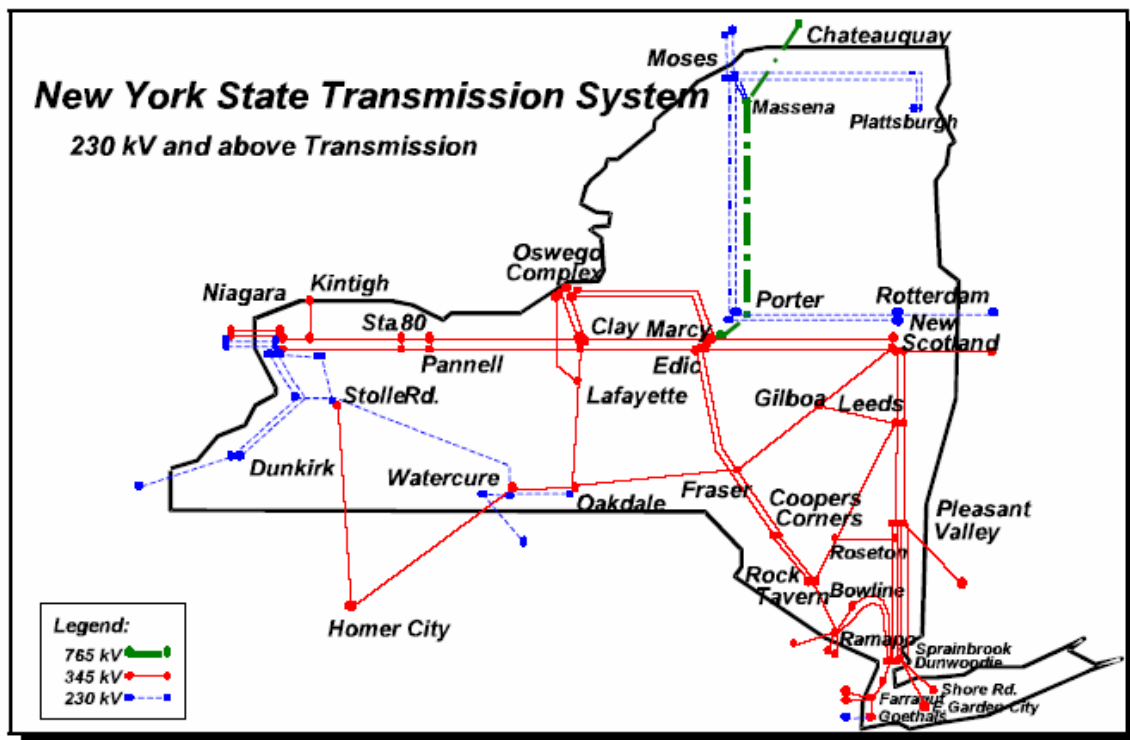
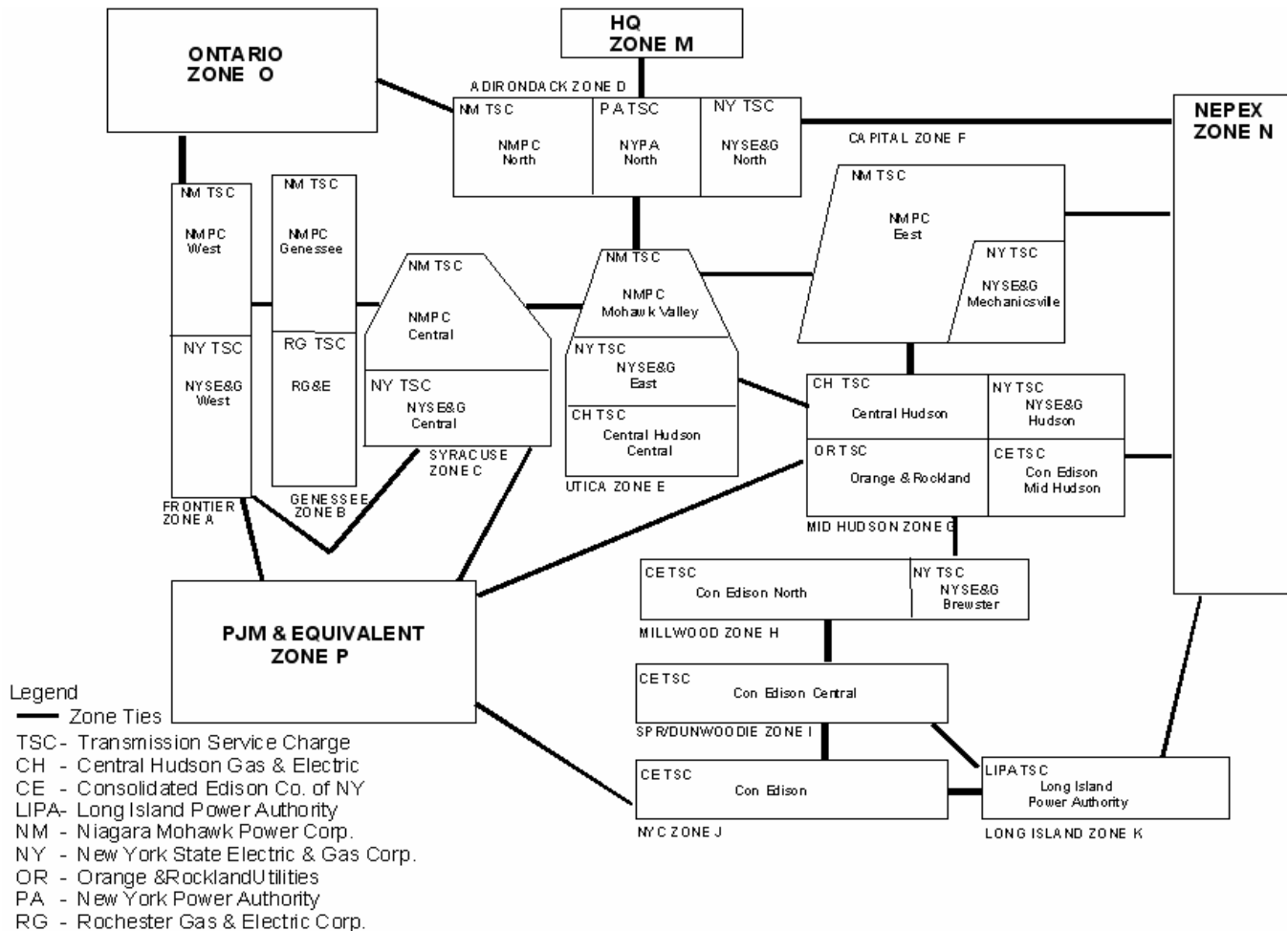


Figure 1.1-1: NYS Transmission System - Backbone

It is important to emphasize that service on all transmission facilities in the State of New York will be made available through the NYISO, regardless of whether the facilities are under NYISO Operational Control or require notification of the NYISO. Under the NYISO Tariff, non-discriminatory access will be provided to all transmission facilities. If a Market Participant believes that non-discriminatory access is not being provided to a facility, it can pursue relief through the NYISO, the market monitoring function, or directly at the Federal Energy Regulatory Commission (FERC).



**Figure 1.1-2: Transmission Service Areas**

### 1.1.1. Transmission Service Areas

Twenty-three (23) transmission service areas (sub-zones) contained within eleven (11) zones internal to the NYCA, and four (4) zones external to the NYCA are used for accounting purposes under Locational Based Marginal Pricing (LBMP). The diagram in Figure 1.1-2 shows the internal sub-zones and their aggregation into zones A through K from western New York to eastern and southeastern New York. The four external zones are labeled M

through P. The bold solid lines, connecting the zones may represent multiple transmission facilities.

The zonal boundaries are drawn along transmission system interfaces that typically have power transfer limits. The boundaries (interfaces) with limits may have congestion. The zonal boundaries also run along borders of TOs' interconnections. Sub-zone boundaries are drawn along transmission owners' borders within a zone. Each sub-zone is wholly contained within a zone.

The [Sub-Zone Boundaries table](#) provides a list of the transmission facilities on the boundary of each of the internal sub-zones. This figure provides the zone in which each sub-zone is located.

## **1.2.NYISO Operational Control & Notification**

The NYISO will direct the operation of the Transmission Facilities Under NYISO Operational Control to maintain these facilities in a reliable state, as defined by the Reliability Rules. The NYISO does not operate the entire transmission system in the state of New York. In general, the NYISO has operational control over key transmission facilities (defined as “Transmission Facilities under NYISO Operational Control”) and must be notified of any change in status for facilities denoted “Transmission Facilities Requiring NYISO Notification.” For a description of the notification process, refer to the *NYISO Outage Scheduling Manual*. The NYISO shall approve operational decisions concerning these facilities, made by each Transmission Owner before the TO implements those decisions. In accordance with NYISO Procedures, the NYISO shall direct each TO to take certain actions to restore the system to the Normal State. Operational Control includes security-monitoring, adjustment of generation and transmission resources, coordination and approval of changes in transmission status for maintenance, determination of changes in transmission status for reliability, coordination with other Control Areas, voltage reductions, and Load Shedding. Additionally, each TO continues to physically operate and maintain its facilities.

The transmission facilities of the TOs listed in Appendix A-1 of the NYISO/ TO Agreement, “Listing of Transmission Facilities Under NYISO Operational Control,” are subject to the Operational Control of the NYISO. This listing may be amended from time-to-time as specified in the NYISO/TO Agreement.

The transmission facilities of the TOs listed in Appendix A-2 of the NYISO/TO Agreement, “Listing of Transmission Facilities Requiring NYISO Notification,” whose status of operation must be provided to the NYISO by the TOs prior to the TOs making operational changes to the state of these facilities. This listing may be amended from time-to-time as specified in the NYISO/TO Agreement.

## 2. Types of Transmission Service

### References

- [NYISO Open Access Transmission Tariff \(OATT\)](#), Volume 1, Attachments A & B NYISO Open Access Transmission Tariff (OATT), Volume 2, Section II and Section III

This section describes the types of transmission service available through the NYISO OATT. All customers will pay a charge to cover the embedded cost of the transmission system in the state (generally a Transmission Service Charge (TSC), except for customers operating under grandfathered pre-existing wholesale transmission agreements). Customers may pay congestion charges reflecting the marginal economic cost of their specific transaction. Customers scheduling bilateral transactions will pay congestion costs through a Transmission Usage Charge (TUC). Customers buying in the centralized energy market will pay a congestion charge as part of the applicable energy price at their location Locational Based Marginal Pricing (LBMP).

### 2.1. Point-to-Point Transmission Service

The NYISO will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of the NYISO OATT over the transmission facilities of the parties to the NYISO/Transmission Owner (TO) Agreement. Point-To-Point Transmission Service is for the receipt of Capacity and Energy at designated Point(s) of Receipt and the transmission of such Capacity and Energy to designated Point(s) of Delivery.

Firm Point-To-Point Transmission Service is service for which the Transmission Customer has agreed to pay the Congestion Rent associated with its service. Non-Firm Point-To-Point Transmission Service is service for which the Transmission Customer has not agreed to pay Congestion Rent. A Transmission Customer may fix the price of Congestion Rent associated with its Firm Point-To-Point Transmission Service by acquiring sufficient Transmission Congestion Contracts (TCCs) with the same Points of Receipt and Delivery as its Transmission Service.

#### 2.1.1. Firm Point-to-Point Transmission Service

All requests for Firm Point-to-Point Transmission Service will be deemed to have the same reservation priority. Customers that elect to purchase “firm” transmission service for a bilateral transaction commit to pay a TUC that may include congestion charges. Their schedules will not be cut except for system reliability reasons. Firm Point-to-Point Transmission Service will have the same priority as Network Service. All Firm Point-to-Point Transmission Service will have equal priority over Non-Firm Point-to-Point Transmission Service under the OATT.

Schedules for the Transmission Customer’s Firm Point-to-Point Transmission Service in Real-Time, must be submitted to the NYISO no later than seventy-five (75) minutes prior to

the dispatch hour. Schedules submitted later than seventy-five (75) minutes prior to the dispatch hour shall not be accepted in the Real-Time schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 KWh per hour. The NYISO will furnish to the Delivering Party's system operator, if applicable, hour-to-hour schedules equal to those furnished by the Receiving Party and shall deliver the Capacity and Energy provided by such schedules. Should the Transmission Customer, Delivering Party, or Receiving Party revise or terminate any schedule, such party shall notify the NYISO prior to the close of the Real-Time Market, and the NYISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and to be delivered.

The Transmission Customer taking Firm Point-To-Point Transmission Service may change its Receipt and Delivery Points to obtain service on a non-firm basis or request a modification of the Points of Receipt or Delivery on a firm basis. The Transmission Customer may purchase Transmission Service to make sales of Capacity and Energy from multiple generating units that are on the NYS Transmission System. For such a purchase of Transmission Service, the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant, in which case the units would be treated as a single Point of Receipt. The NYISO shall provide firm deliveries of Capacity and Energy from the Point(s) of Receipt to the Point(s) of Delivery. Each Point of Receipt shall be set forth in the Firm Point-To-Point Service schedule submitted by the Transmission Customer.

Transmission Customers taking Firm Point-To-Point service are charged re-dispatch costs in accordance with Attachment J of the NYISO OATT and Attachment B of the NYISO Services Tariff. In the event that a Curtailment on the NYS Transmission System, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the Transaction(s) that effectively relieve the Constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, the NYISO will allocate the Curtailment proportionately among Network Customers and Transmission Customers taking Firm NYISO Point-To-Point Transmission Service. All Curtailments will be made on a non-discriminatory basis; however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service.

### **2.1.2. Non-Firm Point-to-Point Transmission Service**

Non-Firm Point-to-Point Transmission Service shall be available when there is no Congestion between the Point(s) of Receipt and the Point(s) of Delivery for the Transaction. In all instances, Non-Firm Point-to-Point Transmission Service shall have a lower priority than Firm Point-to-Point Transmission Service and Network Service. Non-Firm Point-to-Point Transmission Service shall have an equal priority with Network Service from a secondary resource.

If a non-firm transaction is scheduled and congestion appears later, the transmission service will be reduced or terminated. In that case, the generator's decremental bid will be automatically considered as a bid in the real-time market unless the generator indicates otherwise. If the load is located in state, will be supplied either from the LBMP market or voluntarily curtailed based on a price-sensitive load bid. If the load is located out-of-state, (i.e., if the non-firm transaction is a Wheels-Through or Export transaction) it will be responsible for its own alternative supply arrangements.

A customer requesting non-firm Transmission Service that cannot be accommodated in the Day-Ahead Schedule because of Congestion may upgrade to Firm Point-to-Point Transmission Service up to seventy-five (75) minutes prior to a given hour by rescheduling the Transaction and agreeing to pay the Congestion Rents associated with the Transaction.

Parties requesting Non-Firm Point-To-Point Transmission Service for the transmission of firm power do so with the full realization that such service is subject to availability and to Curtailment or Interruption. The NYISO shall specify the rate treatment and all related terms and conditions applicable in the event that a Transmission Customer (including Third-Party Sales by the TO) exceeds its non-firm capacity reservation. Non-Firm Point-To-Point Transmission Service shall include transmission of Energy and Capacity on an hourly and daily basis under Schedule 8 of the NYISO OATT.

The NYISO reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service for reliability reasons when, an Emergency or other unforeseen condition threatens to impair or degrade the reliability of the NYS Transmission System. The NYISO reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service for economic reasons if the NYS Transmission System experiences Congestion. Where required, Curtailments, or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the Constraint; however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Point-to-Point Transmission Service and Network Integration Transmission Service. The NYISO will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice. The process of Curtailment of Non-Firm Point-To-Point Transmission Service for Imports, Exports, and Wheel-Throughs may cause these non-firm transactions to incur incidental Congestion charges due to inter-Control Area Curtailment procedures.

### **2.1.3. Availability of Service**

The NYISO will provide Firm and Non-Firm Point-To-Point Transmission Service over the transmission facilities of the parties to the NYISO/TO Agreement, to any Transmission Customer that has met the requirements and conditions specified in Section II.16 of the NYISO OATT.

The NYISO shall offer a standard form Firm or Non-Firm Point-To-Point Transmission Service Agreement to an Eligible Customer when the customer first submits a Completed Application for Firm or Non-Firm Point-To-Point Transmission Service, respectively. Executed Service Agreements that contain the information required shall be filed with the Federal Energy Regulatory Commission (FERC) in compliance with applicable FERC regulations.

The minimum term for all Point-To-Point Transmission Service shall be one (1) hour and the maximum term shall be specified in the respective Service Agreement. Schedules for all of the Transmission Customer's Point-to-Point Transmission Service in the Day-Ahead market must be submitted to the NYISO no later than 5:00 a.m. of the day prior to commencement of service. Schedules submitted after 5:00 a.m. will not be accepted in the Day-Ahead Schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 kWh per hour between each Point of Receipt and corresponding Point of Delivery. Each Transmission Customer within the NYCA with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kWh per hour, may consolidate its service requests (schedules) at a common Point of Receipt into units of 1,000 kWh per hour. The NYISO will furnish to the Delivering Party's system operator, hour-to-hour advisory schedules equal to those furnished by the Receiving Party. Should the Transmission Customer, Delivering Party, or Receiving Party revise or terminate any schedule, such party shall notify the NYISO prior to the close or the Real-Time Market, and the NYISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and delivered.

Schedules for all of the Transmission Customer's Point-to-Point Transmission Service in real-time must be submitted to the NYISO no later than seventy-five (75) minutes prior to the (dispatch) hour. Schedules submitted later than seventy-five (75) minutes prior to the dispatch hour shall not be accepted in the real-time schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 KWh per hour. The NYISO will furnish to the Delivering Party's system operator, if applicable, hour-to-hour schedules equal to those furnished by the Receiving Party and shall deliver the Capacity and Energy provided by such schedules. Should the Transmission Customer, Delivering Party, or Receiving Party revise or terminate any schedule, such party shall immediately notify the NYISO prior to the close of the Real-Time Market, and the NYISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and be delivered.

The NYISO continuously redispatches all resources subject to its control to meet Load and to accommodate requests for Firm Transmission Service by using SCUC and RTD. The NYISO will post information regarding transmission transfer capability availability on the Market Information System.

## **2.2. Network Integration Transmission Service**

The NYISO will provide Firm Transmission Service over the NYS Transmission System to the Network Customer for the delivery of Energy from its designated Network Resources to serve its Network Loads on a basis that is comparable to a TO's use of the NYS Transmission System to reliably serve its Native Load Customers. The Network Customer may use the NYS Transmission System to deliver Energy to its Network Loads from resources that have not been designated as Network Resources. Such Energy shall be transmitted, on an as-available basis (i.e., when there is no Congestion between the non-Network Resource and the Network Load), at no additional charge.

### **2.2.1. Nature of Network Service**

Network Integration Transmission Service is a Transmission Service that allows Network Customers to efficiently and economically utilize Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the NYCA and any additional Load that may be designated. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services.

Network Integration Transmission Service will be provided when the Network Customer agrees to pay the Congestion Rent associated with its requested service. The Network Customer may fix the price of its Network Integration Transmission Service by purchasing TCCs corresponding with designated Network Resources and its Network Load. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch, and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which the individual TO utilizes their respective transmission system to serve their Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy Energy purchases to its Network Load from non-designated resources on an as-available basis (i.e., when there is no Congestion) without additional charge.

### **2.2.2. Availability of Network Service**

The NYISO will provide Network Integration Transmission Service to any Eligible Customer, provided the Eligible Customer completes the following:

- An application for service.
- Appropriate technical arrangements with the NYISO and TOs.
- Executes a Service Agreement or requests in writing that the NYISO file a proposed unexecuted Service Agreement with the Commission.
- Executes a Network Operating Agreement with the NYISO.

An Eligible Customer requesting service must submit an Application to the NYISO as far in advance as possible for the month in which service is to commence. Applications should be submitted by entering required information on the NYISO's Market Information System.

### 3. Eligibility & Communications

#### References

- [NYISO Open Access Transmission Tariff \(OATT\) - Volume 1, Section 11.0](#)
- [NYISO Market Administration and Control Area Services Tariff \(Services Tariff\) - Volume 2, Sections 4.5 & 5.8](#)

This section describes the eligibility and communications requirements for Market Participants.

#### 3.1. Eligibility for NYISO Services

To submit schedules for Transmission Service and Ancillary Services, purchase Transmission Congestion Contracts (TCCs) in the Centralized TCC Auction as described in [section 5](#) of this Manual, or in some cases purchase TCCs in a Direct Sale or purchase, or supply Ancillary Services, or Energy in the LBMP Market, Eligible Customers must satisfy the requirements described below which deal with:

- Eligible Customers
- Suppliers and Transmission Customers
- Load Serving Entities (LSEs)

##### 3.1.1. Eligible Customers

###### **Definitions:**

###### ***Eligible Customer:***

An Eligible Customer is any electric utility (including a Transmission Owner (TO) and any power marketer), Federal power marketing agency, or any person generating Energy for sale or resale. Such entity is eligible only if the service is provided pursuant to a state requirement that the TO offer the unbundled transmission service or pursuant to a voluntary offer of such service by the TO. Any retail customer taking unbundled transmission service pursuant to a state requirement that the TO offer the transmission service, or pursuant to a voluntary offer of such service by the TO, is an Eligible Customer.

###### ***Creditworthiness:***

The NYISO requires reasonable credit review procedures to determine the ability of the Transmission Customer to meet its obligations related to transmission service. This review shall be made in accordance with the NYISO creditworthiness requirements established by the NYISO pursuant to Attachment W of the OATT and Attachment K of the Services Tariff.

***Reciprocity:***

An Eligible Customer agrees to provide transmission service on its facilities used for the transmission of Energy in interstate commerce or between a state and another country. This reciprocity requirement applies not only to the Eligible Customer that obtains service under the NYISO OATT, but also to all parties to a transaction that involves the use of Transmission Service under the NYISO OATT, including power sellers, buyers and any intermediaries, such as power marketers.

***Provision***

If the Transmission Customer does not own, control, or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers (or other representatives) that the purpose of its Application is not to assist an Eligible Customer to avoid reciprocity requirements.

***Minimum Technical Requirements:***

An Eligible Customer must demonstrate that it is capable of performing all functions required by the NYISO OATT including operational communications, financial, and settlement requirements.

**3.1.2. Suppliers and Transmission Customers**

In addition to [section 3.1.1](#) above, Suppliers and Transmission Customers must also satisfy the communication requirements of [section 3.2](#) below and the metering requirements of NYISO Services Tariff prior to transacting with the NYISO.

**3.1.3. Load Serving Entities**

In addition to [sections 3.1.1](#) and [3.1.2](#) above, each LSE also must satisfy the following requirements prior to transacting with the NYISO:

- All requirements and conditions contained within the retail access plan filed with the New York State (NYS) Public Service Commission (PSC) by the TO in whose service territory the LSE's Load is located to the extent the LSE is participating in a retail access program
- All NYS application and license requirements, and any other authorization required by NYS to serve retail Load, and
- The LSE must be:
  - Aggregating or serving Load that is of an amount greater than or equal to one megawatt-hour in each hour as measured between a single Point of Injection and a single Point of Withdrawal, or

- Making purchases from the Locational Based Marginal Pricing (LBMP) Market at a single bus of an amount greater than or equal to one megawatt-hour in each hour.

### **3.2. Communications Requirements**

There are two distinct classes of communications requirements recognized in the NYISO Services Tariff:

- Communication and Metering Requirements for Operation and Reliability (Control Area Services), and
- Communication Requirements for Market Services.

#### **3.2.1. Communication and Metering Requirements for Operation and Reliability**

The NYISO will arrange for and maintain reliable communications and metering facilities between the NYISO and the TOs in the NYCA and the Control Area Operators of all neighboring interconnected Control Areas. Such facilities may consist of data circuits, voice lines, metering (at the NYCA end of a facility), and other facilities deemed necessary by the NYISO to maintain reliable communication links for the sole purpose of transmitting operations and reliability data and instructions. The NYISO is responsible for the specification, installation, and maintenance of the required facilities. Refer to the *NYISO Control Center Requirements Manual* for details and procedures.

The total cost of communications facilities between the NYISO and the Reliability Coordinators of neighboring Control Areas is shared between the two parties and the total cost of the communications facilities between the NYISO and the TOs and the portion of the cost of Inter-Control Area Communication facilities attributable to the NYISO is collected from all Eligible Customers as a portion of the Scheduling, System Control, and Dispatch Ancillary Services charge (NYISO OATT - Rate Schedule 1) as described in the *NYISO Ancillary Services Manual*. Transmission Owners with communications requirements, which exceed those required by the NYISO, must procure and maintain such additional facilities at their own expense.

Generators, Suppliers, and Loads are required to exchange certain operations and reliability data with the NYISO in accordance with applicable NYISO operating and reliability requirements, and in conjunction with any requirements for interconnection with the TO.

In addition, Suppliers wishing to participate in real-time dispatch or in the Regulation Service must make provision to receive command and control information from the NYISO. Those Generators or Suppliers currently providing this capability via a TO, may continue to do so. Those requiring installation of this capability must contract with the interconnected TO to obtain service and must comply with applicable TO data and other technical requirements.

Suppliers with multiple units at a single location must maintain a consistent representation of the plant with the NYISO with respect to aggregation of units for purposes of bidding. If an aggregate Bid is to be provided for a group of units and those units are participating in Real-Time dispatch or regulation, then the NYISO will model those units as a group for purposes of dispatch, control, and security modeling. The NYISO will provide a single aggregate Base Point Signal and unit control error. If, however, the Supplier wishes to dispatch units individually, then it must configure both its bidding and data interfaces accordingly. Each Supplier must initially specify the configuration of the plant for purposes of bidding aggregation and must then maintain bidding and data interfaces consistent with that configuration. Similar modeling, control and bidding constraints apply to an LSE wishing to operate NYISO-dispatchable loads.

### **3.2.2. Communication Requirements for Market Participants**

Eligible Customers may access the NYISO's Bid/Post System. Information on that interface is described in the *NYISO Market Participant User's Guide*.

## 4. Transmission Service Rates and Charges

### References

- [NYISO Open Access Transmission Tariff \(OATT\) - Volume 1, Sections 3.0, 7B.1, 7B.2, and 7.3A](#)
- [NYISO Open Access Transmission Tariff \(OATT\) - Volume 1, Attachment H](#)
- [NYISO Open Access Transmission Tariff \(OATT\) - Volume 1, Schedules 7, 8, and 9](#)

This section describes the transmission service rates and charges.

Refer to the *NYISO Accounting & Billing Manual* for a detailed description of the cost calculations.

### 4.1. Transmission Usage Charge

Transmission Usage Charge (TUC) payments are made by the Transmission Customer to cover the cost of Marginal Losses and, during periods of time when the transmission system is constrained, the marginal cost of congestion. The TUC is equal to the product of: (1) the Locational Based Marginal Pricing (LBMP) at the Point of Withdrawal (POW) minus the LBMP at the Point of Injection (POI) (in \$/MWh), and (2) the scheduled or delivered Energy (in MWh). Transmission Customers pay the TUC monthly, based on the aggregate hourly Day-Ahead schedules and Real-Time operation. Charges depend primarily on the amount of energy involved and the LBMPs at the POI and the POW. The following TUC elements are discussed:

- Components of TUC
- Day-Ahead TUC
- Real-Time TUC
- Treatment of Transmission Losses

#### 4.1.1. Components of the TUC

The NYISO charges each Transmission Customer, which has a bilateral transaction accepted by the NYISO, a TUC. The TUC is charged and payable monthly. The TUC consists of a Marginal Losses Component and a Congestion Component. It is assessed on an Energy (MWh) basis to all Transmission Customers undertaking bilateral transactions, including transactions to supply Load within the New York Control Area (NYCA), Wheel-Throughs, and Exports.

There is an exception. Parties using Grandfathered Rights will not have to pay the Congestion Component of the TUC, but will be assessed charges as specified in [section 6](#) of this Manual.

***The monthly TUC is calculated as the sum of:***

- the hourly Day-Ahead TUCs for Bilateral Transactions scheduled Day-Ahead, adjusted for any NYISO directed physical curtailments, and
- the hourly Real-Time TUCs for Bilateral Transactions scheduled in Real-Time or modifications to Bilateral Transactions scheduled Day-Ahead, adjusted for any NYISO directed physical curtailments.

**4.1.2. Day-Ahead TUC**

The NYISO calculates hourly Day-Ahead TUCs for each hour in the Day-Ahead Market utilizing the hourly Day-Ahead LBMPs that are generated in the Security Constrained Unit Commitment (SCUC). These Day-Ahead TUCs are used to calculate charges for all Bilateral Transaction schedules accepted by the NYISO in the Day-Ahead schedule.

The hourly Day-Ahead TUC is calculated based on the scheduled MWh quantity and the LBMP at the Points of Withdrawal and Injection.

The LBMP at the POW and POI correspond to the injection and withdrawal locations of the Bilateral Transaction at the time at which the Bilateral Transaction is scheduled to occur.

**4.1.3. Real-Time TUC**

The NYISO calculates Real-Time TUCs for each Real-Time Dispatch (RTD) interval (e.g., nominally every 5 minutes) utilizing Real-Time LBMPs generated using data produced by the RTD and time-weights the values to produce hourly Real-Time TUCs.

The Real-Time LBMPs are used to calculate transmission charges for all new transaction requests or requests for modifications to accepted Day-Ahead schedules, which are accepted and scheduled in the Real-Time market.

To the extent, the NYISO physically curtails either a Day-Ahead or Real-Time transaction, the TUC specific to the scheduling horizon of the transaction will not apply.

**4.1.4. Treatment of Transmission Marginal Losses**

Each Transmission Customer is responsible for Marginal Loss payments under the NYISO Tariff. The Marginal Loss Component to be applied to each MWh of a transaction is either the Day-Ahead or Real-Time Marginal Loss Component of the LBMP. The selection of the LBMP is dependent on the scheduling horizon of the transaction as described above. Marginal losses are calculated as the Marginal Loss Component at the POW minus the Marginal Loss Component at the POI. For exports and wheels-through the Marginal Loss Components are calculated using a flow-distributed ratio at each of the tie busses over which the transaction flows.

## 4.2. Wholesale Transmission Service Charge

The Transmission Service Charge (TSC) represents a component in the recovery of the total transmission revenue requirements of the Transmission Owner's (TO's) transmission facilities. Each TO must calculate and modify its TSC monthly, based upon the methodology described in this section of the Manual.

Each TO charges the applicable TSC on all transmission Transactions provided pursuant to the NYISO Tariff, based on the criteria for determining which TSC applies to a particular Transaction. The following topics are covered:

- Applicability to Wholesale Customers
- Wholesale Calculation Process
- Filing & Posting
- Calculation Information
- Retail Access Customers
- NYPA
- Billing
- Discounting

### 4.2.1. Applicability to Wholesale Customers

Each month, each wholesale Transmission Customer must pay to the appropriate TO the applicable Wholesale Transmission Service Charge (Wholesale TSC) calculated in accordance with Attachment H of the NYISO OATT. The TSC applies to the following Transmission Service:

- from one or more Interconnection Points between the NYCA and another Control Area to one or more Interconnection Points between the NYCA and another Control Area (Wheels-Through), or
- from the NYCA to one or more Interconnection Points between the NYCA and another Control Area, including transmission to deliver Energy purchased from the LBMP Market and delivered to such a Control Area Interconnection Point (Exports), or
- to serve Load within the NYCA.

#### ***The Wholesale TSC does not apply to:***

- Exports and Wheel-Through Transactions scheduled with the NYISO to destinations within the New England Control Area provided the conditions in Section 7B.1 (iv) of the NYISO OATT are met.

- a TO 's use of its own system to provide bundled retail service to its Native Load Customers pursuant to a retail service tariff on file with the New York State (NYS) Public Service Commission (PSC).
- a Transmission Owner's use of its own system to provide bundled retail service, even if the TO receives delivery of energy and capacity from another TO, to its Native Load Customers pursuant to a retail service tariff on file with the New York State (NYS) Public Service Commission (PSC).
- retail Transmission Service pursuant to any tariff or rate schedule of a TO that explicitly provides for other transmission charges in lieu of the Wholesale TSC, subject to any applicable provisions of the Federal Power Act
- scheduled quantities physically curtailed by the NYISO.
- Each TO may file with FERC a separate TSC applicable to retail access in accordance with its retail access program filed with the NYS PSC.

#### 4.2.2. Wholesale Calculation Process

Transmission Service Charges are calculated by TOs using embedded cost data and congestion data provided by TO and NYISO, respectively. TSCs are posted on the Open Access Same-Time Information System (OASIS) monthly. Attachment H of the NYISO OATT describes the wholesale calculation process in detail.

Transmission Service charges are used to determine the cost of providing transmission service for Wheels Through, Export transactions, and for serving load within the NYCA. TSCs are calculated as \$/MWh charges and are applied to Actual Energy Withdrawals, except for Wheel-Throughs, and Exports in which cases the TSCs are applied to scheduled Energy quantities.

The following equation is used for calculating the wholesale TSC:

$$\text{WHOLESALE TSC} = \{(\text{RR} \div 12) + (\text{CCC} \div 12) - \text{SR} - \text{ECR} - \text{CRR} - \text{WR}\} / (\text{BU} \div 12)$$

Equation Variable	Variable Name/Description	Data Provided By
RR	Annual Transmission Revenue Requirement (\$)	TO
CCC	Annual Scheduling, System Control and Dispatch Costs of the individual Transmission Owner (\$)	TO
SR	Sales Revenue from sales of Transmission Congestion Contracts (\$)	TO
ECR	Excess Congestion Rents (congestion imbalance) (\$)	NYISO
CRR	Transmission Owner's Congestion Payments received from Grandfathered TCCs and Imputed Revenues from Grandfathered Rights from Existing Transmission Agreements (\$)	TO

Equation Variable	Variable Name/Description	Data Provided By
WR	Wheeling Revenue (\$)	TO
BU	Transmission Owner's Billing Units (annual MWh) for the Transmission District (MWh)	TO

### 4.2.3. Data Submission Posting

The NYISO will solicit monthly TSC rate information, via email to the TO's designated contact person, on or about the first of the month prior to the month in which the rates will be effective. The NYISO provides the congestion imbalance data to each TO by the 5<sup>th</sup> business day of each month. The information, expressed as a positive or negative amount in dollars, is provided as part of the electronic billing data.

Transmission Owners are required to submit the updated TSCs, calculated according to the equation in [section 4.2.2](#), to the NYISO by the 14<sup>th</sup> day of each month. If desired, each TO may also submit external, interface specific, discounted wholesale TSC rates for on and/or off- peak periods. The TSC rate information must be returned to the NYISO, via email to [pvenable@NYISO.com](mailto:pvenable@NYISO.com), by the close of business on the 14<sup>th</sup> of the month prior to the month in which the rates will be effective.

The monthly wholesale TSC rates are posted on the NYISO web site at: [http://www.nyiso.com/public/market\\_data/reports.jsp](http://www.nyiso.com/public/market_data/reports.jsp). Additional files post more specific source-to-sink information:

- TSC Summary File ([http://www.nyiso.com/services/documents/b-and-a/tsc/tscsmmry\\_11\\_15\\_01.csv](http://www.nyiso.com/services/documents/b-and-a/tsc/tscsmmry_11_15_01.csv) ) displays the monthly on-peak and off-peak TSC rate from specific generators to each external interface.
- TSC Detailed File ([http://www.nyiso.com/services/documents/b-and-a/tsc/tscdtail\\_11\\_15\\_01.csv](http://www.nyiso.com/services/documents/b-and-a/tsc/tscdtail_11_15_01.csv)) displays the monthly TSC rate for specific point-of-injection to specific point-of-withdrawl locations for both on-peak and off-peak time periods.
- [TSC Calculator](http://www.nyiso.com/public/market_data/reports.jsp) ([http://www.nyiso.com/public/market\\_data/reports.jsp](http://www.nyiso.com/public/market_data/reports.jsp)) calculates and displays both the on-peak and off-peak charges for a specific, user entered, point-of injection/point-of-withdrawl combination. (**Note:** The rate displayed on the TSC Calculator is for advisory purposes only. No billing or settlements are based upon the TSC Calculator. The TO is responsible for calculating and billing actual TSC charges).

The monthly Wholesale TSCs for each of the Transmission Districts will be posted on the OASIS by the NYISO no later than the 15<sup>th</sup> of each month to become effective on the first of the next calendar month. The posted TSC rates include both on-peak and off-peak rates for all export and wheel-through POI / POW combinations.

#### **4.2.4. Calculation Information**

The Annual Transmission Revenue Requirements (RR); Scheduling, System Control and Dispatch Costs (CCC), Billing Units (BU), and Rates of the Investor-Owned TOs, for the purpose of calculating the respective Transmission District-based Wholesale TSC are given in the NYISO OATT, Attachment H, Wholesale Transmission Service Charge (TSC) for each TO.

#### **4.2.5. Retail Access Customers**

Customers who apply for unbundled Transmission Service in accordance with the provisions of a TO's retail access program filed with the NYS PSC will be responsible for paying a Retail Access TSC (RTSC). The formulation for this RTSC for retail access Customers may be based on the same FERC approved Revenue Requirements (RR) and Scheduling, System Control and Dispatch Costs (CCC), using NYS PSC approved rate design for retail transmission service or such other rate the TO filed with FERC.

#### **4.2.6. New York Power Authority**

The NYPA TSC for service to its directly connected Loads (Reynolds Metals, GM-Massena, Town of Massena, and the City of Plattsburgh) will be as given in the NYISO OATT, Attachment H. The NYPA will coordinate with the NYISO to update its TSC, subject to the FERC filings.

#### **4.2.7. Billing**

Commencing with the implementation of LBMP, wholesale Transmission Customers that are receiving Transmission Service under the NYISO OATT will be billed by the TO s and pay directly to the TO s, on a monthly basis, the applicable Transmission District-based Wholesale TSC as follows:

1. For transmission of electricity delivered by the NYISO:
  - from a point within one Transmission District to a point located within another Transmission District
  - between two points within the same Transmission District, or
  - from a point located outside the NYCA to a point in a Transmission District

The wholesale Transmission Customer pays the product of (1) the Wholesale TSC for the Transmission District in which such Transmission Customer's Load is located (where the transmitted electricity is ultimately delivered) and (2) its Actual Energy Withdrawal for the month.

2. For transmission of electricity delivered by the NYISO from one or more points within the NYCA to one or more Interconnection Points between the NYCA and another Control Area (Exports) with the exception of ISO-NE, the Transmission Customer pays the product of the Wholesale TSC for the owner of the transmission facility on which the electricity exits the NYCA (see Appendix B-1 of this Manual) and the scheduled Energy (MWh) or, if exiting via a NYCA transmission facility owned by NYPA, the Transmission Customer pays the product of the applicable NYPA TSC and its scheduled Energy (MWh). The NYISO performs Shift Factor analyses. If, based on the analysis, Energy flows attributable to the Export are found to exit the NYCA over facilities owned by two or more TOs, the Transmission Customer pays the product of each applicable Wholesale TSC and the associated flow-based MWh. The [NYCA Interconnections with other Control Areas](http://www.nyiso.com/services/documents/manuals/pdf/additional_manual_documents/nyca_interconnections_wother_controlareas.pdf) are listed at the following link:  
[http://www.nyiso.com/services/documents/manuals/pdf/additional\\_manual\\_documents/nyca\\_interconnections\\_wother\\_controlareas.pdf](http://www.nyiso.com/services/documents/manuals/pdf/additional_manual_documents/nyca_interconnections_wother_controlareas.pdf)
3. For transmission of electricity by the NYISO from one or more Interconnection Points between the NYCA and another Control Area to one or more Interconnection Points between the NYCA and another Control Area (Wheels-Through) with the exception of ISO-NE, the Transmission Customer pays the Wholesale TSC calculated in accordance with paragraph (2), above, except that if the NYISO's Shift Factor analysis shows that some portion of the flow is not within or through the NYCA, the NYISO calculates the MWh to which a TO's Wholesale TSC applies as the product of (a) the scheduled amount of the Transaction at the Point(s) of Injection and (b) the ratio at the point(s) of exit from New York State, of (i) the flow on the TO's facilities (MWh) to (ii) the flows on all TO's facilities (MWh), where both are associated with the scheduled Wheels-Through.
4. For the transmission of electricity by the NYISO to:
  - an existing municipal utility or electric cooperative directly connected to the New York Power Authority's (NYPA's) transmission system as of the date of the original NYISO OATT filing (January 31, 1997), or
  - an existing retail Load directly connected to NYPA's transmission system, as of the date of the original NYISO OATT filing.

The Transmission Customer pays the product of the NYPA TSC and the Actual Energy Withdrawal (except as provided in Section 7 of the NYISO OATT, Attachment H).

5. For the transmission of electricity by the NYISO to any new municipal utility, electric cooperative, or wholesale Loads; or to any existing municipal utility, electric cooperative, or wholesale Loads that terminate their Existing Transmission Agreements that are connected to the New York State Transmission System either directly or indirectly through its connection to the system of one of the Investor-Owned TOs, the Transmission Customer will pay the product of the Wholesale TSC of the Transmission District to which it is connected and its Actual Energy Withdrawal. If transmission or distribution

facilities that are not included as plant in rate base for developing the Wholesale TSC are used to connect the municipal utility, electric cooperative, or wholesale load to the NYS Transmission System, the TO will develop, file with FERC, and apply a charge for the use of those facilities.

[Table B-2 of Appendix B](#) of this Manual lists the IOUs, municipal utilities, electric cooperatives, and Loads directly connected to the NYCA, with the Transmission District Wholesale TSC they would be obligated to pay, if those municipal utilities, electric cooperatives and Loads directly connected to the NYCA discontinue Transmission Service under Existing Transmission Agreements or said agreements are terminated pursuant to their terms.

To avoid the situation where a wholesale Transmission Customer external to the NYCA could receive multiple bills, an exception is made to the above billing procedure. Wholesale Transmission Customers external to the NYCA will be billed and pay the NYISO the applicable Wholesale TSC, as described above.

#### **4.2.8. Discounting**

Each TO, may advise the NYISO of discounts to its TSC applicable during a specified period to all deliveries to a particular Interconnection, between the NYCA and another Control Area. The NYISO will post the discounts on OASIS for the specified period.

Three principal requirements apply to discounts for Transmission Service as follows:

1. any offer of a discount made by a TO must be announced to all Eligible Customers solely by posting on the NYISO's OASIS.
2. any customer-initiated requests for discounts (including requests for use by a TO's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and
3. once a discount is negotiated, details must be immediately posted on the OASIS.

For any discount that the TO agrees to and advises the NYISO of, the same discounted Transmission Service rate will be offered to all Eligible Customers for the same period for all deliveries to a particular Interconnection between the NYCA and another Control Area. The NYISO will post the discounts on the [OASIS](#) for the specified period.

#### **4.2.9. On and Off-Peak Discounting**

Transmission Owners may selectively discount their wholesale TSC rate for each external interface for the on-peak and/or off-peak time periods. Discounted rates are effective for the duration of the month in which they are effective.

On-peak hours are defined by NERC as the hours between 7 a.m. and 11 p.m., prevailing eastern time, Monday through Friday, except for NERC-defined holidays, or as otherwise decided by the NYISO. Off –peak hours are defined by NERC as the hours between 11 p.m. and 7 a.m., prevailing eastern time, Monday through Friday and all day Saturday and Sunday, and NERC-defined holidays, or as otherwise decided by the NYISO. The NERC defined holidays are: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Dates for the year are posted on NERC’s web site (<http://www.nerc.com/~oc/offpeaks.html>).

#### **4.2.10. Estimating TSCs**

Market Participants may estimate the TSCs that will apply to an export transaction or to a wheel-through transaction, with the exception of ISO-NE, using information posted on the NYISO Website.

##### ***Finding the TSC information***

The TSC and Distribution Factor information can be found by performing the following actions:

1. Access the NYISO Web site at <http://www.nyiso.com>
2. Move the cursor over the word “[OASIS](#)” to highlight the OASIS menu
3. Select the “Reports & Information tab-Select “External Transaction TSC - Summary & Details.”
4. Select the Transmission Service Charge Summary or the Transmission Service Charge Details based on the effective date. Either the Summary or the Details can be used to estimate the applicable charges.
5. Either the Transmission Service Charge Summary table or the Transmission Service Charge Detail table may be downloaded. The tables can be downloaded in CSV format, which can be imported directly into a spreadsheet for use by the Market Participant.

#### **4.3.NYPA Transmission Adjustment Charge (NTAC)**

The New York Power Authority (NYPA) calculates the NYPA Transmission Adjustment Charge Rate to recover its annual transmission revenue requirement (to the extent it is not recovered through application of NYPA's TSC and other sources of transmission revenue). The NTAC Rate will remain in effect through the LBMP Transition Period. (as described in [section 6](#) of this Manual).

Transmission Customers, including Eligible Customers under Existing Transmission Agreements, (see [section 6](#)) must pay the NTAC on all transactions provided pursuant to the

NYISO OATT, including Bilateral Transactions to serve Load within the NYCA, purchases of Energy from the LBMP Market, Wheel-Throughs, and Exports.

The following topics are covered:

- Applicability
- Calculation Process
- Filing & Posting
- Calculation Information
- Billing

#### **4.3.1. Applicability**

Each month, the NYISO charges, and each Transmission Customer must pay, the applicable NYPA Transmission Adjustment Charge calculated in accordance with Attachment H of the NYISO OATT. The NTAC applies to Transmission Service:

- from one or more Interconnection Points between the NYCA and another Control Area to one or more Interconnection Points between the NYCA and another Control Area (Wheels-Through), or
- from the NYCA to one or more Interconnection Points between the NYCA and another Control Area, including transmission to deliver Energy purchased from the LBMP Market and delivered to such a Control Area Interconnection (Exports), or
- to serve Load within the NYCA.

The NTAC is applied to all Energy Transactions, including internal New York State Loads and Wheels-Through and Exports out of the NYCA at a uniform, non-discountable rate. The NTAC shall not apply to Exports and Wheel-Through Transactions scheduled with the NYISO to destinations within the New England Control Area, provided the conditions in Section 7B.1 (iv) of the NYISO OATT are met.

#### **4.3.2. Calculation Process**

The New York Power Authority calculates the NTAC applicable to Transmission Service to serve New York State Load, Wheel-Throughs, and Exports in accordance with Attachment H of the NYISO OATT.

The NTAC is calculated as a \$/MWh charge and applied to Actual Energy Withdrawals, except for Wheel-Throughs and Exports in which case the NTAC is applied to scheduled Energy quantities.

The NTAC does not apply to scheduled quantities that are curtailed by the NYISO.

### **4.3.3. Posting**

The monthly NTAC is posted on the OASIS by the NYISO no later than the fifteenth day of each month to become effective on the first day of the next calendar month.

### **4.3.4. Billing**

The New York State Loads, Wheel-Throughs, and Exports are billed based on the product of the following:

- NTAC
- Customer's Billing Units for the month.

The billing units (in MWh) are based on the monthly-metered energy for all Transactions to supply Load in the NYCA, and hourly Energy schedules for all Wheel-Throughs and Exports.

## **4.4. Strandable Costs**

A TO, other than NYPA, may seek to recover Strandable Costs from any Transmission Customer receiving services pursuant to the NYISO OATT in accordance with the FPA and/or the terms, conditions and procedures set forth in FERC Order No. 888 and any subsequent FERC orders. The NYISO collects such Strandable Costs, through a Stranded Investment Recovery Charge (SIRC), from Network Service Customers and remits the collected amounts to the applicable TO (s); however, such TO must separately file any specific proposal to recover Stranded Costs under Section 205 of the FPA.

Upon filing of a proposal to recover Strandable Costs under the FPA, the TO must immediately provide the NYISO with a copy of the appropriate rate schedule, which will be incorporated as a new SIRC rate schedule under the NYISO OATT, subject to refund as may be required by FERC.

## **4.5. Ancillary Services**

The following Ancillary Services are specified by the NYISO OATT and the NYISO Services Tariff:

- Scheduling, System Control and Dispatch Service
- Voltage Support Service
- Regulation Service
- Energy Imbalance Service
- Operating Reserve Service
- Black Start Capability Service

The NYISO will provide, and Transmission Customers must purchase from the NYISO, the following Ancillary Services:

- Scheduling, System Control and Dispatch Service
- Voltage Support Service
- Energy Imbalance Service
- Black Start Capability Service

The NYISO offers to provide the following Ancillary Services within the NYCA to Transmission Customers:

- Regulation Service
- Operating Reserve Service

Transmission Customers may either purchase these latter two Ancillary Services from the NYISO or a third party, or may Self-Supply services of equal operational value in accordance with locational requirements established by the NYISO. Transmission Customers and Suppliers must pay the NYISO for certain Ancillary Services. Those Transmission Customers and Suppliers that Self-Supply Ancillary Services can offset the Ancillary Service charges. Each Transmission Customer or Supplier must identify, in its scheduling information submitted to the NYISO, which Ancillary Services it intends to Self-Supply, by submitting a bid for the specific service.

Refer to the *NYISO Ancillary Services Manual* for a detailed description of each ancillary service and the determination/calculation of the associated charges to users and payments to suppliers.

## 5. Transmission Congestion Contracts

### References

- NYISO Open Access Transmission Tariff (OATT), Volume 1, Attachments K, L, M, and N, and Attachment B of the NYISO Services Tariff.

Refer to the *NYISO Accounting & Billing Manual* for a detailed description of the cost calculations. The Rules, Procedures, and Guidelines for the Auction of Transmission Congestion Contracts (TCCs) for the current Capability Period are posted on the NYISO Web Site (<http://www.nyiso.com/markets/tcc-info.html>). A TCC Market Manual is under development. Upon approval by Market Participants, this Manual will be posted to the NYISO Web site.

## 6. Existing Agreements

### References

- NYISO Open Access Transmission Tariff (OATT) - Volume 1, [Attachments K, L, and M](#).
- Refer to the *NYISO Accounting & Billing Manual* for a detailed description of the cost calculations.

This section describes the existing agreements.

### 6.1. Overview

This section describes the treatment of Existing Transmission Agreements (ETAs), including:

- Transmission Wheeling Agreements (TWAs)
- Transmission Facilities Agreements (TFAs)
- Grandfathered Rights
- Conversion to Grandfathered TCCs
- Responsibility for Ancillary Services
- Existing Transmission Capacity for Native Load

### 6.2. Transmission Wheeling Agreements (TWAs)

Transmission Wheeling Agreements (TWAs) govern the use of specific or designated transmission facilities that are owned, controlled, or operated by an entity for the transmission of Energy in interstate commerce.

The following topics are covered:

- TWAs between Transmission Owners (TOs) Associated with Generators or power supply contracts
- Third Party TWAs
- Other TWAs between TOs
- Transmission Facilities Agreements (TFAs)
- Existing Transmission Capacity for Native Load

### **6.2.1. TWAs between Transmission Owners Associated with Generators or Power Supply Contracts**

Each TWA between TOs associated with a Generator or a power supply contract were converted into a Modified Wheeling Agreement (MWA) upon Locational Based Marginal Pricing (LBMP) implementation. The TWAs converted to MWAs are listed in Attachment L, Tables 1-4 of the NYISO OATT. The terms and conditions of each of these TWAs will remain unchanged by the conversion except as follows:

1. the MWA Customer has the option of retaining the transmission rights received under the pre-NYISO TWA (Grandfathered Rights) or converting those transmission rights to TCCs (Grandfathered TCCs)
2. the rights and obligations under the MWA are assignable, in whole or in part, with the transfer of a Generator or rights under a power supply contract to an assignee that satisfies reasonable creditworthiness standards
3. the MWA Customer or the assignee continues to pay the embedded cost-based rate for Transmission Service in accordance with [sections 6.3.2](#) and/or [6.4.2](#), below except that it pays for losses under the NYISO OATT and the TO shall not charge the MWA Customer or the assignee for losses to the extent they are provided under the NYISO OATT
4. the payments under MWAs for Grandfathered Rights and Grandfathered TCCs do not include the costs of Ancillary Services and customers under these agreements will be responsible for Ancillary Services consistent with the other provisions of the NYISO OATT
5. any additional modifications to each TWA necessary to convert it into a MWA are the subject of a separate amendment to the TWA
6. the corresponding MWA will be terminated to the extent the TWA is to transmit Energy from such Generator, upon the retirement of the associated Generator, the termination of the associated power supply contract, or such other date specified in the MWA by mutual agreement of the parties to the TWA, except as follows:
  - a. Subject to the next item (b), for each TWA associated with a power supply contract that is terminated pursuant to its terms prior to the end of the LBMP Transition Period, the MWA will remain in effect until the end of the LBMP Transition Period. At the end of the LBMP Transition Period, such MWAs will be automatically terminated.
  - b. For the TWA associated with the Blenheim-Gilboa power supply contract. If the supply contract is terminated pursuant to its terms prior to the end of the LBMP Transition Period, the MWA will also be terminated.

As long as each MWA Customer retains Grandfathered Rights or Grandfathered TCCs, it must maintain all MWAs from each associated Point of Injection (POI) of the Generator or the NYCA Interconnection with another Control Area to the corresponding Point of

Withdrawal (POW) of the Load served by the MWA or at the NYCA Interconnection with another Control Area.

Any other differences between the terms and conditions of the MWAs and those of the associated TWAs for which a customer elects Grandfathered Rights or Grandfathered TCCs are discussed in [sections 6.3](#) and [6.4](#) of this Manual, respectively.

### **6.2.2. Third Party TWAs**

Each existing TWA with a Third Party (Third Party TWA) will remain in effect in accordance with its terms and conditions, including provisions governing modification or termination, except that the Third Party TWA customer may:

1. retain the existing transmission rights ("Grandfathered Rights") subject to the provisions below
2. convert the transmission rights to Grandfathered TCCs, and:
  - a. purchase or sell power in the LBMP Market pursuant to the NYISO OATT or
  - b. execute Bilateral Transactions for Capacity, Energy, and/or Ancillary Services, and obtain Transmission Service subject to the rates, terms, and conditions of the NYISO OATT except as explicitly noted below in this section of the Manual,
3. terminate the existing agreement (if the terms and conditions allow termination), and:
  - a. purchase or sell power in the LBMP Market pursuant to the NYISO OATT or
  - b. execute Bilateral Transactions for Capacity, Energy, and/or Ancillary Services, and obtain Transmission Service subject to the rates, terms, and conditions of the NYISO OATT.

As long as each Third Party TWA customer retains Grandfathered Rights or Grandfathered TCCs, it must maintain all Third Party TWAs from each associated POI of the Generator or the NYCA Interconnection with another Control Area, to the corresponding POW of the Load served by the TWA or at the NYCA Interconnection with another Control Area.

Each Third Party TWA customer, whether it elects Grandfathered TCCs or Grandfathered Rights, will have the right to inject Energy at the specified POI and withdraw it at the specified POW in designated amounts without application of a TSC. Customers electing Grandfathered Rights will be exempt from having to pay the Congestion Component of the TUC.

For the Third Party TWAs, each specific individual municipal or cooperative electrical system listed in each such Agreement will be deemed the Third Party TWA customer for purposes of electing one of the options set forth above. The election of Grandfathered Rights or Grandfathered TCCs specifying amounts between specified POW and POW made by the municipal or cooperative become the rights or TCCs of the municipal or cooperative.

Options selected by the municipal or cooperative waives all rights under the Federal Power Act associated with NYPA's obligation to secure transmission wheeling arrangements on its behalf associated with the TWA rights elections.

### **6.2.3. Other TWAs between Transmission Owners**

Commencing with LBMP implementation, all remaining TWAs between the TOs were terminated.

### **6.2.4. Transmission Facilities Agreements (TFAs)**

Existing TFAs containing no provisions for transmission service require no modifications.

TFAs between existing NYCA TOs that contain provisions for transmission service are listed in Attachment L of the NYISO OATT. These TFAs will remain in effect in accordance with their terms and conditions, including any provision governing modification or termination, except that customers under these agreements may elect Grandfathered Rights or may convert their rights to Grandfathered TCCs.

### **6.2.5. Existing Transmission Capacity for Native Load**

Certain transmission capacity associated with the use of a TO's own system to serve its own load, is designated as Existing Transmission Capacity for Native Load (Table 3 of Attachment L of the NYISO OATT). For purposes of Direct Sale and Auction of TCCs, the capacity shown on Table 3 of Attachment L is converted to point-to-point TCCs and either sold through Direct Sale or at Auction. Prior to Direct Sale or Auction, these TCCs will be subject to reduction as per section 3.0 of Attachment M of the NYISO OATT.

The TOs shall release these TCCs for sale to all Market Participants in accordance with Attachment M. Such Existing Transmission Capacity for Native Load shall not be increased above the megawatt (MW) amounts noted in Attachment L, Table 3, of the NYISO OATT.

## **6.3. Terms Applicable to Grandfathered Rights**

The following topics are covered:

- Congestion charges
- MIS Reference Conventions
- MWAs and TFAs
- Third Party TWAs

### **6.3.1. Congestion Charges**

Each ETA Customer that maintains Grandfathered Rights under an option listed in [section 6.2](#) above, retains the right to inject power at one specified bus and take power at another specified bus up to amounts reflected in Attachment L, Table 1 of the NYISO OATT without having to pay the Congestion Component of the TUC, but only to the extent it schedules the injection and withdrawal Day-Ahead and is on schedule.

If it does not schedule Energy Day-Ahead or inject or withdraw Energy, it will not receive (or pay) any Congestion Rents associated with the Transaction. If the customer under the MWA, TFA, or Third Party TWA transmits Energy without scheduling it Day-Ahead or exceeds the amounts specified, the customer will pay the Real-Time TUC for all Energy transmitted under the Transaction exceeding the Day-Ahead schedule or the number of MW of Grandfathered Rights.

This TUC will include Congestion Rents. If the ETA Customer schedules Day-Ahead and/or transacts for a portion of the Grandfathered Rights that are retained, it will not receive any compensation for the unused transmission capacity. The ETA Customer will not be permitted to resell or transfer these Grandfathered Rights unless permitted in the existing agreements, except as noted above.

### **6.3.2. MIS Reference Convention**

In order for an ETA Customer to take advantage of the transmission rights (Grandfathered Transmission Rights) associated with an ETA, where the ETA Customer has not converted the transmission rights under the ETA to TCCs, the ETA Customer must explicitly identify the Day-Ahead Energy transaction as such to the NYISO and in the Market Information System (MIS). A Grandfathered Transmission Right with a redirect provision must be further identified in the MIS. The NYISO has defined a convention for assigning user references to transactions that are Grandfathered Transmission Rights. This convention must be followed for a transaction to be eligible for exemption from TSC and/or congestion charges. All transactions utilizing Grandfathered Transmission Rights must include the NYISO-defined User Reference ID as the last five characters of the Customer-defined User Reference.

Some Grandfathered Transmission Rights have provisions for redirect. Redirect Rights may or may not relieve the Transmission Customer of congestion charges. In cases where the redirect agreements do not provide for congestion relief, the transmission customer may choose to submit the transaction as a firm bilateral and be subject to congestion charges or may submit the transaction as a non-firm bilateral.

Transactions are defined by a POI, POW, and User Reference. Transactions that also have Redirect Rights are further defined with an additional POI and POW for congestion relief. The following shows the options available in defining a transaction.

**Table 6.3.2-1: Options Available in Defining Transactions**

<b>POI</b>	<b>POW</b>	<b>ISO Defined User Reference</b>	<b>POI for congestion relief</b>	<b>POW for Congestion Relief</b>
Generator, Bus/Subzone, PTID, or NULL	Load Subzone PTID	ISO User Reference ID	Generator, Bus, PTID, or Contract Specific	Load Bus PTID

If a party’s transaction information matches the conditions of its Grandfathered Rights, including the NYISO User Reference ID, then the transaction will be relieved of the TSC and Congestion Charges. All bilateral contracts that are submitted that claim relief from TSC charges will also be reported to the TO that is the party to the contract. Any disputes must be settled between the parties to the contract.

If a party believes that they have additional Redirected Grandfathered Transmission Rights available by virtue of its particular contract terms or if any of the information contained in the MIS is incorrect, they need to contact their Customer Services Representative. The claimed Redirected Rights will be validated with the TO, and may be eligible for TSC and/or congestion relief. Firm transactions utilizing Redirected Grandfathered Transmission Rights will be required to pay congestion charges, unless otherwise stated in the particular contract. Depending on the contract terms, if congestion relief is claimed for a Redirected Right, and the TO validates, then the congestion relief will be from the POI and POW defined in the bilateral or will be from the POI and POW specified in the associated Grandfathered Right. Transactions that utilize Redirected Rights must also have the NYISO User Reference ID as the last five characters of the User Reference.

### **6.3.3. MWAs & TFAs**

Subject to the losses provision below, each MWA or TFA customer must pay the contract rates for the Grandfathered Rights which were frozen at the contract rates that were in effect on the date the NYISO OATT was originally filed at FERC (January 31, 1997), through the LBMP Transition Period or the termination date of the TFA, if earlier.

After the LBMP Transition Period, rates under each MWA or TFA will be based on embedded cost, and these contract rates may be updated, if allowed for in the terms and conditions of each MWA or TFA. Each MWA or TFA customer or its assignee must pay the TO under the MWA or TFA directly for the Grandfathered Rights.

Each MWA or TFA customer using Grandfathered Rights must pay the NYISO for losses, under the NYISO OATT. The TO will not charge for losses under the ETA, MWA, or TFA to the extent the losses are provided under the NYISO OATT.

To the extent losses on the TO’s system are not provided under the NYISO OATT, the TO may charge for losses unless prohibited from doing so under the MWA or TFA. The

customer will pay or receive payment for losses between the POI and the POW under the MWA or TFA, as calculated in accordance with the NYISO OATT.

#### **6.3.4. Third Party TWAs**

Subject to [section 6.5](#) below, each Third Party TWA customer will compensate the Transmission Owner under a Third Party TWA for transmission charges in accordance with the terms and conditions of the TWA, including any provisions governing modification or termination.

Third Party TWA customers with Grandfathered Rights must pay the NYISO for losses under the NYISO OATT. The TO will not charge for losses under the Third Party TWA to the extent the losses are provided under the NYISO OATT.

To the extent losses on the TO's system are not provided, the TO may charge for losses, unless prohibited from doing so under the Third Party TWA. The Transmission Customer will pay or receive payment for losses between the Points of Injection and Points of Withdrawal under the MWA or TFA.

### **6.4. Terms Applicable to the Conversion to Grandfathered TCCs**

The following covers the conversion to grandfathered TCCs:

- Overview
- MWAs & TFAs
- Third party TWAs

#### **6.4.1. Overview**

Each ETA customer, that has the right to convert transmission rights to TCCs in accordance with [section 6.2](#) above, must notify the NYISO of its election prior to the time of the first End-State TCC Auction. Where the applicable ETA provides for more than one POI and/or more than one POW, these ETA customers may designate Grandfathered Rights or Grandfathered TCCs, but not both, from each POI to each POW.

The NYISO will assign point-to-point TCCs to the ETA customer, equivalent to the amount of transmission capacity (in megawatts) associated with the transmission service received under each ETA, as measured between the Generator bus or NYCA Interconnection with another Control Area where the power is injected and the POW of the Load served by the ETA or at the NYCA Interconnection with another Control Area.

If the ETA customer fails to duly notify the NYISO of its conversion to Grandfathered TCCs, the NYISO and TO will deem the ETA customer to have elected Grandfathered Rights.

### **6.4.2. MWAs & TFAs**

Each MWA or TFA customer must continue to pay the TO rates which will be frozen at the contract rates that were in effect on the date the NYISO OATT was originally filed at FERC (January 31, 1997), through the LBMP Transition Period or the termination date of the MWA or TFA, if earlier. After the LBMP Transition Period, rates under each MWA or TFA will be based on embedded cost, and these embedded cost rates may be updated, if allowed for in the terms and conditions of each MWA or TFA. The MWA or TFA customer or its assignee must pay the TO directly for the Grandfathered TCCs.

Each MWA or TFA customer that chooses Grandfathered TCCs, will receive (or pay, when negative congestion occurs) the Congestion Rent associated with its Grandfathered TCCs, and will be subject to the service provisions of the NYISO OATT, including the duty to pay for:

- Congestion Rent and
- Marginal Losses for use of the transmission system

A MWA or TFA customer will pay the Congestion Rent associated with a Grandfathered TCC when negative congestion occurs. Negative congestion occurs when the congestion cost at the withdrawal location of the Grandfathered TCC is lower than that at the injection location of the Grandfathered TCC.

### **6.4.3. Third Party TWAs**

Subject to [section 6.5](#), below, each Third Party TWA customer will pay the Transmission Owner transmission charges in accordance with the terms and conditions of the Third Party TWA, including any provisions governing modification or termination. Third Party TWA customers that convert the existing transmission rights to TCCs will receive (or pay, when negative congestion occurs) the Congestion Rent associated with its TCCs, and will be subject to the service provisions of the NYISO OATT, including the duty to pay for:

- Congestion Rent and
- Marginal Losses for use of the transmission system

## **6.5. Responsibility for Ancillary Services**

Irrespective of whether an ETA is a MWA, Third Party TWA, or a TFA, or whether a customer elected Grandfathered Rights or Grandfathered TCCs, the customer is responsible for payment for any applicable Ancillary Services that are provided pursuant to the NYISO OATT, including all applicable charges.

## 7. Transmission Transactions

### References

- [NYISO Open Access Transmission Tariff \(OATT\) - Volume 1, Attachments C and J](#)
- [NYISO Services Tariff - Attachment B](#)
- [NERC Policy 3 and Policy 9](#)
- [NERC - ATC Definitions and Determination, June 1996](#)

This section describes transmission transactions.

### 7.1. Bilateral Transactions

A Bilateral Transaction is the purchase and/or sale of Energy or Capacity, between two or more parties. The following topics are covered:

- Requests for Bilateral Transaction schedules
- NYISO General responsibilities
- Use of Decremental (Dec) Bids to dispatch Internal Generators
- Default Decremental (Dec) Bids
- Scheduling of Bilateral Transactions
- Day-Ahead bilateral schedules
- Reduction & Curtailment
- Scheduling transmission service for External transactions

#### 7.1.1. Requests for Bilateral Transaction Schedules

Transmission Customers scheduling Firm Transmission Service or non-Firm Transmission Service (see [section 2](#) for definitions of firm and non-firm) to support a Bilateral Transaction with Energy supplied by an External Generator or Internal Generator must submit the following information to the NYISO:

1. Point of Injection (POI) location. For Internal Generators, the POI is the Generator bus; for External Generators, the POI is the Proxy Generator Bus.
2. Point of Withdrawal (POW) location. For Internal Load, the POW is the Load Zone in which the Load is situated or the bus at which that Load is interconnected to the transmission system, if there is a revenue-quality real-time meter located at that bus (software constraints may initially limit the ability to specify buses as POW); for delivery points outside the NYCA, the POW is the Proxy Generator Bus.

3. Hourly megawatt schedules
4. Whether Firm or non-Firm Transmission Service is requested
5. NERC Transaction Priorities for Bilateral Transactions involving External Generators, Exports, and Wheel Throughs
6. An optional Decremental Bid for the Bilateral Transaction up to the megawatt level of the desired schedule. If the Transmission Customer does not submit a Decremental Bid, the NYISO will assign one in accordance with [sections 7.1.4](#) and [7.1.7](#).
7. For an Internal Generator, whether the Generator is On-Dispatch or Off-Dispatch
8. The amount (in megawatts) of any additional Energy to be provided by the Transmission Customer to cover Marginal Losses associated with the Bilateral Transaction and the location of the Generator supplying that Energy,
9. The amount and location of any Ancillary Services the Transmission Customer will Self-Supply in accordance with and to the extent permitted by the NYISO OATT.
10. Other data required by the NYISO.

### **7.1.2. NYISO General Responsibilities**

The NYISO evaluates requests for Transmission Service to support Bilateral Transactions, and uses Security Constrained Unit Commitment (SCUC) to establish a Day-Ahead schedule. During the Dispatch Day, the NYISO uses the Real-Time Commitment (RTC) and Real-Time Dispatch (RTD) to establish schedules for each hour of dispatch in that day. The NYISO verifies that, for Bilateral Transactions supplied by Internal Generators, the Generator is scheduled for an amount (in megawatts) that does not exceed the Generator's maximum output capacity (measured in megawatts) at the Point of Injection (POI).

If necessary by RTD, the NYISO will curtail Transmission Service during dispatch as described in [section 7.1.7](#) of this Manual.

### **7.1.3. Use of Decremental Bids to Dispatch Internal Generators**

When dispatching Generators to match changing conditions, the NYISO treats Decremental Bids and Incremental Bids simultaneously and identically as follows:

- a Supplier's Generator serving the Locational Based Marginal Pricing (LBMP) Market may be dispatched downward if the LBMP at the Generator's POI falls below the Generator's Incremental Bid
- a Supplier's Generator serving a Bilateral Transaction may be dispatched downward if the LBMP at the Generator's POI falls below the Decremental Bid for the Generator
- a Supplier's Generator may be dispatched upward if the LBMP at the Generator's POI rises above the Decremental or Incremental Bid for the Generator regardless of whether

the Generator is supplying Energy to the LBMP Market or supporting a Bilateral Transaction.

#### **7.1.4. Default Decremental Bids**

If an optional Decremental Bid is not provided, the NYISO will assign and post a default Decremental Bid. The default Decremental Bid will be based upon a large, negative value to be applied between zero megawatts and the total amount (in megawatts) of the Transaction. If a Transmission Customer who is using Grandfathered Rights to schedule a Bilateral Transaction in the Day-Ahead Market (DAM) does not provide a Decremental Bid in association with that Bilateral Transaction the NYISO will assign a default Decremental Bid equal to the lowest Decremental Bid that can be entered by a unit bidding into the Day-Ahead SCUC (as constrained by limitations of the bidding software), minus an additional \$100/MWh.

#### **7.1.5. Scheduling of Bilateral Transactions**

Transmission Service for Bilateral Transactions is scheduled as follows:

1. The NYISO will, following evaluation of the Bids submitted, schedule Transmission Service to support Transactions for the hours in which those Transactions may be accommodated.
2. The NYISO treats all Internal Generators as Dispatchable and all External Generators as Non-Dispatchable.
3. To the extent feasible, the NYISO will use SCUC RTC, and RTD to determine schedules for Internal Generators so that Firm Transmission Service will be provided to any Bilateral Transaction customers requesting Firm Transmission Service.
4. The NYISO does not schedule non-Firm Transmission Service associated with Transactions in the DAM if those Transactions would contribute to Congestion on any Constraint considered in the SCUC, nor will the NYISO schedule non-Firm Transmission Service in the RTC if those Transactions contribute to Congestion on any such Constraint. All schedules for non-Firm Transmission Service issued Day-Ahead or in the RTC will be advisory only and are subject to Reduction if Congestion occurs. Transmission Customers receiving non-Firm Transmission Service may be required to pay Congestion Rent during any delay in the implementation of Reduction (e.g., during the nominal five-minute RTD intervals that elapse prior to the implementation of the Reduction).

#### **7.1.6. Day-Ahead Bilateral Schedules**

The NYISO computes all NYCA Interface Transfer Capabilities prior to scheduling Transmission Service Day-Ahead. The NYISO runs the SCUC utilizing the computed Transfer Capabilities, submitted Firm Transmission Service schedules to support Bilateral Transactions, Load forecasts, and submitted Incremental and Decremental Bids.

In the Day-Ahead schedule, the NYISO uses the SCUC to determine Generator schedules, Transmission Service associated with Transactions, and Desired Net Interchanges (DNIs) with adjacent Control Areas. The NYISO does not use Decremental Bids submitted by Transmission Customers for Generators with non-Firm Transmission Service in the determination of the Day-Ahead schedule.

#### **7.1.7. Reduction and Curtailment**

If a Transmission Customer's Firm Transmission Service is supporting a Bilateral Transaction supplied by an Internal Generator and that Generator is dispatched downward, the NYISO will not reduce the Transmission Service. The NYISO will continue to supply the Load or Transmission Customer in an Export with Energy from the LBMP Market. The Transmission Customer must continue to pay the Day-Ahead TUC based on the Day-Ahead schedule of the Transactions, and in addition, the Generator must pay the LBMP price, at the POI for the Transaction, for the replacement amount of Energy (in MWh) purchased in the LBMP Market.

If the Transmission Customer was receiving non-Firm Transmission Service and its Transmission Service was Reduced or Curtailed, the replacement Energy may be purchased in the Real-Time LBMP Market by the Internal Load. An Internal Generator supplying Energy for such a Transmission Service that is Reduced or Curtailed may sell its excess Energy in the Real-Time LBMP Market.

The NYISO does not automatically reinstate non-Firm Transmission Service that was Reduced or Curtailed. Transmission Customers may submit new schedules to restore the Transmission Service associated with their Transaction in the next RTC execution.

If a security violation occurs and/or is anticipated to occur, the NYISO will attempt to relieve the violation using the following procedures:

1. Reduce non-Firm Transmission Service
2. Curtail non-Firm Transmission Service
3. Dispatch Internal Generators, based on Incremental and Decremental Bids
4. Adjust the DNI by manually Curtailing Firm Transmission Service associated with Transactions supplied by External Generators. The NYISO will decide which Transmission Service is to be curtailed based on the Decremental Bids in conjunction

with NERC procedures, and will Curtail Transmission Service until the transmission violation is relieved or all such Transmission Service has been curtailed.

5. Request Internal Generators to voluntarily operate in manual mode below minimum dispatchable levels. When operating in manual mode, Generators will not be required to adhere to the one percent minimum ramp rate, nor will they be required to respond to RTD Base Point Signals.
6. Decommit Internal Generators based on minimum generation Bid rate in descending order.

#### **7.1.8. Scheduling Transmission Service for External Transactions**

The NYISO uses Decremental Bids supplied by Transmission Customers using External Generators to supply Exports to determine the amount of Energy those Generators are scheduled Day-Ahead to produce in each hour. This in turn will determine the Firm Transmission Service scheduled to support those Transactions. The NYISO also uses Decremental Bids supplied by Transmission Customers using External Generators to supply Exports to determine the amount of Energy these Generators are scheduled to produce in the RTC, which, in turn, will determine the Transmission Service scheduled to support those Transactions.

The NYISO will not schedule a Bilateral Transaction that crosses an Interface between the NYCA and a neighboring Control Area if doing so would cause the DNI to exceed the Transfer Capability of that Interface.

#### **7.1.9. Decremental Bids for Import and Wheel-Through Transactions**

For import and wheel-through transactions only, a Dec Bid can be added to the transaction (using the “Import/Wheels-Through Decremental Dollars” field on Page Ref. H-5 of the Market Information System). Decremental Bids are not used for internal or export transactions, because bid curves submitted with a generator bid are used for NYCA generation units that are supporting internal or export transactions. Decremental bids are not used to determine the schedules associated with internal or export transactions.

##### ***Import Transactions***

The Decremental Bid value for import transactions is treated the same as an incremental energy bid from a generator. If the LBMP rate at the source (external proxy) bus is greater than the Decremental Bid, then the transaction is scheduled. If the LBMP rate is less than the Decremental Bid, then the transaction is not scheduled, and the energy is not imported into the NYCA. If the LBMP rate equals the Decremental Bid, the transaction is on the margin and may not be scheduled if there are multiple transactions bid at that rate.

It should be noted that once a valid import transaction is submitted in either the DAM or the Real-Time Market, it is binding financially, even if the physical transaction is cut.

**Examples:**

- If Decremental Bid = \$30, and the LBMP rate = \$31, the transaction is scheduled.
- If Decremental Bid = \$30, and the LBMP rate = \$29, the transaction is not scheduled.

**Wheel-Through Transactions**

The Decremental Bid for a wheel-through transaction is compared to the transaction's congestion cost. That congestion cost is the difference between the congestion cost at the sink bus and the congestion cost at the source bus. (Real congestion is designated as a negative number.) This type of evaluation only occurs for wheeled transactions.

If the transaction's congestion cost is greater than the Decremental Bid, then the transaction is scheduled. If the transaction's congestion cost is less than the Decremental Bid, then the transaction is not scheduled, and the energy is not wheeled through the NYCA. If the transaction's congestion cost equals the Decremental Bid, the transaction is on the margin and may not be scheduled if there are multiple transactions bid at that rate.

**Examples:**

Decremental Bid = -\$30  
Congestion at the source bus = -\$20  
Congestion cost at the sink bus = -\$40  
Then the transaction congestion cost =  $-\$40 - (-\$20) = -\$20$ , and the transaction is scheduled

Decremental Bid = -\$30  
Congestion at the source bus = -\$5  
Congestion cost at the sink bus = -\$40  
Then the transaction congestion cost =  $-\$40 - (-\$5) = -\$35$ , and the transaction is not scheduled

**7.1.10. Prescheduling of Transactions for External LBMP or Bilateral Wheel—Throughs**

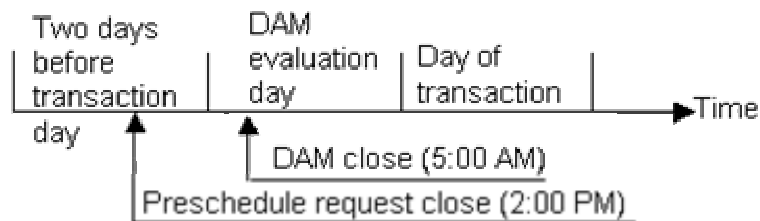
A Market Participant may submit a request to preschedule an external LBMP or a bilateral wheel through transaction with the NYISO up to 18 months prior to the transaction date. The Market Participant must also schedule the desired transaction with all other affected control areas.

The term "preschedule" refers to a "prescheduled request" that is accepted for scheduling in the designated DAM by the NYISO. Because a "preschedule" can span multiple days, each day of a "preschedule" becomes a transaction when its associated bids are scheduled in the

DAM. Thus, the sequence order of terminology is from “preschedule request” to “preschedule” to “transaction.”

An accepted external LBMP or bilateral wheel-through preschedule represents a commitment on the part of the NYISO to reserve sufficient ramp and transfer capability to support the preschedule request. It also may represent a significant financial commitment to the MP if it does not flow in Real-Time. This is discussed in detail below.

An external LBMP or bilateral wheel-through preschedule request may be submitted up to 18 months prior to the effective transaction date. A preschedule request is given an economic priority over other external transactions that are not prescheduled. This means that a transaction originally submitted as a preschedule request will generally be a “price taker” and the entities involved agree to accept the DAM clearing prices that are in effect for the transaction. Preschedule requests may be submitted until 2:00 PM two days before the date of the transaction (the “submission deadline”) see the diagram below.



### ***The Prescheduling Process***

Preschedule requests may be submitted via MIS bid screens or the upload/download process<sup>1</sup>. The NYISO will evaluate preschedule requests on a first come – first served basis. This evaluation will consider ramping capacity at each affected control area interface involved in the transaction, as well as the Available Transmission Capacity (ATC) of the affected external interfaces. Once a preschedule request is accepted, the available ramping capacity and ATC are decreased, or increased in the case of a counter-flow transaction, by the requested preschedule amount. Requests that are prescheduled with the NYISO must also be appropriately submitted to all other affected control areas to ensure that the necessary ramping and transmission capacity is reserved within those control areas and that the transaction will pass the daily checkout process.

Available ramping capacity and ATC are adjusted each time a preschedule request is accepted. The new values for ATC and ramp capacity are used in the next evaluation of preschedule requests. Accepted preschedule requests in the counter-flow direction have the

<sup>1</sup> See MPUG for information on entering preschedule requests.

effect of increasing ramping capacity and ATC allowing the total MW quantity of accepted preschedule requests to exceed the capacity of an external interface. As a result, preschedule requests that are not feasible due to insufficient ramping capacity and/or ATC may become feasible as preschedule counter-flow requests are accepted. A preschedule request that cannot be accepted may be placed in a queue at the request of the Customer to be automatically re-evaluated if capacity becomes available as the result of new preschedule requests. If a preschedule request that is not accepted is not placed in the queue, then it may be manually resubmitted for evaluation at a later date.

### ***Preschedule Requests Become Day Ahead and RTS Bids***

After the DAM close, bids representing preschedules are automatically entered into the DAM for the appropriate transaction date. LBMP imports (injections at the external proxy bus) and wheel through requests are assigned a decremental bid value of  $-\$1000/\text{MW}$ . LBMP exports (withdrawals at the external proxy bus) are assigned a sink price cap bid value of  $+\$1000/\text{MW}$ . These bid values represent the highest hourly economic priority<sup>2</sup> for the bid and effectively ensure that the transaction will be scheduled in the DAM before other transactions specifying the same POI and POW are scheduled. Unless the NYISO approves the withdrawal of a preschedule, it will be submitted to the DAM for the appropriate day. Once a preschedule is scheduled in the DAM, it becomes financially binding. It should be noted that if a DAM bid that originated as a preschedule is the marginal bid, then the market will clear and settle at the  $\pm \$1000/\text{MW}$  price.

Bids are also automatically generated for the hourly Real-Time Commitment (RTC) using accepted DAM bids. Bidders may not alter parameters of the DAM or RTC bids that originated from a preschedule.

### ***Cancellation and/or Alteration of Preschedules***

A preschedule request is accepted based upon the availability of ramping capacity and ATC. However, the accepted request also creates ramping capacity and ATC that supports the acceptance of preschedule requests in the counter-flow direction. A preschedule may be modified or cancelled by submitting a request for modification prior to the submission deadline. A preschedule modification request will be placed at the bottom of the queue for re-evaluation. Each modification request will be accepted if it does not cause a ramping capacity or ATC violation. If a request to modify a preschedule request is not accepted, then the original preschedule remains unchanged.

A request for withdrawal of a preschedule will be granted if such withdrawal will not adversely affect any preschedule request by another Market Participant that has been accepted for scheduling previous to the request for withdrawal. If approval of the withdrawal would cause violation of Ramp Capacity or Transfer Capability, the NYISO will not approve it and the preschedule will be submitted to the DAM where, if scheduled, it will become financially binding on the Market Participant that submitted it.

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<sup>2</sup> External LBMP bids and decremental wheel bids that are not prescheduled will be limited to a slightly lower economic priority.

If the ATC or ramp capacity is changed by the NYISO due to system constraints, or accepted preschedules are rendered invalid due to the bankruptcy of a Market Participant, then remaining transactions will be pro-rated to conform to the available ramping capacity and ATC.

### ***Maintaining Queued Preschedule Requests***

Preschedule requests that are not accepted and are designated as queued by the Market Participant may be modified or removed from the queue at any time<sup>3</sup> prior to the submission deadline. Accepted requests, and requests that expire are automatically removed from the queue. An unaccepted preschedule request expires if not accepted prior to the submission deadline.

### ***Scheduling the NYISO Preschedule with External Control Areas***

When scheduling a NYISO preschedule with ISO-New England the Market Participant should enter the preschedule as an external transaction in ISO-NE, and also contact the ISO-NE Scheduling Office at (413) 540-4243 and advise the scheduler that the transaction is a NYISO preschedule.

To schedule a NYISO preschedule with PJM the Market Participant should refer to Section 5 “Scheduling Strategy and Method” of the “Scheduling Operations” (M11) Manual. The *PJM Scheduling Operations Manual* is available on the PJM web site at: [http://pubs.pjm.com/dynaweb/PJMpubp/m11/@Generic\\_\\_BookView](http://pubs.pjm.com/dynaweb/PJMpubp/m11/@Generic__BookView)

To schedule a NYISO preschedule with the IMO the Market Participant should schedule the desired transaction using the IMO scheduling systems and protocol with the bid price set to the \$2000/MW IMO bid cap.

## **7.2.NERC Transaction Tagging**

NERC Electronic Tagging (ETAG) requirements must be followed to ensure that the NERC Transmission Loading Relief (TLR) procedure is supported under NYISO operation. These requirements are in accordance with NERC Policy 3, NERC Policy 9, and various references in the New York NYISO OATT, and involve any transactions with the New York Control Area that are imports, exports, and wheel-throughs.

NERC Tag information must be submitted by Market Participants. Market Participants that are specifying and scheduling bilateral transactions must have Tag Agent service available, in accordance with NERC Policy 3. The Market Participants Tag Agent Service must comply with the most recent version of the [\*NERC Electronic Tagging – Functional Specification\*](#).

Transaction bid information is entered into the Market Information System (MIS) according to the bidding rules. Market Participants will be required to submit NERC E-Tags for accepted transactions and associated energy profiles.

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<sup>3</sup> Preschedule requests may not be modified while the NYISO is actively evaluating preschedule requests.

### 7.2.1. Transaction Identification

The NYISO and the neighboring control areas recognize that the use of a transaction identifier, consistent and compliant with ETAG, is the most meaningful method of coordinating interchange transactions.

Under NERC Tagging, every transaction is identified by a unique Tag ID, based on key attributes of the transaction as specified in the NERC Electronic Tagging Data Model:

- Source (Generation) Control Area (GCA) Code - the sending Control Area in which the generation lies, or from where the energy is exported. For transactions originating in NY, the Source Control Area Code is “NYIS”
- PSE Code (Tag Author PSE) - the Purchasing/Selling Entity who is writing and submitting the Tag to the Tag Authority
- Unique transaction identifier (Tag Code) - 7 Character code used as part of the Tag ID to identify a transaction
- Sink (Load) Control Area Code - the receiving Control Area in which the load lies, or where the energy is imported. For transactions delivered into NY, the Sink Control Area Code is “NYIS”

All components of the Tagging Information System are treated as confidential. Each Tag ID must be unique for a period of not less than one (1) year from the stop date and time associated with the last transaction that was assigned that Tag ID. The Source, Sink, and PSE Codes are common elements to many transactions. The Tag Code is what ultimately determines the uniqueness of the Tag ID. Some Tag service providers allow the Tag Code to be entered or modified by the user, while others generate the Tag Code when the Tag is created and do not allow changes.

Under NYISO operation, the Market Information System (MIS) provides the process for requesting a transaction involving external control areas. The MIS provides the fields to enter the four components of the NERC Tag ID, and allows the user to modify all four components of the NERC Tag ID, including the Tag Code. The MIS also generates a unique identifier for each transaction entered into the MIS, known as the MIS Number. The MIS Number can be considered functionally equivalent to the Tag Code in the NERC Tag ID.

The Purchasing Selling Entity (PSE) that is a NYISO customer is responsible for submitting a tag or verifying that tag has been submitted for the anticipated transaction schedule into the ETAG system. The PSE should create one Tag for each MIS entry, such that there is a one for one match between MIS entries and Tags. There are also timing considerations with submitting a transaction into the MIS and submitting the associated ETAG. The timing requirements depend on whether the transaction is Day-Ahead or Real-Time.

### 7.2.2. Day-Ahead Market (DAM) Tag Preparation

A NYISO customer may elect to submit E-Tags before the DAM closes, or after the DAM results are posted. The options described below are intended to assist the PSE in the use of the “Adjust” feature in E-Tag to efficiently manage E-Tags and coordinate E-Tag information in the MIS. Other variations are also possible. However, in accordance with NERC Policy, the associated E-Tag for Day-Ahead transactions must be submitted no later than 10 PM of the day prior to the transaction date to not be considered late. NYISO Market Participants are advised that Tag submission deadlines in other control areas may be more stringent, and are encouraged to submit E-Tags for DAM accepted transactions as soon as possible after they are posted. Figure 1 illustrates E-Tag options for the DAM:

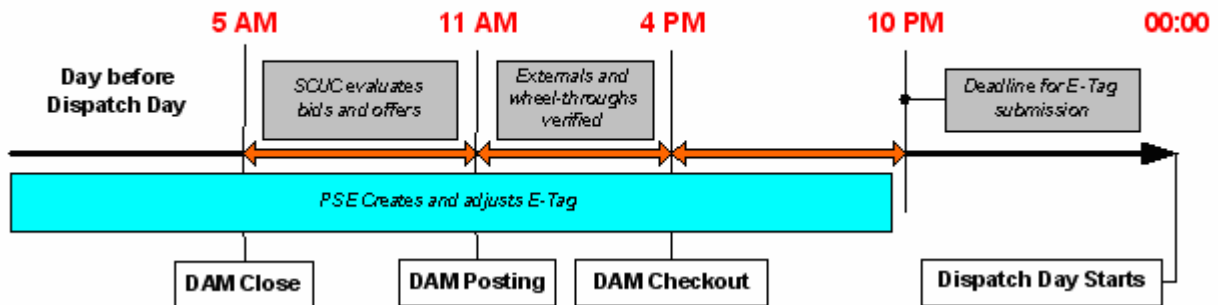


Figure 7.2.2: E-Tagging Timeline and Associated Statuses in the DAM

#### Submitting an E-Tag Before DAM Closing and Adjusting the E-Tag after Posting

Any time before 5 AM, a PSE may create an E-Tag to act as a placeholder. Since the MW profile can be adjusted any time before 10 PM of the day prior to the Dispatch Day, the PSE can enter whatever they wish into the Tag (i.e., zeros, bid values). The E-Tag system will generate a Tag ID (including a unique Tag Code). The PSE then must enter a finalized Tag ID into the MIS by the DAM closing at 5 AM, along with the usual bid information. The PSE enters the MIS Number into one of the following E-Tag informational identifier fields, if such a field is available in the PSE’s E-Tag system:

- OASIS number column — This is generally found in the Transmission Allocation Area. The MIS number is effectively the OASIS number in NY.
- Contract number column — This is generally in the Physical Path Area.
- Comment field — This is generally found in the Contact Information Area.

When a final schedule is created, PSEs may use the ADJUST feature in E-Tagging to adjust the draft profile to the actual profile from the accepted DAM transactions. This may be done anytime after the DAM posts at 11 AM, but not later than 10 PM, as required by NERC Policy 3. For maximum assurance that Tag information is coordinated and current with

neighboring Control Areas, the PSE should ADJUST tags as they receive notification of changes.

### ***Submitting and Adjusting E-Tags After DAM Posting***

Ordinarily, when a PSE creates a DAM transaction in the MIS, before the 5 AM DAM closing time, they may enter a “delayed” TAG ID, including the Tag Code, into the MIS. No valid E-Tag is created at this time. Anytime after the DAM posts at 11 AM, the PSE may create a Tag in the E-Tagging system and enter the MW profile based on the accepted transactions.

The PSE enters the MIS Number into one of the following E-Tag informational identifier fields, if such a field is available, in the PSE’s local E-Tag system:

- OASIS number column — This is generally found in the Transmission Allocation Area. The MIS number is effectively the OASIS number in NY
- Contract number column — This is generally in the Physical Path Area
- Comment field — Generally found in the Contact Information Area

At this time, the PSE may enter or modify the Tag Code in one of two ways, depending on what their E-Tag system permits:

- Enter the draft Tag Code previously entered into the MIS. If the PSE chooses to manage its own Tag Codes, it must comply with the NERC requirement and ensure that the Tag ID is not repeated for at least one year.
- After the DAM checkout, modify the Tag ID in the MIS.

### **7.2.3. Real-Time Schedule (RTS) Tag Preparation**

Since all accepted Day-Ahead transaction requests are re-evaluated in the Real-Time Market, the final hourly energy profile may differ from results determined in the DAM. For the NYISO Real-Time Market, all accepted DAM transaction requests become RTS requests to be re-evaluated. By default, DAM transactions will have economic priority over RTS only transactions.

The Tag Identifier does not need to be changed for a transaction that was accepted in the DAM and that has an E-Tag associated with it. In accordance with NERC Policy, the associated E-Tag for Real-Time transactions must be adjusted when the RTS results are posted 30 minutes prior to the hour, but no later than twenty minutes prior to the hour in order not to be considered late. Thus, the E-Tag created the day before, based on the DAM, is adjusted by the NYISO from hour to hour based on RTS results.

MIS requires that all new RTS external transaction requests have a NERC tag identifier at the time of the transaction request submission. Purchaser Seller Entities (PSEs) may create and manage E-Tags in similar fashion to the two options described for the DAM. Upon receiving

an E-Tag request in the RTS, the NYISO compares the E-Tag profile to the corresponding transaction bid/offer in the MIS. After the Real-Time Commitment (RTC) posts, the resulting schedule and the E-Tag are compared, if they do not match, the NYISO curtails the transaction accordingly; otherwise, the transaction will flow.

Upon receiving an E-Tag request, the NYISO assigns a status to that request. One of the following statuses will be assigned to the E-Tag request:

- *APROVE* — A status of APROVE is assigned to an E-Tag request that is received before the hourly checkout provided the energy profile of the E-Tag matches a bid/offer for that transaction in the MIS. The NYISO may subsequently curtail the transaction, in whole or in part, based on the flow scheduled for the transaction by RTC.
- *STUDY* — When an E-Tag request is received before the hourly market close a status of STUDY is assigned if the E-Tag energy profile does not match the transaction’s bid/offer in the MIS. The STUDY status indicates that the market participant should either modify the transaction’s bid/offer in the MIS or modify the energy profile of the E-Tag. Any E-Tags that are in a STUDY status at the end of the approval window will be updated to Passive Approval. Passive Approval denotes instances where the NYISO lets a pre-determined time period to respond to the request expire.
- *DENY* — A status of DENY is assigned when either an E-Tag request submitted after the hourly market close does not match an existing bid/offer in the MIS or an E-Tag request is received after the hourly checkout of transactions with neighboring control areas.

Figure 7.2.3 illustrates E-Tag options for RTS.

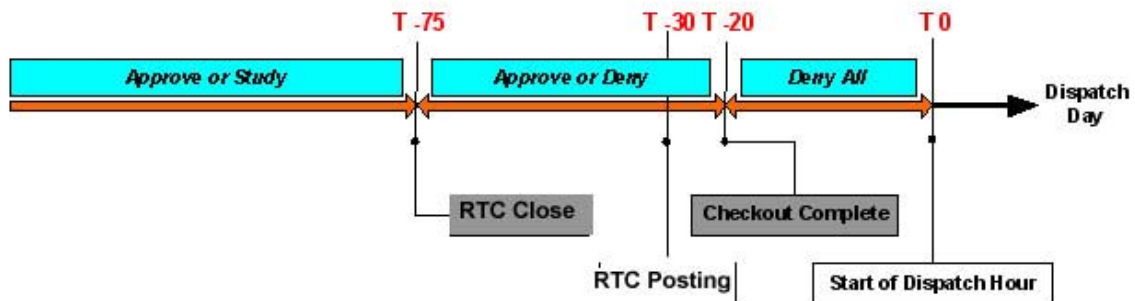


Figure 7.2.3: E-Tagging Timeline and Associated Statuses in Real-Time Market

### ***E-Tag Requests Received Prior to Real-Time Market Close (T -75)***

When transactions are scheduled and new tag requests are submitted to the NYISO, the tags’ energy profile is compared to offers in the MIS that have a matching E-Tag identification number. Provided these MW values match, the NYISO issues a status of “Approve.”

For example, a generator submits a request prior to the RTS close for a 100 MW transaction to flow to an external control area. Since a valid offer already exists in the MIS for 100 MWs, the request is given a status of “Approve.” The RTS posts the transaction at 100 MWs. The E-Tag request ensures that the NYISO and the external control area have the same MW value and the transaction flows at real-time at 100 MWs.

However, if the same transaction were scheduled by RTC at 75 MWs, the NYISO would curtail the E-Tag to 75 MWs. With a value of 75 MWs associated with the transaction in each control area, the transaction flows at 75 MWs.

If the E-Tag’s energy profile does not match the offer in the MIS and the request is made prior to the close of the RTS, the request is placed in “Study.”

For example, if a 75 MW request was submitted prior to RTS close and a corresponding offer existed in the MIS for 100 MWs, the NYISO, because the energy profiles do not match, would place the request in “Study.” The tag would be passively approved. The request would be scheduled by RTC for 100 MWs and although a curtailment request would be sent to curtail the E-Tag, the value would not change, because the MW value cannot be increased. The E-Tag value is set for 75 MWs and the other control area schedules the transaction for 75 MWs. The NYISO would adjust the MIS schedule at checkout, based on the other control area’s schedule, and the transaction would flow at 75 MWs.

#### ***E-Tag Requests Received between Real-Time Market Close and Checkout (T -75 and T -20)***

Any E-tag approval requests submitted to the NYISO after the RTS closes are assigned a status of “Approve” if the Tag’s energy profile matches a valid offer in the RTS or the “Deny” status if the energy profile does not match an MIS offer.

For example, if a valid offer exists in the MIS for 100 MWs and an E-tag request is made after the RTS closes, for 75 MWs, the request is denied because the energy profiles do not match and the transaction is cut to zero. However, if the request and the MIS offer each had a value of 100 MWs, the transaction would flow at that value. Requests submitted between T - 75 and T -20 are adjusted and the associated transaction curtailed if the MW value scheduled by RTC differs from the original energy profile and only if the E-Tag is implemented.

#### ***E-Tag Requests Received after the Real-Time Markets Checkout (T-20 and T 0)***

All tags submitted after the RTS checkout are denied. If an offer existed in the MIS for 100 MWs and a Tag request was submitted 20 minutes or less from the start of the hour, the transaction would not flow. In this instance, even though RTC schedules the transaction at 100 MWs, the transaction may be curtailed at the top of the dispatch hour.

### ***E-Tag Procedures for the Real-Time Market***

Although E-Tags may be entered at any time up to the start of the dispatch hour, the NYISO will not approve any requests entered after the RTS checkout, subject to the procedures described above. After a request is made in the NYISO MIS, the PSE enters their MIS number into one of the following E-Tag informational identifier fields in their local E-Tag system:

- OASIS number column — This is generally found in the Transmission Allocation Area. The MIS number is effectively the OASIS number in NY
- Contract number column — This is generally in the Physical Path Area
- Comment field — Generally found in the Contact Information Area

At this time, the PSE may enter or modify the Tag Code in one of two ways, depending on what their E-Tag system permits:

- Enter the draft Tag Code previously entered into the MIS. If the PSE chooses to manage its own Tag Codes, it must comply with the NERC requirement and ensure that the Tag ID is not repeated for at least one year.
- Modify the Tag ID in the MIS.

#### **7.2.4. E-Tag Revisions**

According to NERC Policy 3, E-Tag corrections and adjustments are allowed. Purchaser Seller Entities (PSEs) may revise an E-Tag may by using the ADJUST or MODIFY features in E-Tag starting with Version 1.7. The original NERC tag identifier may be referenced in the MIS and retained for the duration of the transaction described by the E-Tag.

### **7.3. Transmission Transfer Capability**

Transfer capability is the measure of the ability of interconnected electric systems to reliably move or transfer power from one area to another over all transmission lines (or paths) between those areas under specified system conditions. The NYISO has the responsibility of calculating Interface Transfer Capabilities of the NYS Transmission System (both within NYS and on the Interfaces between the NYCA and neighboring Control Areas), from time to time, as required by the Reliability Rules.

The units of transfer capability are in terms of electric power, generally expressed in megawatts. In this context, “area” may be an individual electric system, power pool, Control Area, subregion, NERC Region, or a portion of any of these. Transfer capability is also directional in nature, That is, the transfer capability from Area A to Area B is not generally equal to the transfer capability from Area B to Area A.

### ***Capability versus Capacity:***

Individual transmission line capacities or ratings cannot be added to determine the transfer capability of a transmission path or interface (transmission circuits between two or more areas within an electric system or between two or more systems). Such aggregated capacity values may be vastly different from the transmission transfer capability of the network. Generally, the aggregated capacity of the individual circuits of a specific transmission interface between two areas of the network is greater than the actual transfer capability of that interface.

### ***Limits to Transfer Capability:***

The ability of interconnected transmission networks to reliably transfer electric power may be limited by the physical and electrical characteristics of the system including any one or more of the following:

- ***Thermal Limits*** — Thermal limits establish the maximum amount of electric current that a transmission line or electrical facility can conduct over a specified time period before it sustains permanent damage by overheating or before it violates public safety requirements.
- ***Voltage Limits*** — System voltages and changes in voltages must be maintained within the range of acceptable minimum and maximum limits. A widespread collapse of system voltage can result in a blackout of portions or the entire interconnected network.
- ***Stability Limits*** — The transmission network must be capable of surviving disturbance through the transient and dynamic time periods (from milliseconds to several minutes, respectively) following the disturbance. If a new, stable operating point is not quickly established after a disturbance, the generators will likely lose synchronism with one another, and all or a portion of the interconnected electric systems may become unstable. The results of generator instability may damage equipment and cause uncontrolled, widespread interruption of electric supply to customers.

The limiting conditions on some portions of the transmission network can shift among thermal, voltage, and stability limits as the network operating conditions change over time.

### ***Determination of Transfer Capability:***

The calculation of transfer capability is generally done with computer simulations of the operation of the interconnected transmission network under a specific set of assumed operating conditions. Each simulation represents a single “snapshot” of the operation of the interconnected network based on the projections of many factors, such as:

- customer demands
- generation dispatch
- system configuration

- base scheduled transfers
- system contingencies

The conditions of the interconnected network continuously vary in real time. Therefore, the transfer capability of the network will also vary from one instant to the next. For this reason, transfer capability calculations are updated periodically for applications in the operation of the network.

The Total Transfer Capability (TTC) between any two areas or across particular paths or interfaces is the amount of electric power that can be transferred over the interconnected transmission network in a reliable manner based on all of the following conditions:

1. For the existing or planned system configuration and with normal (pre-contingency) operating procedures in effect, all facility loadings are within normal ratings and all voltages are within normal limits.
2. The electric systems are capable of absorbing the dynamic power swings, and remaining stable, following a disturbance that results in the loss of any single electric system element, such as a transmission line, transformer, or generating unit.
3. After the dynamic power swings subside following a disturbance that results in the loss of any single electric system element as described in (2) above, and after the operation of any automatic operating system, but before any post-contingency operator-initiated system adjustments are implemented, all transmission facility loadings are within emergency ratings and all voltages are within emergency limits.
4. With reference to condition (1) above, in the case where pre-contingency facility loadings reach normal ratings at a transfer level below that at which any first contingency transfer limits are reached, the transfer capability is defined as that transfer level at which such normal ratings are reached.
5. In some cases, individual system, power pool, subregional, or Regional planning criteria or guides may require consideration of specific multiple contingencies, such as the outage of transmission circuits using common towers or rights-of-way, in determination of transfer capability limits. If the resulting transfer limits for these multiple contingencies are more restrictive than the single contingency consideration described above, the more restrictive reliability criteria or guides must be observed.

#### **TTC = Minimum of {Thermal Limit, Voltage Limit, Stability Limit}**

The NYISO's calculation of Transfer Capability will be consistent with NERC, NPCC, and NYSRC standards and criteria. These calculations will be performed by the NYISO through the execution of off-line and real-time analytical processes (i.e., SCUC, RTD, and the RTC).

### 7.3.1. Available Transfer Capability

Available Transfer Capability (ATC) between two areas is a measure of the transfer capability remaining in the physical transmission network. This capability may be used for further commercial activity over and above already committed uses (for a specific period for a specific set of conditions). The amount reserved to support existing transmission commitments is defined in the Existing Transmission Agreements and Existing Transmission Capacity for Native Load. Mathematically, NERC defines ATC as the Total Transfer Capability less the Transmission Reliability Margin (TRM), less the sum of existing transmission commitments (which includes retail customer service) and the Capacity Benefit Margin (CBM).

The NYISO assesses available transfer capability (“ATC”) when developing the Day-Ahead and Real-Time schedules using the SCUC and RTC processes and dispatching the NYS Power System in real-time with RTD. Transfer capability is evaluated based on base system loading and an assessment of critical contingencies on the Transmission System.

***ATC may be defined as:***

$$\text{ATC} = \text{TTC} - \text{Transmission Interface Flow Utilization} - (\text{TRM}) - (\text{CBM})$$

Transmission Interface Flow Utilization is based upon the resulting interface power flows of the NYCA generation commitment, load pattern and external control area transactions determined by the DAM and RTS evaluations. The scheduling of firm counter flow external control area transactions in either the DAM or RTS can create the equivalent of NYISO RTD increased capacity at an external control area interface that will be reflected in Real-Time Scheduling (RTS). Transmission Interface Flow Utilization. The ATC is the remaining transfer capability based on the Transmission Interface Flow Utilization, less any Transmission Reliability Margin (TRM) that may be warranted. For DAM and RTS scheduling purposes, Capacity Benefit Margin (CBM) is not used by NYISO.

#### ***ATC Postings***

Two values of ATC, one for firm and one for non-firm transactions, are determined as a result of each SCUC and RTC evaluation process. As a final step in the SCUC and RTC processes the Non-Firm Transaction Scheduler (NFTS) performs the calculation for determining ATC values. ATC is first calculated taking into consideration only firm transactions with the resultant value being ATC exclusive of non-firm transactions.

The Non-Firm Transaction Scheduler subsequently determines if there is remaining ATC for submitted non-firm transactions for the given study period. NFTS will then schedule those non-firm transactions and calculate the ATC value inclusive of non-firm transactions. Both ATC values are then posted to the NYISO OASIS as “ATC w/o Non-Firms” and “ATC w/Non-Firms” for the respective study period.

### ***ATC for the Day-Ahead Market***

In the DAM, the SCUC process calculates ATC values for each hour of the next day. The DAM SCUC run incorporates the TTC values for each operating interface recognizing scheduled transmission facility maintenance outages. ATC values are determined based upon the interface power flows as a result of the generation commitment, load pattern and external control area transactions in the forecast re-dispatch pass of the SCUC evaluation. Note that DAM prices, including congestion costs, are the result of the bid load re-dispatch pass of the SCUC evaluation. Therefore, DAM values of ATC based on the forecast re-dispatch pass cannot be directly related to DAM LBMP congestion values that result from the bid load re-dispatch pass of SCUC. The forecast re-dispatch and bid load Redispatch passes of the SCUC evaluation are detailed in Technical Bulletin #49. Following the completion of the DAM process, the TTC and ATC values for each interface are then posted on the NYISO OASIS.

### ***ATC for the Real-Time Market***

The NYISO monitors existing system conditions and implements the RTS evaluation for a three-hour period, beginning with the next hour and forward for the next two consecutive hours. The RTS evaluates all accepted DAM bids and additional Hour Ahead bids received. The TTC values for the RTS evaluation are based on the known hourly maintenance schedules of generation and transmission. The TTC values also consider real time outages that may not have been prescheduled in the DAM. In addition, the NYISO Operator may adjust the TTC's in the RTS based upon real time operating conditions to address in-day reliability issues of the NYISO Secured System.

Following the top-of-the-hour RTS execution process, on an hourly basis forty-five minutes before the start of the next hour, the TTCs and ATCs are updated and posted on the NYISO OASIS.

### ***Real Time Operations***

Total Transfer Capability and ATC values are not posted in real time, but are represented by those values that are posted on an hourly basis. In-hour changes that may occur are not posted on the NYISO OASIS until the next hour RTS evaluation is posted.

## **7.3.2. Total Transfer Capability**

The NYISO develops Total Transfer Capability (TTC) values for the transmission operating interfaces within and relating to the NYCA as defined in the *NYISO Transmission and Dispatching Operations Manual*. Interfaces in New York are a predefined set of transmission circuits that represent transfer capability between Locational Based Marginal Pricing (LBMP) load zones and neighboring control areas. These interfaces are

defined within the Security Constrained Unit Commit (SCUC) and Real-Time Commitment (RTC) software.

These interfaces are also defined as flowgates for NERC procedures. The interfaces are monitored in SCUC for the DAM and in RTC for the RTS processes. Following the top-of-the-hour RTC execution process, on an hourly basis forty-five minutes before the start of the next hour, the TTCs and ATCs are updated and posted on the NYISO OASIS.

TTC values are also provided for the next 30-day period to account for all scheduled transmission facility maintenance outages. The NYISO Transfer Limit Report (see NYISO OASIS at <http://www.nyiso.com/public/pdf/ttcf/ttcf.pdf>) indicates the normal TTC value with all facilities in service and the reduced TTC value corresponding to the maintenance outage condition(s) listed.

Offline studies performed by the NYISO in cooperation with NYISO Committees and neighboring control areas as well as NPCC studies are utilized in addition to real time system monitoring to determine the appropriate TTC values for the DAM and RTS time frames. The TTC values are reviewed by NYISO Market Operations and may be updated as warranted to ensure that accurate values are posted. TTC values for the interfaces are the result of thermal, voltage and/or stability limitations. TTC values for all NYISO interfaces include a normal operating margin in lieu of a Transmission Reliability Margin component. The normal operating margin is typically 100MW for all scheduling interfaces.

### **7.3.3. Transmission Reliability Margin**

Transmission Reliability Margin (TRM) is defined as the amount of transmission transfer capability necessary to ensure that the interconnected transmission network is secure under a reasonable range of uncertainties in system conditions.

Transmission Reliability Margin provides a reserve transfer capability that ensures the reliability of the interconnected transmission network under a broad range of potential system conditions. Transmission Reliability Margin accounts for the inherent uncertainty in system conditions and their associated affects on TTC and ATC calculations, and the need for operating flexibility to ensure reliable system operation as system conditions change.

The TRM may be applied to the ATC calculation to address unanticipated system conditions such as normal operating margin, parallel flows, load forecast uncertainty and other external system conditions. The TRM may be used to insure the transmission system is not over scheduled thus causing or aggravating real time operational problems.

For firm scheduling purposes in the DAM and RTS, TRM is not used by the NYISO. TTC values for all NYISO interfaces include a normal operating margin in lieu of a TRM component.

#### **7.3.4. Capacity Benefit Margin**

Capacity Benefit Margin (CBM) is defined as that amount of Transmission Transfer Capability reserved by Load Serving Entities to ensure access to generation from interconnected systems to meet generation reliability requirements. Reservation of CBM by a Load Serving Entity allows that entity to reduce its installed generating capacity below that which may otherwise have been necessary without interconnections to meet its generation reliability requirements.

The transmission capacity associated with CBM will not be withheld from the scheduling or dispatch of the NYS Transmission System in either the Day-Ahead or Real-Time Markets.

Capacity Benefit Margin will not be reserved in any of the calculations or software that the NYISO will use for scheduling and dispatching the transmission system. Capacity Benefit Margin will not reduce the transmission capacity that is available for scheduling transactions. The NYISO will schedule transactions up to the limits of the transmission system, taking into account only the operating margin, which, unlike CBM, will be observed in actual system operation.

Similarly, CBM will not be withheld in determining the quantity of Transmission Congestion Contracts (TCCs) that can be made available for the NYS Transmission System. The set of TCCs that are assigned and sold for the system must be simultaneously feasible, i.e., they must correspond to a set of transactions that could be undertaken without violating any security limits on the system. The NYISO will be responsible for determining whether or not a given set of TCCs passes this test. In doing so, it will not subtract CBM in determining the transmission capacity that is available for assignment or sale as TCCs. The transmission capacity available as TCCs will correspond to that available in the actual operation of the system, i.e., TCCs will be sold up to the limits of the transmission system

# Appendix A – Service Agreements for Transmission Service

Form A -1 - Form of Service Agreement for Firm Point-To-Point Transmission Service  
Form A -2 - Form of Service Agreement for Non-Firm Point-To-Point Transmission Service.  
Form A -3 - Form of Service Agreement for Network Integration Transmission Service.  
Form A -4 - CERTIFICATION  
Form A -5 - Specification for Network Integration Transmission Service



**Form A-1 - Service Agreement for Firm Point-To-Point Transmission Service**

1.0 This Service Agreement, dated as of \_\_\_\_\_, is entered into, by and between \_\_\_\_\_ (the "ISO"), and \_\_\_\_\_ ("Transmission Customer").

2.0 The Transmission Customer has been determined by the ISO to have a Completed Application for Firm Point-To-Point Transmission Service under the NYISO Tariff.

3.0 Service under this agreement shall commence on the later of (1) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.

4.0 The ISO agrees to provide and the Transmission Customer agrees to pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the NYISO Tariff and this Service Agreement.

5.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

ISO \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Transmission Customer: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6.0 The Tariff is incorporated herein and made a part hereof.

**IN WITNESS WHEREOF**, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

ISO \_\_\_\_\_

By: \_\_\_\_\_  
Name Title Date

Transmission Customer: \_\_\_\_\_

By: \_\_\_\_\_  
Name Title Date



**Form A-2 - Service Agreement for Non-Firm Point-To-Point Transmission Service**

1.0 This Service Agreement, dated as of \_\_\_\_\_, is entered into, by and between \_\_\_\_\_ (the ISO), and \_\_\_\_\_ (Transmission Customer).

2.0 The Transmission Customer has been determined by the ISO to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Part II of the NYISO Tariff.

3.0 Service under this Agreement shall be provided by the ISO upon request by an authorized representative of the Transmission Customer.

4.0 The Transmission Customer agrees to supply information the ISO deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

5.0 The ISO agrees to provide and the Transmission Customer agrees to pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

ISO

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Transmission Customer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7.0 The Tariff is incorporated herein and made a part hereof. IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

**IN WITNESS WHEREOF**, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

ISO

Transmission Customer:

By:

By:

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Date



**Form A-3 - Service Agreement for Network Integration Transmission Service**

1.0. This Service Agreement, dated as of \_\_\_\_\_, 19\_\_, is entered into, by and between the New York System Operator ("ISO") and \_\_\_\_\_ ("Transmission Customer").

2.0..The Transmission Customer has been determined by the ISO to have a valid request for Network Transmission Service under the Tariff and to have satisfied the conditions for service imposed by this Tariff.

3.0..Service under this Agreement shall commence on the later of: (1) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this Agreement shall terminate on such date as mutually agreed upon by the parties.

4.0..The ISO agrees to provide and the Transmission Customer agrees to pay for Network Transmission Service in accordance with the provisions of this Tariff, including the Network Operating Agreement (which is incorporated herein by reference), and this Service Agreement as they may be amended from time to time.

5.0..Any notice or request to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider: \_\_\_\_\_

New York Independent System Operator  
3890 Carman Road  
Guilderland, New York 12303

Transmission Customer: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6.0 This Tariff for Network Integration Transmission Service is incorporated herein and made a part hereof.

**IN WITNESS WHEREOF**, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

New York Independent System Operator

By: \_\_\_\_\_  
Name Title Date

Transmission Customer:

By: \_\_\_\_\_  
Name Title Date

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**Form A-4 - CERTIFICATION**

I, \_\_\_\_\_, certify that I am a duly authorized officer of  
\_\_\_\_\_  
\_\_\_\_\_ (Transmission Customer) and that  
\_\_\_\_\_ (Transmission Customer) will not request service under this Service  
Agreement to assist an Eligible Customer to avoid the reciprocity provision  
of this Open Access Transmission Tariff.

(Name)

(Title)  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_

\_\_\_\_\_  
(Notary Public)

My Commission Expires:    //  
\_\_\_\_\_

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### Form A-5 - Specification for Network Integration Transmission Service

1.0 Term of Transaction: \_\_\_\_\_  
Start Date: \_\_\_\_\_  
Termination Date: \_\_\_\_\_

2.0 Description of Capacity and/or Energy to be transmitted within the NYCA (including electric control area in which the transaction originates).

\_\_\_\_\_

3.0 Network Resources: \_\_\_\_\_

4.0 Network Load: \_\_\_\_\_

5.0 Designation of party subject to reciprocal service obligation: \_\_\_\_\_

6.0 Name(s) of any Intervening Systems providing transmission service: \_\_\_\_\_

7.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of this Tariff.)

7.1 Embedded Cost Transmission Charge: \_\_\_\_\_

7.2 Facilities Study Charge: \_\_\_\_\_

7.3 Direct Assignment Facilities Charge: \_\_\_\_\_

7.4 Ancillary Services Charge: \_\_\_\_\_

7.5 Other Supporting Facilities Charge: \_\_\_\_\_

## **Appendix B – Wholesale TSC Information**

Table B -1 lists the applicable wholesale TSC for Exports from the NYCA, by transmission circuit. Table B -2 identifies the applicable wholesale TSC for Municipal Utilities, Electric Cooperatives, and Loads.

**Table B -1: Applicable Wholesale TSC for Exports from NYCA, by Transmission Circuit**

Ckt.Id	From/To	kV	From Co./To Ext.	Wholesale TSC Paid
5018	Ramapo / Branchburg	500	O&R/PJM	Con Ed/O&R
B3402	Farragut / Hudson	345	Con Ed / PJM	Con Ed
C3403	Farragut / Hudson	345	Con Ed / PJM	Con Ed
A2253	Goethals / Linden	230	Con Ed / PJM	Con Ed
D	Sugarloaf/Franklin	115	CHG&E/PJM	CHG&E
J	Sugarloaf/Franklin	115	CHG&E/PJM	CHG&E
69	So. Ripley / Erie East	230	NMPC / PJM	NMPC
BP76	Packard / Beck	230	NMPC / Ontario	NMPC
171	Falconer / Warren	115	NMPC / PJM	NMPC
1	Dennison / Rosemont	115	NMPC / HQ	NMPC
2	Dennison / Rosemont	115	NMPC / HQ	NMPC
37-HS	Stolle Road / Homer City	345	NYSEG / PJM	NYSEG
30-HW	Watercure / Homer City	345	NYSEG / PJM	NYSEG
70-EH	Hillside / East Towanda	230	NYSEG / PJM	NYSEG
952	Goudey / Laurel Lake	115	NYSEG / PJM	NYSEG
956	No. Waverly / East Sayre	115	NYSEG / PJM	NYSEG
J	So. Mahwah / Waldwick	345	O&R / PJM	Con Ed/O&R
K	So. Mahwah / Waldwick	345	O&R / PJM	Con Ed/O&R
7040	Massena / Chateauguay	765	NYPA / HQ NYPA	NYPA
PA302	Niagara / Beck A	345	NYPA / Ontario	NYPA
PA301	Niagara / Beck B	345	NYPA / Ontario	NYPA
L34P	Moses / St. Lawrence	230	NYPA / Ontario	NYPA
L33P	Moses / St. Lawrence	230	NYPA / Ontario	NYPA
PA27	Niagara / Beck	230	NYPA / Ontario	NYPA

**Table B -2: Applicable Wholesale TSC for Municipal Utilities, Electric Cooperatives, and Loads**

Except for those municipal utilities and electric cooperatives that continue to take transmission service under an Existing Transmission Agreement, the following Loads shall be obligated to pay the noted Transmission District - based TSC.

Load	TSC Paid	Load	TSC Paid	Load	TSC Paid
Con Ed	Con Ed	Greene	NYSEG	Sherrill	NMPC
LIPA	LIPA	Green Island	NMPC	Silver Springs	NYSEG
CHG&E	CHG&E	Greenport	LIPA	Skaneateles	NMPC
NYSEG	NYSEG	Groton	NYSEG	Solvay	NMPC
NMPC	NMPC	Hamilton	NYSEG	Spencerport	RG&E
O&R	O&R	Holley	NMPC	Springville	NMPC
RG&E	RG&E	Ilion	NMPC	Steuben	NYSEG
Akron	NMPC	Lake Placid	NMPC	Theresa	NMPC
Andover	NMPC	Little Valley	NMPC	Tupper Lake	NMPC
Angelica	RG&E	Marathon	NYSEG	Watkins Glen	NYSEG
Arcade	NMPC	Mayville	NMPC	Wellsville	NMPC
Bath	NYSEG	Mohawk	NMPC	Westfield	NMPC
Bergen	NMPC	Oneida -Madison	NMPC/ NYSEG	Massena	NYPA
Boonville	NMPC	Otsego	NYSEG	Freeport	LIPA
Brolton	NMPC	Penn Yan	NYSEG	Jamestown	NMPC
Castile	NYSEG	Philadelphia	NMPC	Rockville Ctr.	LIPA
Churchville	NMPC	Plattsburgh	NYPA	Alcoa	Note (1)
Delaware	NYSEG	Richmondville	NMPC	Reynolds	NYPA
Endicott	NYSEG	Rouses Point	NYSEG	Gen. Motors (Massena, NY)	NYPA
Fairport	NMPC	Salamanca	NMPC	Cornwall	NMPC
Frankfort	NMPC	Sherburne	NYSEG		

Notes: (1) - Load is treated as an entity external to the NYCA.