

**ICAP Recall Issues**  
**For discussion with ICAP WG**  
**July 13, 2000**

Issues requiring clarification in ICAP Manual

- Transactions that qualify as ICAP recall are:
  - Transactions that have been scheduled either Day Ahead or Hour Ahead and are ultimately curtailed within the hour (real time curtailment) to address a reserve shortage. These are transactions that have been scheduled by BME and have been checked out by a neighboring control area.
  - Transactions are capable of being served by the capacity associated with the ICAP supplier, after accounting for internal bilaterals and scheduled energy sales. *[For example: An ICAP supplier may have committed 100 MW of ICAP from a generator in the NYCA that has been qualified to sell 100 MW of ICAP. Suppose that supplier successfully schedules 200 MW of energy sales in the Day Ahead market in the following manner: 80 MWs serve an internal bilateral and 120 MWs are scheduled to be sold externally. If the 120 MW transaction is cut in the hour it was scheduled to flow, only 20 MW of that transaction would be eligible for treatment as ICAP recall energy.]*
- ICAP Suppliers must designate those transactions that they believe will qualify as ICAP recall.
- ICAP Suppliers with qualified ICAP recall transactions will receive payment for the recalled energy in accordance with the Tariff.

Dispatcher implementation of ICAP recall

- The NYISO dispatcher will use best judgment, consistent with maintaining the reliability of the NY State Transmission System, in determining whether to purchase emergency energy or to cut ICAP transactions in accordance with recall procedures.

NYISO Staff proposal regarding payments for qualified ICAP recall energy

- ICAP recall energy will be paid based on the higher of the real-time LBMP at the relevant proxy generator bus or the recall bid, unless the recall bid exceeds the price that the NYISO paid or would have paid for emergency energy during the hour in which the recall procedures are used. If the recall bid exceeds the price of emergency energy purchases, the ICAP Supplier will be paid the higher of the real-time LBMP at the relevant proxy generator bus or the price of emergency energy.