

OATT

Fourth Revised Sheet No. 24

- 1.3o **Capacity:** The capability to generate or transmit electrical power, or the ability to reduce demand at the direction of the ISO, measured in megawatts (“MW”).
- 1.3q **Capacity Reservation Cap:** The maximum percentage of transmission Capacity from a Transmission Owner’s sets of ETCNL that may be converted into ETCNL TCCs or the maximum percentage of a Transmission Owner’s RCRRs that may be converted into RCRR TCCs, as the case may be, as established by the ISO pursuant to Section 5.3 of Attachment M.
- 1.3r **Centralized TCC Auction:** The auction in which TCCs are released for sale for one or more Capability Periods through a bidding process administered by the ISO.

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- Deleted: 1.3s Centralized TCC Auction Period (“Auction Period”): The period equal to one or more whole Capability Periods, determined by the ISO, for which the award of TCCs in the Auction is valid.
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1st Rev First Revised Sheet No. 25

- 1.5d **Congestion Rent:** The opportunity costs of transmission Constraints on the NYS Transmission System. Congestion Rents are collected by the ISO through its facilitation of LBMP Market Transactions and the collection of Transmission Usage Charges from Bilateral Transactions.
- 1.5e **Congestion Rent Shortfall:** A condition in which the Congestion Rent revenue collected by the ISO in the Day-Ahead Market for Energy is less than the amount of Congestion Rent revenue in the Day-Ahead Market for Energy that the ISO is obligated under the Tariff to pay out to the Primary Holders of TCCs.

Sixth Revised Sheet No. 28

- 1.10a **Direct Sale:** The sale of ETCNL, and Grandfathered TCCs directly to a buyer by the Transmission Owner that is the Primary Holder through a non-discriminatory auditable sale conducted on the ISO’s OASIS, in compliance with the requirements and restrictions set forth in Commission Orders 888 et seq. and 889 et seq.

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Fifth Revised Sheet No. 29

- End-State Centralized TCC Auction: A Centralized TCC Auction that the ISO will conduct after the ISO develops the necessary software.
- 1.11c.2a **ETA Agent:** A Transmission Customer of the ISO that has been appointed by a Load Serving Entity and approved by the ISO in accordance with ISO Procedures for the purpose of enabling that Transmission Customer to hold all of the rights and obligations associated with Fixed Price TCCs, as provided for in Attachment M of this ISO OATT.
- ETCNL Reduction Fixed Reservations: As defined in Section 3.1 of Attachment M of this ISO OATT.
- 1.11c.3 **ETCNL TCC:** A TCC created when a Transmission Owner with ETCNL exercises its

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right to convert a megawatt of ETCNL into a TCC pursuant to Section 5.1 of Attachment M of this ISO OATT.

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Sixth Revised Sheet No. 32

1.14i Incremental TCC: A set of point-to-point Transmission Congestion Contract(s) that is awarded pursuant to Section 2C of Attachment M to this ISO OATT.

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Second Revised Sheet No. 33

1.14q Interface MW - Mile Methodology: The procedure used to allocate Original Residual TCCs determined prior to the first Centralized TCC Auction to Transmission Owners.

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Second Revised Sheet No. 42A

1.28d Operating Study Power Flow: A Power Flow analysis that is performed at least once before each Capability Period that is used to determine each Interface Transfer Capability for the Capability Period (See Attachment M).

Second Revised Sheet No. 43

1.28f Optimal Power Flow (“OPF”): The Power Flow analysis that is performed during the administration of the Centralized TCC Auction to determine the most efficient simultaneously feasible allocation of TCCs to bidders.

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1.28f.1 Original Residual TCC: A TCC converted from Residual Transmission Capacity estimated prior to the first Centralized TCC Auction and allocated among the Transmission Owners utilizing the Interface MW-Mile Methodology prior to the first Centralized TCC Auction.

Fifth Revised Sheet No. 46

1.36a Primary Holder: The Transmission Customer that is the recognized holder of a TCC, as described in Attachment M of this ISO OATT.

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Deleted: **Primary Owner:** The Primary Owner of each TCC is the Transmission Owner or other Transmission Customer that has acquired the TCC through conversion of rights under an Existing Transmission Agreement to Grandfathered TCCs (in accordance with Attachment K), or through the conversion of AARs or of Existing Transmission Agreements upon their expiration or the award of Incremental TCCs (in accordance with Attachment M to this ISO OATT), or the Transmission Owner that acquired the TCC through the ISO’s allocation of Original Residual TCCs or through the conversion of ETCNL or an RCRR.

Second Revised Sheet No. 46A

1.36c RCRR TCC: A Load Zone to Load Zone TCC created when a Transmission Owner with a RCRR exercises its right to convert the RCRR into a TCC pursuant to Section 6.3 of Attachment M of this ISO OATT.

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First Revised Sheet No. 47A

1.37.1 Reconfiguration Auction: The monthly auction administered by the ISO in which Transmission Customers may purchase and sell one-month TCCs.

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Fifth Revised Sheet No. 48

1.39b Residual Capacity Reservation Right (“RCRR”): A megawatt of transmission capacity from one Load Zone to an electrically contiguous Load Zone, each of which is internal to the NYCA, that may be converted into an RCRR TCC by a Transmission Owner allocated the RCRR pursuant to Section 6.0 of Attachment M.

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1.39b.1 Residual Transmission Capacity: The transmission capacity determined by the ISO before, during and after the Centralized TCC Auction which is conceptually equal to the following:

$$\text{Residual Transmission Capacity} = \text{TTC} - \text{TRM} - \text{CBM} - \text{GTR} - \text{GTCC} - \text{ETCNL}$$

The TCCs associated with Residual Transmission Capacity cannot be accurately determined until the Centralized TCC Auction is conducted.

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TTC is the Total Transfer Capability that can only be determined after the Residual Transmission Capacity is known.

GTR is the transmission capacity associated with Grandfathered Rights.

GTCC is the transmission capacity associated with Grandfathered TCCs.

ETCNL is the transmission capacity associated with Existing Transmission Capacity for Native Load.

TRM is the Transmission Reliability Margin.

CBM is the Capacity Benefit Margin.

Second Revised Sheet No. 49A

1.39h Secondary Holder: Entities that purchase TCCs and have not been certified as a Primary Holder by the ISO.

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1.39i Secondary Market: A market in which Primary and Secondary Holders sell TCCs by mechanisms other than through the Centralized TCC Auction, Reconfiguration Auction, or by Direct Sale.

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Third Revised Sheet No. 52

1.44e Transmission Congestion Contracts (“TCCs”): Instruments providing the Primary Holder thereof the right to collect or obligation to pay Congestion Rents in the Day-Ahead Market for Energy associated with a single MW of transmission between a specified POI and POW. TCCs are financial instruments that enable Energy buyers and sellers to hedge fluctuations in the price of transmission.

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