

**1.36d Real Power Losses:** The loss of Energy, resulting from transporting power over the NYS Transmission System, between the Point of Injection and Point of Withdrawal of that Energy.

**1.36d.1 Real-Time Bid:** A Bid submitted into the Real-Time Commitment at least seventy-five minutes before the start of a dispatch hour, or at least eighty-five minutes before the start of a dispatch hour if the Bid seeks to schedule an External Transaction at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line or Neptune Scheduled Line.

**1.36d.2 Real-Time Commitment (“RTC”):** A multi-period security constrained unit commitment and dispatch model that co-optimizes to solve simultaneously for Load, Operating Reserves and Regulation Service on a least as-bid production cost basis over a two hour and fifteen minute optimization period. The optimization evaluates the next ten points in time separated by fifteen minute intervals. Each RTC run within an hour shall have a designation indicating the time at which its results are posted: “RTC<sub>00</sub>,” RTC<sub>30</sub>, and “RTC<sub>45</sub>” post on the hour, and at fifteen, thirty, and forty-five minutes after the hour, respectively. Each RTC run will produce binding commitment instructions for the periods beginning fifteen and thirty minutes after its scheduled posting time and will produce advisory commitment guidance for the remainder of the optimization period, RTC<sub>15</sub> will also establish External Transaction schedules. Additional information about RTC’s functions is provided in Section 4.4.2 of the ISO Services Tariff.

**1.36d.3 Real-Time Dispatch (“RTD”):** A multi-period security constrained dispatch model that co-optimizes to solve simultaneously for Load, Operating Reserves, and Regulation Service on a least-as-bid production cost basis over a fifty, fifty-five or sixty-minute period (depending on when each RTD run covers within an hour). The Real-Time Dispatch dispatches, but does not commit, Generators, except that RTD may commit, for pricing purposes, Resources meeting Minimum Generation Levels and capable of starting in ten minutes, and shall dispatch, but not commit, Demand Side Resources to the extent that it can support their participation. Real-Time Dispatch runs will normally occur every five minutes. Additional information about RTD’s functions is provided in Section 4.4.3 of the ISO Services Tariff. Throughout the ISO Services Tariff the term “RTD” will normally be used to refer to both the Real-Time Dispatch and to the specialized Real-Time Dispatch Corrective Action Mode software.

**1.36d.4 Real-Time Dispatch-Corrective Action Mode (“RTD-CAM”):** A specialized version of the Real-Time Dispatch software that will be activated when it is needed to address unanticipated system conditions. RTD-CAM is described in Section 4.4.4 of the ISO Services Tariff.

Issued by: Mark S. Lynch, President  
Issued on: August 18, 2005

Effective: July 18, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-1123-000, issued July 19, 2005, 112 FERC ¶ 61,075 (2005).

## **II. POINT-TO-POINT TRANSMISSION SERVICE**

### **Preamble**

The ISO will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff over the transmission facilities of the parties to the ISO/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 Day-Ahead Congestion Rent associated with its Firm Point-To-Point Transmission Service by acquiring sufficient TCCs with the same Points of Receipt and Delivery as its Transmission Service. Notwithstanding any provision in this Part to the contrary, External Transactions scheduled at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line or the Neptune Scheduled Line shall be subject to the requirements of Attachment N to the ISO Services Tariff.

### **13.0 Nature of Firm Point-To-Point Transmission Service**

**13.1 Term:** The minimum term of Firm Point-To-Point Transmission Service shall be one hour and the maximum term shall be specified in the Service Agreement.

**13.2 Reservation Priority:** All requests for Firm Point-to-Point Transmission Service will be deemed to have the same reservation priority. Firm Point-to-Point

Issued by: Mark S. Lynch, President  
Issued on: June 23, 2005

Effective: June 8, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued May 24, 2005, 111 FERC ¶ 61,238 (2005).



**13.5 Transmission Customer Obligation for Facility Additions or Redispatch**

**Cost:** The ISO continuously redispatches all resources subject to its control in order to meet Load and to accommodate requests for a Firm Transmission Service through the use of SCUC, RTC, and RTD. Firm Point-To-Point Transmission Customers are charged for these redispatch costs in accordance with Attachment J. Transmission Owner(s) will be obligated to expand or upgrade its Transmission System pursuant to the terms of Section 19. The Transmission Customer or Eligible Customer must agree to compensate the Transmission Owner(s) for any necessary transmission facility additions pursuant to Section 19.

**13.6 Curtailment of Firm Transmission Service:** 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. When applicable, the ISO will follow the Lake Erie Emergency Redispatch (“LEER”) Procedure filed on February 26, 1999, in Docket No. EL99-52-000 which is incorporated by reference herein. The LEER Procedure is intended to prevent the necessity of implementing the Curtailment procedures contained in the Commission and NERC tariffs and policies. To the extent

Issued by: Mark S. Lynch, President  
Issued on: June 23, 2005

Effective: June 8, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued May 24, 2005, 111 FERC ¶ 61,238 (2005).

possible, Curtailments of External Transactions at the Proxy Generator Buses  
associated with the Cross-Sound Scheduled Line or the Neptune Scheduled Line  
shall be based on the transmission priority of the associated Advance Reservation  
~~on the Cross-Sound Cable, LLC node of the ISO-NE OASIS~~ for use of the Cross-  
Sound Scheduled Line or the Neptune Scheduled Line (as appropriate). If  
multiple

Issued by: Mark S. Lynch, President  
Issued on: June 23, 2005

Effective: June 8, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued  
May 24, 2005, 111 FERC ¶ 61,238 (2005).

transactions require Curtailment, to the extent practicable and consistent with right to Curtail, in whole or in part, any Firm Transmission Service provided under this Tariff when, in the ISO's sole discretion, an Emergency or other unforeseen condition impairs or degrades the reliability of the NYS Power System. The ISO will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments. If the ISO declares a Major Emergency State, Transmission Customers shall comply with all directions issued by the ISO concerning the avoidance, management, and alleviation of the Major Emergency and shall comply with all procedures concerning a Major Emergency set forth in the ISO Procedures and the Reliability Rules. If the ISO is required to Curtail Transmission Service as a result of a Transmission Loading Relief ("TLR") event, the ISO will perform such Curtailment in accordance with the NERC TLR procedure.

**13.7 Classification of Firm Transmission Service:**

- (i) The Transmission Customer taking Firm Point-To-Point Transmission Service, other than Transmission Customers taking Firm Point-to-Point Transmission Service associated with a Pre-Scheduled Transaction, may (1) change its Receipt and Delivery Points to obtain service on a non-firm basis consistent with the terms of Section 22.1 or (2) request a modification of the Points of Receipt or Delivery on a firm basis

Issued by: Mark S. Lynch, President  
Issued on: November 4, 2005

Effective: November 4, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-1307-000, issued October 7, 2005, 113 FERC ¶ 61,013 (2005).

Confidential Information pursuant to a request under this paragraph. After the Confidential Information has been provided to the FERC or its staff, the ISO shall immediately notify any affected Market Participant(s) when it becomes aware that a request for disclosure of such confidential information has been received by the FERC or its staff, or a decision to disclose such confidential information has been made by the FERC, at which time the ISO and the affected Market Participant(s) may respond before such information would be made public, pursuant to the FERC's rules and regulations that may provide for privileged treatment of information provided to the FERC or its staff.

The ISO shall establish procedures for handling Confidential Information that minimize the possibility of intentional or accidental improper disclosure.

**Sharing Confidential, Transmission System and Protected Information with ~~the~~  
ISO-NE ISO New England Inc. and PJM Interconnection LLC:**

Subject to the terms, requirements and conditions set forth below, the ISO is authorized:

(1) to exchange Confidential Information (including, but not limited to, information that is confidential, proprietary, commercially valuable or competitively sensitive or is a trade secret, and that has been designated as such in writing by the party supplying the information to the ISO or by the ISO) that is related to External Transactions at the Proxy Generator Buses representing the electrical interfaces between the NYCA and New England, with ISO New England Inc. ("ISO-NE") for the specific and

Issued by: Mark S. Lynch, President

Effective:

June 8, 2005

Issued on: June 23, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued May 24, 2005, 111 FERC ¶ 61,238 (2005).

limited purposes of: (i) identifying and preventing the actual or intended gaming of the market rules set forth in the New York and/or New England (NEPOOL and ISO-NE) tariffs, procedures and technical documents, and/or (ii) identifying and preventing the actual or intended exercise of market power in New York or in New England; and

(2) to exchange Confidential Information (including, but not limited to, information that is confidential, proprietary, commercially valuable or competitively sensitive or is a trade secret, and that has been designated as such in writing by the party supplying the information to the ISO or by the ISO) that is related to External Transactions at the Proxy Generator Buses representing the electrical interfaces between the NYCA and the PJM Interconnection LLC (“PJM”) Control Area, with PJM for the specific and limited purposes of: (i) identifying and preventing the actual or intended gaming of the market rules set forth in the New York and/or PJM tariffs, procedures and technical documents, and/or (ii) identifying and preventing the actual or intended exercise of market power in New York or in PJM.

Prior to disclosing any Confidential Information, the ISO shall ensure that ISO-NE or PJM (as appropriate) will provide protections for Confidential Information that are the substantial equivalent of those required by this Section 4 of the ISO’s Code of Conduct. In particular, ISO-NE and PJM shall be required to provide the following protections, and the ISO is authorized to provide reciprocal protections for Confidential Information that is provided by ISO-NE or PJM:

- (a) ISO-NE or PJM (as appropriate) shall be subject to a legally enforceable obligation to treat as confidential, in accordance with all applicable tariffs and



rules (including, but not limited to, their FERC Code of Conduct and the FERC Standards of Conduct), all information that is designated in writing by the ISO as being Confidential Information, except where such information would not be subject to protection under the ISO's Code of Conduct or its market monitoring plan. ISO-NE s or PJM's legally enforceable obligation to treat Confidential Information provided by the ISO as confidential shall be of a continuing nature, and shall survive the rescission, termination or expiration of any applicable tariffs, rules, Code of Conduct and/or Standards of Conduct;

(b) ISO-NE or PJM (as appropriate) shall possess reciprocal legal authority to provide Confidential Information to the ISO;

(c) ISO-NE or PJM (as appropriate) shall notice the ISO of all requests from courts or regulatory entities for access to Confidential Information provided by the ISO and shall provide all reasonable assistance requested by the ISO to prevent disclosure of such information. Upon receipt of notice from ISO-NE or PJM, the ISO shall inform the party

Issued by: Mark S. Lynch, President

Effective:

June 8, 2005

Issued on: June 23, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued May 24, 2005, 111 FERC ¶ 61,238 (2005).

or parties that are the source or subject of the Confidential Information and, in conjunction with ISO-NE or PJM, shall undertake reasonable efforts to ensure that the source(s) or subject(s) of the information are provided an opportunity to participate in defending the information from disclosure;

- (d) if required to release Confidential Information to a court or regulatory body, ISO-NE or PJM (as appropriate) shall take measures to ensure that it receives notice of any requests from third parties for access to such data and shall notice the ISO of any such requests. Upon receipt of notice from ISO-NE or PJM, the ISO shall inform the party or parties that are the source or subject of the Confidential Information and, in conjunction with ISO-NE or PJM, shall undertake reasonable efforts to ensure that the source(s) or subject(s) of the information are provided an opportunity to participate in defending the information from disclosure;
- (e) if required to release Confidential Information to a court or regulatory body, ISO-NE or PJM (as appropriate) shall seek appropriate protective relief to limit the disclosure to the greatest extent possible; and
- (f) ISO-NE or PJM (as appropriate) shall return or destroy Confidential Information received from the ISO when the issue underlying ISO-NE 's or PJM's inquiry has been resolved.

#### **4A.0 INSIDER TRADING**

This Section defines insider trading, explain the duties of ISO Employees and describes behavior that is prohibited under securities laws.

##### **4A.1 Insider Information:**

Federal laws prohibit the purchase or sale of any publicly traded security by a person in possession of important information about the security or its issuer that is not publicly known. These laws have special significance to the ISO because ISO Employees routinely learn of Confidential Information about Market Participants and others. This circumstance creates two

Issued by: Mark S. Lynch, President  
Issued on: June 23, 2005

Effective: June 8, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued May 24, 2005, 111 FERC ¶ 61,238 (2005).

Non-Competitive Proxy Generator Bus or (ii) the lower of the LBMP determined by RTD for that Non-Competitive Proxy Generator Bus or zero.

When (i) proposed Real-Time Market economic net Export Transactions from the NYCA to the Control Area in which the Non-Competitive Proxy Generator Bus is located would exceed the Available Transfer Capability for the Interface between the NYCA and the Control Area in which the Non-Competitive Proxy Generator Bus is located, or (ii) proposed interchange schedule changes pertaining to increases in Real-Time Market net Exports from the NYCA to the Control Area in which the Non-Competitive Proxy Generator Bus is located would exceed the Ramp Capacity limit imposed by the ISO for the Interface between the NYCA and the Control Area in which that Non-Competitive Proxy Generator Bus is located, the Real-Time LBMP at the Non-Competitive Proxy Generator Bus will be the lower of (i) the RTC-determined price at the Non-Competitive Proxy Generator Bus or (ii) the higher of the LBMP determined by RTD for the Non-Competitive Proxy Generator Bus or the Day-Ahead LBMP determined by SCUC for the Non-Competitive Proxy Generator Bus. At all other times, the Real-Time LBMP shall be calculated as specified in Section E.1, above.

### **3. Special Pricing Rules for Scheduled Lines**

Real-Time LBMPs for the Proxy Generator Buses associated with designated Scheduled Lines shall be determined as follows:

Issued by: Mark S. Lynch, President  
Issued on: June 23, 2005

Effective: June 8, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER05-727-000, issued May 24, 2005, 111 FERC ¶ 61,238 (2005).

When proposed Real-Time Market economic net Import Transactions into the NYCA associated with a designated Scheduled Line would exceed the Available Transfer Capability of the designated Scheduled Line, the Real-Time LBMP at the Proxy Generator Bus associated with the designated Scheduled Line will be the higher of (i) the RTC-determined price at that Proxy Generator Bus or (ii) the lower of the LBMP determined by RTD for that Proxy Generator Bus or zero.

When proposed Real-Time Market economic net Export Transactions from the NYCA associated with a designated Scheduled Line would exceed the Available Transfer Capability of the designated Scheduled Line, the Real-Time LBMP at the Proxy Generator Bus associated with the designated Scheduled Line will be the lower of (i) the RTC-determined price at the Proxy Generator Bus or (ii) the higher of the LBMP determined by RTD for the Proxy Generator Bus or the Day-Ahead LBMP determined by SCUC for the Proxy Generator Bus. At all other times, the Real-Time LBMP shall be calculated as specified in Section E.1 above.

The Cross-Sound Scheduled Line, Neptune Scheduled Line and Cedars Scheduled Line ~~is~~ are designated Scheduled Lines.