

basis, including Real-Time deviations from any Bilateral Transaction schedules, shall be subject to the Real-Time Market Settlement. Transmission Customers not taking service under this Tariff shall be subject to balancing charges as provided for under the ISO OATT. Settlements with External Suppliers or External Loads will be based upon hourly scheduled withdrawals or injections. ~~Real-Time Market Settlements for injections by Resources supplying Regulation Service or Operating Reserves shall follow the rules which are described in Rate Schedules 3 and 4, respectively.~~

For the purposes of this section, the scheduled output of each of the following Generators in each ~~SCDRTD~~ interval shall retroactively be set equal to its actual output in that ~~SCDRTD~~ interval:

- (i) Generators providing Energy under contracts executed and effective on or before November 18, 1999 (including PURPA contracts) in which the power purchaser does not control the operation of the supply source but would be responsible for penalties for being off-schedule, with the exception of Generators under must-take PURPA contracts executed and effective on or before November 18, 1999 who have not provided telemetering to their local TO and historically have not been eligible to participate in the NYPP market, which will continue to be treated as TO Load modifiers under the ISO-administered markets;
- (ii) Existing topping turbine Generators and extraction turbine Generators producing electric Energy resulting from the supply of steam to the district

- steam system located in New York City (LBMP Zone J) in operation on or before November 18, 1999 and/or topping or extraction turbine Generators utilized in replacing or repowering existing steam supplies from such units (in accordance with good engineering and economic design) that cannot follow schedules, up to a maximum total of 365 MW of such units; and
- (iii) Existing intermittent (i.e., non-schedulable) renewable resource Generators in operation on or before November 18, 1999 within the NYCA, plus up to an additional 500 MW of such Generators.

This procedure shall not apply to a Generator ~~at times when~~ for those hours it has bid in a manner that indicates it is available ~~been scheduled~~ to provide Regulation *Service* or Operating Reserves.

In subsections A, B, C, D, E and F of this Section 4.184.5, references to “scheduled” Energy injections and withdrawals shall encompass injections and withdrawals that are scheduled Day-Ahead, as well as injections and withdrawals that occur in connection with ~~hour-ahead~~ *real-time* Bilateral Transactions. In subsections A, C, D and F of this Section 4.184.5, references to Energy Withdrawals and Energy Injections shall not include Energy Withdrawals or Energy Injections in Virtual Transactions.

Generators that are providing Regulation Service shall not be subject to the real-time Energy market settlement provisions set forth in this Section, but shall instead be subject to the Energy settlement rules set forth in Section 6.0 of Rate Schedule 3 of this ISO Services Tariff.

Issued by: William J. Museler, President
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