

applies to the ~~SCD~~ interval for which Regulation Service *was provided* in the Real-Time Market, or, *if appropriate*, the Day-Ahead Market ~~if no Real-Time Market applies~~.

In cases in which the Energy Difference that would be calculated using the procedure described above is less than the tolerance set forth in the ISO Procedures, the ISO shall set the Energy Difference for that ~~SCD~~ interval equal to zero.

3.0 Exemptions

The following types of Generator shall not be subject to *persistent undergeneration charges, or, if they are restored by the ISO, to performance charges*:

- (i) Generators providing Energy under contracts (including PURPA contracts), executed and effective on or before November 18, 1999, in which the power purchaser does not control the operation of the supply source but would be responsible for payment of the *persistent undergeneration or performance charge*;
- (ii) Existing topping turbine Generators and extraction turbine Generators producing electric Energy resulting from the supply of steam to the district steam system 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;
- (iii) Existing intermittent (*i.e.*, non-schedulable) renewable resource Generators within the NYCA in operation on or before November 18, 1999, plus up to an additional 500 MW of such Generators; and

- (iv) Capacity Limited Resources and Energy Limited Resources to the extent that their real-time Energy injections are equal to or greater than their bid-in upper operating limits but are less than their Real-Time Scheduled Energy Injections.

This exemption shall not apply in an hour if the Generator or Resource has bid in that hour as ISO-committed flexible or Self-committed flexible