Tariff Revisions Implementing 2nd Proxy at Chateauguay

Market Issues Working Group January 22, 2007

Draft—For Discussion Purposes Only

Purpose of Tariff Revisions

- Certain relatively minor Tariff revisions are needed to implement a second proxy bus between the NYCA and HQ at Chateauguay.
- Purpose of the second proxy is to permit additional import/export and wheel-through transactions between the NYCA and HQ.
 - Imports to NY limited to 1200 MW; wheel-through transactions presently count against this import limit.
 - Can reliably accommodate an additional 300 MW of wheel-through transactions (total 1500 MW).
 - Adding second proxy will permit NYISO to optimize the combination of Import/Export and Wheel-through transactions up to the full capacity of the interface.

Preliminary Description of Expected Tariff Revisions

- Need to re-define Proxy Generator Bus to reflect the possibility of multiple proxies representing the same interface with a neighboring control area, each reflecting different transmission constraints and, as a result, different LBMPs.
 - OATT § 1.35g, Services § 2.149
- Need to re-define Non-Competitive Proxy
 Generator Bus to reflect the existence of two
 Proxy Buses at the interface with HQ.
 - OATT § 1.26g, Services § 2.115a

Preliminary Description of Expected Tariff Revisions, Cont.

- Need to clarify when Non-Competitive Proxy Generator Bus rule is triggered at interfaces that are represented by more than one Proxy Generator Bus.
 - OATT Att. J § I.E.2 (Sheet Nos. 457-457.01),
 Services Att. B § I.E.2 (Sheet Nos. 335A-335B)