

New York Independent System Operator, Inc.  
FERC Electric Tariff  
Original Volume No. 2  
Attachment K

First Revised Sheet No. 498  
Superseding Substitute Original Sheet No. 498

all TCCs in the Primary Holder's portfolio, as defined for these purposes, according to the formula below:

$$\sum_{n \in N} \left\{ \frac{NAP_n}{3} \times RM_n \right\}$$

where: NAP = the net amount of Congestion Rents (positive or negative) between the POI and POW composing each TCC<sub>n</sub> during the previous three months

RM = the remaining number of months in the life of TCC<sub>n</sub>; *provided, however*, that in the case of Grandfathered TCCs, RM shall equal the remaining number of months in the life of the longest duration TCC sold in a NYISO-administered Auction then outstanding

N = the set of TCCs held by the Primary Holder.

- (iv) **Bid Component.** The Bid Component shall be an amount equal to the sum of: (i) the amount of bidding authorization that the Customer has requested for use in ISO-administered TCC auctions, (ii) a reasonable estimate of the amount the Customer may owe as a result of requested authorization to convert AARs to TCCs, (iii) the amount of bidding authorization that the Customer has requested for use in ISO-administered UCAP auctions, and ~~(iv)~~ five (5) days prior to any UCAP Deficiency Procurement Auction, the maximum amount that the Customer may be required to pay for UCAP in the upcoming Deficiency Procurement Auction.

MLWG-01/22/01

**Draft MST Credit Provisions for LT FTR Proposal**

Draft – For Discussion Only

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER03-552-000 and ER03-552-001, issued September 22, 2003, 104 FERC ¶ 61,311 (2003).

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Third Revised Sheet No. 499  
Superseding Second Revised Sheet No. 499

Prior to participation in any ISO-administered TCC auction, a Customer shall be required to have bidding authorization in an amount equal to or greater than the sum of: (i) an amount equal to all positive bids to be submitted in the auction to purchase TCCs and (ii) an amount equal to the absolute value of all negative offer prices to be submitted for sales of TCCs. Prior to converting AARs to TCCs, a Customer shall be required to have authorization in an amount equal to or greater than a reasonable estimate of the amount the Customer may owe as a result of the conversions. Prior to participation in an ISO-administered UCAP auction, a Customer shall be required to have bidding authorization in an amount equal to or greater than all bids to purchase UCAP. A Customer shall not be permitted to submit bids in an ISO-administered auction for TCCs or UCAP nor to convert AARs to TCCs in excess of its bidding authorization.

- (v) **WTSC Component.** The WTSC Component shall be equal to the greater of either:

Greatest Amount Owed for WTSC During Any  
Single Month in the Prior Equivalent Capability Period x 50  
Days in Basis Month

- or -

Total Charges Incurred for  
WTSC for Previous Thirty (30) Days x 50