

- (b) For a negative MWh Adjustment: Payment to Generator = MWh Adjustment \*  
(marginal price at the generator bus - unit offer price). In addition the Generator shall be paid any applicable minimum generation, start-up and Energy Bid price costs not covered by the LBMP revenue for the 24 hour day or not covered by the marginal price, as appropriate.
- (c) MWh adjustment payments to Generators pursuant to this subsection shall not be considered LBMP revenue for purposes of calculating minimum generation, start up and Energy bid price guarantees.

**5.1.1.5 Settlements**

- (a) If PJM redispatches generation, the ISO shall include in its monthly accounting and billing a payment to PJM for the costs of such redispatch as determined in accordance with Section 5.1.1.4
- (b) If the ISO redispatches generation under the Pilot Program, then it shall include in its monthly accounting and billing a credit to each redispatched Generator calculated in accordance with Section 5.1.1.4. The ISO shall invoice PJM and PJM shall collect from its market participants and pay to the ISO an amount equal to all such credits to Generators.
- (c) Unless there is a separate Emergency Energy Transaction accompanying a generation adjustment under the Pilot Program there shall be no adjustment in

interchange between the ISO and PJM as a result of redispatch under the Pilot Program. In the event that an Emergency Energy Transaction accompanies a generation adjustment under the Pilot Program, compensation for the Emergency Energy Transaction shall be at the rates for emergency purchases and sales which have been approved by the Commission, as they may be amended from time-to-time.

## **5.2 Independent System Operator Authority**

The ISO will act as the Control Area operator, as defined by NERC, for the NYCA. The ISO will provide all Control Area Services in the NYCA. Control Area Services provided by the ISO will be in accordance with the terms of the ISO Services Tariff, the Reliability Rules, the ISO Related Agreements and Good Utility Practice. The ISO will interact with other Control Area operators as required to effect External Transactions pursuant to this Tariff and to ensure the effective and reliable coordination with the interconnected Control Areas. In acting as the Control Area operator, the ISO will be responsible for maintaining the safety and the short-term reliability of the NYCA and for the implementation of reliability standards promulgated by NERC and NPCC and for the Reliability Rules promulgated by the NYSRC. To be included within NYCA, a Market Participant must meet the requirements of Section 5.6. Each Market Participant that (1) withdraws Energy to supply Load within the NYCA; or (2) provides installed Capacity to an LSE serving Load within the NYCA, benefits from the Control Area Services provided by the ISO and from the reliability achieved as a result of ISO Control Area Services