

## I. COMMON SERVICE PROVISIONS

### 1.0 Definitions

**1.0a Actual Energy Withdrawals:** Energy withdrawals which are either: (1) measured with a revenue-quality real-time meter; (2) assessed (in the case of LSEs serving retail customers where withdrawals are not measured by revenue-quality real-time meters) on the basis provided for in a Transmission Owner's retail access program; or (3) calculated (in the case of wholesale customers where withdrawals are not measured by revenue-quality real-time meters), until such time as revenue-quality real-time metering is available on a basis agreed upon by the unmetered wholesale customers.

**1.0b Advance Reservation:** (1) A reservation of transmission service over the Cross-Sound Scheduled Line that is obtained in accordance with the applicable terms of Schedule 18 and the Schedule 18 Implementation Rule of the ISO New England Inc. Transmission, Markets and Services Tariff, or in accordance with any successors thereto; or (2) A right to schedule transmission service over the Neptune Scheduled Line that is obtained in accordance with the rules and procedures established pursuant to Section 44B of the PJM Interconnection LLC Open Access Transmission Tariff and set forth in a separate service schedule under the PJM Interconnection Open Access Transmission Tariff.

**1.0c Affiliate:** With respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term "control" shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

**1.1 Ancillary Services:** Those services that are necessary to support the transmission of Capacity and Energy from resources to Loads while maintaining reliable operation of the NYS Transmission System in accordance with Good Utility Practice.

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- 1.2 Annual Transmission Costs:** The total annual cost of the Transmission System for purposes of Network Integration and Point-to-Point Transmission Services shall be the amount specified in Attachment H until amended by the Transmission Owners or modified by the Commission.
- 1.2a Annual Transmission Revenue Requirement:** The total annual cost for each Transmission Owner (other than LIPA) to provide transmission service subject to review and acceptance by FERC or other authority.
- 1.3 Application:** A request by an Eligible Customer for Transmission Service pursuant to the provisions of this Tariff.
- 1.3a Automatic Generation Control (“AGC”):** The automatic regulation of the power output of electric generating facilities within a prescribed range in response to a change in system frequency, or tie-line loading, to maintain system frequency or scheduled interchange with other areas within predetermined limits.
- 1.3a.1** Reserved for future use.
- 1.3a.2** Reserved for future use.
- 1.3a.3** Reserved for future use.
- 1.3b Availability:** A measure of time that a generating facility, transmission line or other facility is or was capable of providing service, whether or not it actually is in-service.
- 1.3c Available Generating Capacity:** Generating Capacity that is on line to serve Load and/or provide Ancillary Services, or is capable of initiating start-up for the purpose of serving Transmission Customers or providing Ancillary Services, within thirty (30) minutes.
- 1.3c.1 Available Reserves:** For purposes of determining the Real-Time Locational Based Marginal Price in any Real-Time Dispatch interval: the capability of all Suppliers that submit Energy Bids to provide Spinning Reserves, Non-Synchronized 10-Minute Reserves, and 30-Minute Reserves in that interval, and in the relevant location, and the quantity of recallable external ICAP energy sales in that interval.

- 1.7b Day-Ahead:** Nominally, the twenty-four (24) hour period directly preceding the Dispatch Day, except when this period may be extended by the ISO to accommodate weekends and holidays.
- 1.7c Day-Ahead LBMP:** The LBMPs calculated based upon the ISO's Day-Ahead Security Constrained Unit Commitment process.
- 1.7d Day-Ahead Market:** The ISO Administered Market in which Capacity, Energy and/or Ancillary Services are scheduled and sold Day-Ahead consisting of the Day-Ahead scheduling process, price calculations and Settlements.
- 1.7e Decremental Bid:** A monotonically increasing Bid Price curve provided by an entity engaged in a Bilateral Import or Internal Transaction to indicate the LBMP below which that entity is willing to reduce its Generator's output and purchase Energy in the LBMP Markets, or by an entity engaged in a Bilateral Wheel Through transaction to indicate the Congestion Component cost below which that entity is willing to accept Transmission Service.
- 1.8 Delivering Party:** The entity supplying Capacity and Energy to be transmitted at Point(s) of Receipt.
- 1.8a Demand Side Resources:** Resources that result in the reduction of a Load in a responsive and measurable manner and within time limits established in the ISO Procedures.
- 1.8a.1 Dennison Scheduled Line:** A transmission facility that interconnects the NYCA to the Hydro Quebec Control Area near Massena, New York and terminates near the Town of Cornwall in Ontario, Canada.
- 1.8b Dependable Maximum Net Capability ("DMNC"):** The sustained maximum net output of a Generator, as demonstrated by the performance of a test or through actual operation, averaged over a continuous time period as defined in the ISO Procedures.
- 1.9 Designated Agent:** Any entity that performs actions or functions on behalf of the Transmission Owner, an Eligible Customer, or the Transmission Customer required under the Tariff.
- 1.9a Desired Net Interchange ("DNI"):** A mechanism used to set and maintain the desired Energy interchange (or transfer) between two Control Areas; it is

Services.

- 1.18h Member Systems:** The eight Transmission Owners that comprise the membership of the New York Power Pool.
- 1.18i Minimum Generation Bid:** A Bid parameter that identifies the payment a Supplier requires to operate a Generator at its specific minimum operating level or to provide a Demand Side Resource's specified minimum quantity of Demand Reduction.
- 1.18j Minimum Generation Level:** For purposes of describing the eligibility of ten minute Resources to be committed by the Real Time Dispatch for pricing purposes pursuant to the Services Tariff, Section 4.4.3 (C), an upper bound, established by the ISO, on the physical minimum generation limits specified by ten minute Resources. Ten minute Resources with physical minimum generation limits that exceed this upper bound will not be committed by the Real Time Dispatch for pricing purposes. The ISO shall establish a Minimum Generation Level based on its evaluation of the extent to which it is meeting its reliability criteria including Control Performance. The Minimum Generation Level, in megawatts, and the ISO's rationale for that level, shall be made available through the ISO's website or comparable means.
- 1.18k Modified Wheeling Agreements ("MWA"):** A Transmission Agreement in existence, as amended, between Transmission Owners, that is associated with existing Generators or power supply contracts, that will be modified effective upon LBMP implementation. The terms and conditions of the MWA will remain the same as the original agreement, except as noted in the ISO OATT.
- 1.19 Native Load Customers:** The wholesale and retail power customers of the Transmission Owners on whose behalf the Transmission Owners, by statute, franchise, regulatory requirement, or contract, have undertaken an obligation to construct and operate the Transmission Owners' systems to meet the reliable electric needs of such customers.
- 1.190 Neptune Scheduled Line:** A transmission facility that interconnects the NYCA to the PJM Interconnection LLC Control Area at Levittown, Town of Hempstead, New York and terminates in Sayerville, New Jersey.
- 1.19a NERC:** The North American Electric Reliability Council.

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- 1.19b NERC Transaction Priorities:** The reservation and scheduling priority applied to a Transaction under the NERC Transmission Loading Relief Procedure.
- 1.19c NERC Transmission Loading Relief (“TLR”) Procedure:** “Standard IRO-006-1 – Reliability Coordination – Transmission Loading Relief” as approved in Docket No. ER05-1307-000.
- 1.19d Net Auction Revenue:** The total amount, in dollars, as calculated pursuant to Section 3.1 of Attachment N, remaining after collection of all charges and allocation of all payments associated with a round of a Centralized TCC Auction or a Reconfiguration Auction. Net Auction Revenue takes into account: (i) revenues from and payments for the award of TCCs in a Centralized TCC Auction or Reconfiguration Auction, (ii) payments to Transmission Owners releasing ETCNL, (iii) payments or charges to Primary Holders selling TCCs, (iv) payments to Transmission Owners releasing Original Residual TCCs, (v) O/R-t-S Auction Revenue Surplus Payments and U/D Auction Revenue Surplus Payments, and (vi) O/R-t-S Auction Revenue Shortfall Charges and U/D Auction Revenue Shortfall Charges. Net Auction Revenue may be positive or negative.
- 1.19e Net Congestion Rent:** The total amount, in dollars, as calculated pursuant to Section 2.1 of Attachment N, remaining after collection of all Congestion-related charges and allocation of all Congestion-related payments associated with the Day-Ahead Market. Net Congestion Rent takes into account: (i) charges and payments for Congestion Rents, (ii) settlements with TCC Primary Holders, (iii) O/R-t-S Congestion Rent Shortfall Charges and U/D Congestion Rent Shortfall Charges, and (iv) O/R-t-S Rent Congestion Surplus Payments and U/D Congestion Rent Surplus Payments. Net Congestion Rent may be positive or negative.
- 1.20 Network Customer:** An entity receiving Transmission Service pursuant to the terms of the ISO’s Network Integration Transmission Service under Part III of the Tariff.
- 1.21 Network Integration Transmission Service:** The Transmission Service provided under Part III of the Tariff.
- 1.22 Network Load:** The Load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer’s Network Load shall include all Load served by the output of any Network Resources designated by the Network Customer. A Network Customer

outside the NYS Power System that is subject to protocols (e.g., telemetry signal biasing) which allow the ISO and other Control Area operator(s) to treat some or all of that Generation as though it were part of the NYS Power System.

- 1.26c New York Power Pool (“NYPP”):** An organization established by agreement (the “New York Power Pool Agreement”) made as of July 21, 1966, and amended as of July 16, 1991, by and among Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Long Island Lighting Company, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, and the Power Authority of the State of New York. LIPA became a Member of the NYPP on May 28, 1998 as a result of the acquisition of the Long Island Lighting Company by the Long Island Power Authority.
- 1.26d New York State Power System (“NYS Power System”):** All facilities of the NYS Transmission System, and all those Generators located within the NYCA or outside the NYCA, some of which may from time-to-time be subject to operational control by the ISO.
- 1.26e New York State Reliability Council (“NYSRC”):** An organization established by agreement among the Member Systems of the New York Power Pool (the “NYSRC Agreement”).
- 1.26f New York State Transmission System (“NYS Transmission System”):** The entire New York State electric transmission system, which includes: (1) the Transmission Facilities Under ISO Operational Control; (2) the Transmission Facilities Requiring ISO Notification; and (3) all remaining transmission facilities within the NYCA.
- 1.26g Non-Competitive Proxy Generator Bus:** (a) The Proxy Generator Bus for the Hydro Quebec Control Area; ~~and~~ (b) the Proxy Generator Bus associated with the Dennison Scheduled Line; and (c) any other Proxy Generator Bus for an area outside of the New York Control Area that has been identified by the ISO as characterized by non-competitive Import or Export prices, and that has been approved by the Commission for designation as a Non-Competitive Proxy Generator Bus.
- 1.27 Non-Firm Point-To-Point Transmission Service:** Point-To-Point Transmission Service under the Tariff for which a Transmission Customer is not willing to pay Congestion. Such service is available absent Constraints under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on a stand-alone basis for individual one-hour periods not to exceed twenty-four (24) consecutive hours.



**1.36d Real Power Losses:** The loss of Energy, resulting from transporting power over the NYS Transmission System, between the Point of Injection and Point of Withdrawal of that Energy.

**1.36d.1 Real-Time Bid:** A Bid submitted into the Real-Time Commitment at least seventy-five minutes before the start of a dispatch hour, or at least eighty-five minutes before the start of a dispatch hour if the Bid seeks to schedule an External Transaction at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line or Neptune Scheduled Line.

**1.36d.2 Real-Time Commitment (“RTC”):** A multi-period security constrained unit commitment and dispatch model that co-optimizes to solve simultaneously for Load, Operating Reserves and Regulation Service on a least as-bid production cost basis over a two hour and fifteen minute optimization period. The optimization evaluates the next ten points in time separated by fifteen minute intervals. Each RTC run within an hour shall have a designation indicating the time at which its results are posted: “RTC<sub>00</sub>,” RTC<sub>30</sub>, and “RTC<sub>45</sub>” post on the hour, and at fifteen, thirty, and forty-five minutes after the hour, respectively. Each RTC run will produce binding commitment instructions for the periods beginning fifteen and thirty minutes after its scheduled posting time and will produce advisory commitment guidance for the remainder of the optimization period, RTC<sub>15</sub> will also establish External Transaction schedules. Additional information about RTC’s functions is provided in Section 4.4.2 of the ISO Services Tariff.

**1.36d.3 Real-Time Dispatch (“RTD”):** A multi-period security constrained dispatch model that co-optimizes to solve simultaneously for Load, Operating Reserves, and Regulation Service on a least-as-bid production cost basis over a fifty, fifty-five or sixty-minute period (depending on when each RTD run covers within an hour). The Real-Time Dispatch dispatches, but does not commit, Generators, except that RTD may commit, for pricing purposes, Resources meeting Minimum Generation Levels and capable of starting in ten minutes, and shall dispatch, but not commit, Demand Side Resources to the extent that it can support their participation. Real-Time Dispatch runs will normally occur every five minutes. Additional information about RTD’s functions is provided in Section 4.4.3 of the ISO Services Tariff. Throughout the ISO Services Tariff the term “RTD” will normally be used to refer to both the Real-Time Dispatch and to the specialized Real-Time Dispatch Corrective Action Mode software.

**1.36d.4 Real-Time Dispatch-Corrective Action Mode (“RTD-CAM”):** A specialized version of the Real-Time Dispatch software that will be activated when it is needed to address unanticipated system conditions. RTD-CAM is described in Section 4.4.4 of the ISO Services Tariff.

**1.39d Safe Operations:** Actions which avoid placing personnel and equipment in peril with regard to the safety of life and equipment damage.

**1.39d.01 Scheduled Energy Injection:** Energy injections which are scheduled on a real-time basis by RTC.

**1.39d.02 Scheduled Line:** A transmission facility or set of transmission facilities: (a) that provide a distinct scheduling path interconnecting the ISO with an adjacent control area, (b) over which Customers are permitted to schedule External Transactions, (c) for which the NYISO separately posts TTC and ATC, and (d) for which there is the capability to maintain the Scheduled Line actual interchange at the DNI, or within the tolerances dictated by Good Utility Practice. Each Scheduled Line is associated with a distinct Proxy Generator Bus. Transmission facilities shall only become Scheduled Lines after the Commission accepts for filing revisions to the NYISO's tariffs that identify a specific set or group of transmission facilities as a Scheduled Line.

The following transmission facilities are Scheduled Lines: the Cross-Sound Scheduled Line, the Neptune Scheduled Line, and the Dennison Scheduled Line.

**1.39d.1 Scheduling Differential:** A monetary amount, to be defined by the ISO pursuant to ISO Procedures that is assigned to, or defines Bid Price limits applicable to, Decremental Bids and Sink Price Cap Bids at Proxy Generator Buses, in order to establish an appropriate scheduling priority for the Transaction or Firm Transmission Service associated with each such Bid. The Scheduling Differential shall be no larger than one dollar (\$1.00).

**1.39e SCUC:** Security Constrained Unit Commitment, described in Attachment C of the Tariff.

**1.39f Second Contingency Design and Operation:** The planning, design and operation of a power system such that the loss of any two (2) facilities will not result in a service interruption to either native load customers or contracted firm Transmission Customers. Second Contingency Design and Operation criteria do not include the simultaneous loss of two (2) facilities, but rather consider the loss of one (1) facility and the restoration of the system to within acceptable operating parameters, prior to the loss of a second facility. These criteria apply to thermal, voltage and stability limits and are generally equal to or more stringent than NYPP, NPCC and NERC criteria.

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## II. POINT-TO-POINT TRANSMISSION SERVICE

### Preamble

The ISO will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff over the transmission facilities of the parties to the ISO/TO Agreement. Point-To-Point Transmission Service is for the receipt of Capacity and Energy at designated Point(s) of Receipt and the transmission of such Capacity and Energy to designated Point(s) of Delivery. Firm Point-To-Point Transmission Service is service for which the Transmission Customer has agreed to pay the Congestion Rent associated with its service. Non-Firm Point-To-Point Transmission Service is service for which the Transmission Customer has not agreed to pay Congestion Rent. A Transmission Customer may fix the price of Day-Ahead Congestion Rent associated with its Firm Point-To-Point Transmission Service by acquiring sufficient TCCs with the same Points of Receipt and Delivery as its Transmission Service. Notwithstanding any provision in this Part to the contrary, External Transactions scheduled at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line or the Neptune Scheduled Line shall be subject to the requirements of Attachment N to the ISO Services Tariff.

### 13.0 Nature of Firm Point-To-Point Transmission Service

**13.1 Term:** The minimum term of Firm Point-To-Point Transmission Service shall be one hour and the maximum term shall be specified in the Service Agreement.

**13.2 Reservation Priority:** All requests for Firm Point-to-Point Transmission Service will be deemed to have the same reservation priority. Firm Point-to-Point

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possible, Curtailments of External Transactions at the Proxy Generator Buses  
associated with the Cross-Sound Scheduled Line or the Neptune Scheduled Line  
shall be based on the transmission priority of the associated Advance Reservation  
~~on the Cross-Sound Cable, LLC node of the ISO-NE-OASIS~~ for use of the Cross-  
Sound Scheduled Line or the Neptune Scheduled Line (as appropriate). If  
multiple

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