

ARTICLE 2

DEFINITIONS

2.0 Definitions

The following definitions are applicable to the ISO Services Tariff:

2.1 Actual Energy Injections

Energy injections which are measured using a revenue-quality real-time meter.

2.1.1 Actual Energy Withdrawals

Energy withdrawals which are either: (1) measured with a revenue-quality real-time meter; (2) assessed (in the case of Load Serving Entities ("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.

2.1.2 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

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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 LLC Open Access Transmission Tariff.

2.2 Adverse Conditions

Those conditions of the natural or man-made environment that threaten the adequate reliability of the NYS Power System, including, but not limited to, thunderstorms, hurricanes, tornadoes, solar magnetic flares and terrorist activities.

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2.38d Demand Reduction Provider

An entity that is eligible, pursuant to the relevant ISO Procedures, to bid Demand Side Resources of at least 1 MW into the Day-Ahead Market, or, to the extent that the ISO's software can support their provision of non-synchronized Operating Reserves, the Real-Time Market. A Demand Reduction Provider can be (i) a Load Serving Entity or (ii) a Demand Reduction Aggregator.

2.39 Demand Side Resources

Resources located in the NYCA that are capable of reducing demand in a responsive, measurable and verifiable manner within time limits, and that are qualified to participate in competitive Energy and, to the extent that the ISO's software can support their participation, certain Operating Reserves markets pursuant to this ISO Services Tariff and the ISO Procedures.

2.39a 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.

2.40 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.

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2.41 Desired Net Interchange (“DNI”)

A mechanism used to set and maintain the desired Energy interchange (or transfer) between two Control Areas; it is scheduled ahead of time and can be changed only manually in real-time.

2.42 Direct Sale

The sale of TCCs directly to a buyer by the Primary Owner through a non-discriminatory auditable sale conducted on the ISO’s OASIS, in compliance with the requirements and restrictions set forth in Commission Order Nos. 888 et seq. and 889 et seq.

2.106b Minimum Payment Nomination

An offer, submitted in dollars per Megawatt-hour and not to exceed \$500 per Megawatt-hour, to reduce Load equal to the Installed Capacity Equivalent of the amount of Unforced Capacity a Special Case Resource is supplying to the NYCA.

2.107 Modified Wheeling Agreement ("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.

2.107a Monthly Auction

An auction administered by the ISO pursuant to Section 5.13.3 of the ISO Services Tariff.

2.107b 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.

2.107c 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.

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2.112 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.

2.113 New York State Reliability Council (“NYSRC”)

An organization established by agreement among the Member Systems to promote and maintain the reliability of the NYS Power System.

2.114 New York State Reliability Council Agreement (“NYSRC Agreement”)

The agreement which established the NYSRC.

2.115 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.

2.115a Non-Competitive Proxy Generator Bus

(a) The Proxy Generator Bus for the Hydro Quebec Control Area; (b) the Proxy Generator Bus associated with the Dennison Scheduled Line; and ~~(bc)~~ 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.

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Bid seeks to schedule an External Transaction at the Proxy Generator Bus associated with the

Cross-Sound Scheduled Line or the Neptune Scheduled Line.

2.153b 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

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2.160c Rest of State

The set of all non-Locality NYCA LBMP Load Zones. As of the 2002-2003 Capability Year, Rest of State includes all NYCA LBMP Load Zones other than LBMP Load Zones J and K.

2.161 Safe Operations

Actions which avoid placing personnel and equipment in peril with regard to the safety of life and equipment damage.

2.161a 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 ISO 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.~~

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The ISO shall reserve Ramp Capacity, and Transfer Capability on affected Interfaces, for each Pre-Scheduled Transaction. The ISO shall evaluate requests to withdraw Pre-Scheduled Transactions pursuant to ISO Procedures. The ISO shall submit Pre-Scheduled Transactions to the appropriate LBMP Market for the designated Dispatch Day.

Prescheduled Transactions that are submitted for scheduling in the Day-Ahead Market shall be assigned a Decremental Bid or Sink Price Cap Bid, as appropriate, to provide the highest scheduling priority available.

Prescheduled Transactions may not be scheduled at Proxy Generator Buses that are associated with Scheduled Lines.

4.2.2 Day-Ahead Load Forecasts, Bids and Bilateral Schedules

A. General Customer Forecasting and Bidding Requirements

By 5 a.m., on the day prior to the Dispatch Day (or by 4:50 a.m. for Eligible Customers seeking to schedule External Transactions at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line or the Neptune Scheduled Line): (i) All LSEs serving Load in the NYCA shall provide the ISO with Day-Ahead and seven (7) day Load forecasts; and (ii)

4.4.2 Real-Time Commitment (“RTC”)

A. Overview

RTC will make binding unit commitment and de-commitment decisions for the periods beginning fifteen minutes (in the case of Resources that can respond in ten minutes) and thirty minutes (in the case of Resources that can respond in thirty minutes) after the scheduled posting time of each RTC run, will provide advisory commitment information for the remainder of the two and a half hour optimization period, and will produce binding schedules for External Transactions to begin at the start of each hour. RTC will co-optimize to solve simultaneously for all Load, Operating Reserves and Regulation Service requirements and to minimize the total as-bid production costs over its optimization timeframe. RTC will consider SCUC’s Resource commitment for the day, load and loss forecasts that RTC itself will produce each quarter hour, binding transmission constraints, and all Real-Time Bids and Bid parameters submitted pursuant to Section 4.4.2.B below.

B. Bids and Other Requests

After the Day-Ahead schedule is published and no later than seventy-five (75) minutes before each hour, or no later than eighty-five minutes before each hour for bids to schedule External Transactions at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line or the Neptune Scheduled Line, Customers may submit Real-Time Bids into RTC for real-time evaluation.

1. Real-Time Bids to Supply Energy and Ancillary Services

Eligible Customers may submit new or revised Bids to supply Energy, Operating Reserves and/or Regulation Service. Customers that submit such Bids may specify different Bid

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would exceed any Ramp Capacity limits in place for the NYCA as a whole; or (iii) proposed interchange schedule changes pertaining to the Interface between the NYCA and the External Control Area that the Proxy Generator Bus is associated with would exceed any Ramp Capacity limit imposed by the ISO for that Interface. Finally, ~~RTC₁₅ will also calculate~~ Real-Time LBMPs will be determined at certain times at Non-Competitive Proxy Generator Buses and Proxy Generator Buses associated with designated Scheduled Lines that are subject to the Special Pricing Rules as is described in Attachment B to this ISO Services Tariff.

Real-Time LBMPs will be calculated by RTD for all other purposes, including for pricing External Transactions during intervals when the interface associated with an External Transaction is not binding pursuant to Section 4.4.3(B).

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