

Agenda 08—7/21/04 Business Issues Committee

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 2
Sched. 4

~~Fourth~~~~Fifth~~~~Sixth~~ Revised Sheet No. 302
Superseding ~~Third~~~~Fourth~~~~Fifth~~ Revised Sheet No. 302

- (a) *When the Supplier's real-time Operating Reserves schedule is greater than its assigned Day-Ahead Operating Reserves schedule, the ISO shall pay the Supplier an amount to compensate it for the imbalance equal to the product of: (i) the Real-Time Market clearing price for the relevant Operating Reserve product in the relevant location; and (ii) the difference between the Supplier's Day-Ahead and real-time Operating Reserves schedules.*

6.3. Other Real-Time Payments

The ISO shall pay Generators that are selected to provide Operating Reserves, but are directed to convert to Energy production in real-time, the applicable Real-Time LBMP for all Energy they are directed to produce in excess of their Day-Ahead schedule.

As is provided in Section 4.10 and Attachment C of this ISO Services Tariff, the ISO shall compensate each eligible Supplier providing Operating Reserves if its Bid Production Cost to provide the Energy and Ancillary Services it is scheduled to supply in the Real-Time Market, including Minimum Generation Bid and Start-Up Bid costs exceeds the revenues it receives from the sale of Energy and Ancillary Services. Any Supplier that provides Energy during a large event reserve pickup or a maximum generation event, as described in Sections 4.4.4(A) (1) and (2) of this ISO Services Tariff shall be eligible for a Bid Production Cost guarantee payment calculated, under Attachment C, ~~solely~~ for the duration of the large event reserve pickup or maximum generation pickup and the three RTD intervals following the termination of the large event reserve pickup or maximum generation pickup. Such payments shall be excluded from the ISO's calculation of real-time Bid Production Cost guarantee payments otherwise payable to Suppliers on that Dispatch Day.

~~30 Minute Reserves located: (i) east of central east excluding Long Island; (ii) Long Island; and (iii) west of central east. When there are no binding locational reserve constraints between these three locations, the Day Ahead Availability price for 30 Minute Reserves shall be the same in each of the three locations. When there are binding locational reserve constraints, separate Day Ahead Availability prices may be paid to 30 Minute Reserve Suppliers in each of the three locations. Examples of the manner in which these separate payments shall be calculated are set forth in Technical Bulletin No. 80, Locational Reserve Availability Clearing Prices, found at http://www.nyiso.com/services/documents/techbulletins/pdf/tb_80.pdf. Whenever the Long Island locational 30 minute total reserve constraint is binding in the Day Ahead Market, the amount paid to resources providing 30 Minute Reserve, per MW of 30 Minute Reserve scheduled applicable to the Long Island 30 minute total reserve requirement, will not exceed the east of central east excluding Long Island Day Ahead 30 Minute Reserve Availability price.~~

~~Locational Real Time Availability Payments Each Supplier selected to provide more 30 Minute Reserve than it was scheduled Day Ahead to provide in each hour shall be paid the real-time Availability price for 30 Minute Reserve at its location, multiplied by the amount of 30 Minute Reserve that the Supplier~~

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