

DRAFT TECHNICAL BULLETIN XXX

02/XX/2009

Subject: NYISO Actions During Neighboring Control Area Transmission Loading Relief (TLRs) Events

The NERC TLR Procedure is an Eastern Interconnection-wide process that allows Reliability Coordinators to mitigate potential or actual operating security limit violations while respecting transmission service reservation priorities. Accordingly, neighboring control areas use TLRs for constrained transmission flowgates.

External TLRs declarations may have an impact on NYISO reliability to the extent they occur in-hour and potentially result in significant transaction curtailments.

When TLRs are declared by neighboring control areas, specific transactions are curtailed to provide transmission relief in real-time using Interchange Scheduler +, (see TB #61). If the TLR is still in effect for subsequent RTC runs, then the NYISO will take the following actions:

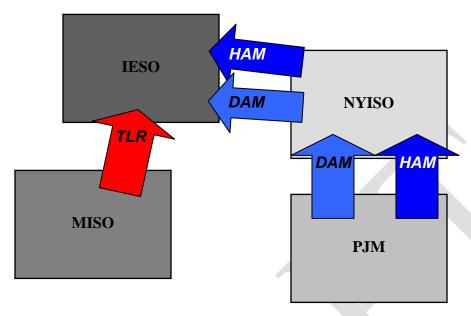
- HAM transactions that negatively impact the TLR flowgate are not evaluated for scheduling by RTC.
- All remaining HAM transactions continue to be evaluated normally.
- The normal RTC evaluation protocol for scheduling for all HAM transactions resumes after the TLR is terminated.

For the purposes of this procedure, DAM transactions include all transactions that were scheduled and clear DAM Checkout regardless if the default economic priority of \$999.7/MW has been modified prior to the RTC evaluation.

The NYISO's procedures take advantage of HAM scheduling capabilities; i.e., HAM transactions associated with a TLR flowgate are proactively removed from consideration by RTC. This, in turn:

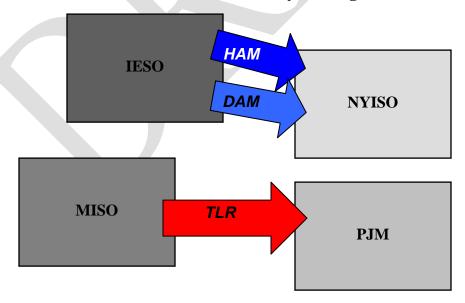
- Promotes a reliable dispatch, as in-hour TLR curtailments could be larger than NYISO reserve requirements.
- Minimizes potential for disruptive market operations due to in-hour transaction reductions.
- Minimizes the need for curtailing additional DAM transactions as a result of a continued TLR event that would result in additional transactions curtailments.
- Fosters price convergence between HAM and real-time energy prices

Example - TLR Between Control Areas - MISO-IESO TLR Issued by IESO



- PJM-NY DAM & HAM transaction curtailments may result from the TLR.
- NY-IESO DAM & HAM transaction curtailments may result from TLR.
- NY-IESO and PJM-NY HAM transactions no longer evaluated.
- All other HAM transactions continue to be evaluated.
- All DAM transactions continue to be evaluated.
- The normal RTC evaluation protocol for scheduling for all HAM transactions resumes after the TLR is terminated.

Example - TLR Between Control Areas - Wylie Ridge TLR Issued by PJM.

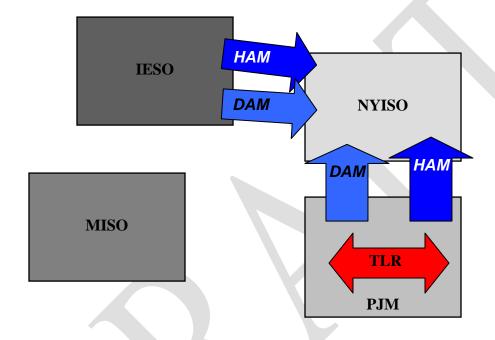


- IESO NY DAM & HAM transaction curtailments may result from the TLR.
- IESO NY HAM transactions no longer evaluated.

NYISO Customer Support Page 2 of 3

- All other HAM transactions continue to be evaluated.
- All DAM transactions continue to be evaluated.
- The normal RTC evaluation protocol for scheduling for all HAM transactions resumes after the TLR is terminated.

Example – TLR within a Control Area- Cedar-Roseland Grove TLR Issued by PJM



- IESO-NY DAM & HAM transaction curtailments may result from the TLR
- PJM-NY DAM & HAM transaction curtailments may result from the TLR
- IESO-NY and PJM-NY HAM transactions no longer evaluated
- All other HAM transactions continue to be evaluated
- All DAM transactions continue to be evaluated.
- The normal RTC evaluation protocol for scheduling for all HAM transactions resumes after the TLR is terminated.

NYISO Customer Support Page 3 of 3