

### 2.13 Bid

Offer to purchase ~~or bid to~~ sell Energy, Demand Reductions, Transmission Congestion

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Contracts and/or Ancillary Services at a specified price that is duly submitted to the ISO

pursuant to ISO Procedures. Bid shall mean a mitigated Bid where appropriate.

### 2.13a Reserved

### 2.14 Bid Price

The price at which the Customer offering the Bid is willing to provide the product or service, or is willing to pay to receive such product or service, as applicable.

### 2.15 Bid Production Cost

Total cost of the Generators required to meet Load and reliability Constraints based upon Bids corresponding to the usual measures of Generator production cost (e.g., running cost, Minimum Generation Bid, and Start-Up Bid).

### 2.15a Bidder

An entity that bids to purchase Unforced Capacity in an Installed Capacity auction.

### 2.15b Bidding Requirement

The credit requirement for bidding in certain ISO-administered auctions, calculated in accordance with Section III.C. of Attachment K to this Services Tariff.

### 2.16 Bilateral Transaction

A Transaction between two or more parties for the purchase and/or sale of Capacity, Energy, and/or Ancillary Services other than those in the ISO Administered Markets. A request to schedule a Bilateral Transaction shall be considered a request for point-to-point Transmission Service.

**2.22 Code of Conduct**

The rules, procedures and restrictions concerning the conduct of the ISO directors and employees, contained in Attachment F to the ISO Open Access Transmission Tariff.

**2.23 Commission (“FERC”)**

The Federal Energy Regulatory Commission, or any successor agency.

**2.23a Compensable Overgeneration**

A quantity of Energy injected over a given RTD interval in which a Supplier has offered Energy that exceeds the Real-Time Scheduled Energy Injection established by the ISO for that Supplier and for which the Supplier may be paid pursuant to this Section 2.23a and ISO Procedures.

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For: i) Suppliers not covered by other provisions of this Section 2.23a; and ii)

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Intermittent Power Resources depending on wind as their fuel for which the ISO has imposed a Wind Output Limit in the given RTD interval, Compensable Overgeneration shall initially equal three percent (3%) of a given Supplier’s Normal Upper Operating Limit, which may be modified by the ISO if necessary to maintain good Control Performance.

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For a Generator which is operating in Start-Up or Shutdown Periods, Testing Periods, or which is an Intermittent Power Resource that depends on solar energy or landfill gas for its fuel and which has offered its Energy to the ISO in a given interval not using the ISO-committed flexible or Self-committed flexible bid mode. Compensable Overgeneration shall mean all Energy actually injected by the Generator that exceeds the Real-Time Scheduled Energy Injection by the ISO for that Generator. For a Generator operating in intervals when it has been designated as operating Out of Merit at the request of a Transmission Owner or the ISO.

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Compensable Overgeneration shall mean all Energy actually injected by the Generator that exceeds the Real-Time Scheduled Energy Injection up to the Energy level directed by the Transmission Owner or the ISO.

For Intermittent Power Resource that depend on wind as their fuel, and Limited Control Run of River Hydro Resources, not using the ISO-committed flexible or Self-committed flexible bid mode, that were in operation on or before November 18, 1999 within the NYCA, plus an additional 3,300 MW of such

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ResourcesCompensable Overgeneration shall mean that

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(Reserved for Future Use)

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quantity of Energy injected by a Generator, over a given RTD interval, that exceeds the Real-Time Scheduled Energy Injection established by the ISO for that Generator and for which the Generator may be paid pursuant to ISO Procedures; provided however, this definition of Compensable Overgeneration shall not apply to an Intermittent Power Resource depending on wind as its fuel for any interval for which the ISO has imposed a Wind Output Limit.

For a Generator comprised of a group of generating units at a single location, which grouped generating units are separately committed and dispatched by the ISO, and for which Energy injections are measured at a single location, Compensable Overgeneration shall mean that quantity of Energy injected by the Generator, during the period when one of its grouped generating units is operating in a Start-Up or Shutdown Period, that exceeds the Real-Time Scheduled Energy Injection established by the ISO for that period, for that Generator, and for which the Generator may be paid pursuant to ISO Procedures.

#### **2.24 Completed Application**

An Application that satisfies all of the information and other requirements for service under the ISO Services Tariff.

#### **2.25 Confidential Information**

Information and/or data that has been designated by a Customer to be proprietary and confidential, provided that such designation is consistent with the ISO Procedures, the ISO Services Tariff, and the ISO Code of Conduct.

#### **2.26 Congestion**

A characteristic of the transmission system produced by a constraint on the optimum economic operation of the power system, such that the marginal price of Energy to serve the next increment of Load, exclusive of losses, at different locations on the transmission system is

unequal.

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

First Revised Sheet No. 34B  
Superseding Original Sheet No. 34B

#### **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 manually in real-time.

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#### **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.

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Superseding Ninth Revised Sheet No. 37

**2.49c Energy Profile MW**

The maximum schedule desired for an External Transaction. Import, Export and Wheels

Through Transactions will specify its Energy Profile MW in its Bid.

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**2.49d Equivalent Demand Forced Outage Rate**

The portion of time a unit is in demand, but is unavailable due to forced outages.

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**2.49e Equivalency Rating**

A rating determined by the ISO, at a Customer's request, based on the ISO's financial evaluation of an Unrated Customer that shall serve as the starting point of the ISO's determination of an amount of Unsecured Credit to be granted to the Customer, if any, as provided in Table K-1 of Attachment K to this Services Tariff.

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**2.49e.1 ETA Agent**

A Customer of the ISO that has been appointed by a Load Serving Entity and approved by the ISO in accordance with ISO Procedures for the purpose of enabling that Customer to hold all of the rights and obligations associated with Fixed Price TCCs, as provided for in this Services Tariff.

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**2.49f ETCNL TCC:**

A TCC created when a Transmission Owner with ETCNL exercises its right to convert a megawatt of ETCNL into a TCC pursuant to Section 5.1 of Part IV of Attachment B of this Tariff.

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**2.49g Excess Amount**

The difference, if any, between the dollar amounts charged to purchasers of Unforced Capacity in an ISO-administered Unforced Capacity auction and the dollar amounts paid to sellers of Unforced Capacity in that ISO-administered Installed Capacity auction.

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Superseding Fourth Revised Sheet No. 50

**2.104 Market Services**

Services provided by the ISO under the ISO Services Tariff related to the ISO Administered Markets for Energy, Capacity and Ancillary Services.

**2.105 Member Systems**

The eight Transmission Owners that comprise the membership of the New York Power Pool.

**2.106 Minimum Generation Bid**

A Bid parameter that identifies the minimum operating level a Supplier requires to operate a Generator and the payment a Supplier requires to operate its generator at that level, or the minimum quantity of Demand Reduction a Demand Side Resource requires to reduce Demand and the payment the Supplier requires to provide that level of Demand Reduction.

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**2.106a 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.

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Sixth Revised Sheet No. 53  
Superseding Fifth Revised Sheet No. 53

#### **2.117 Non-Utility Generator ("NUG," "Independent Power Producer" or "IPP")**

Any entity that owns or operates an electric generating facility that is not included in an electric utility's rate base. This term includes, but is not limited to, cogenerators and small power producers and all other non-utility electricity producers, such as exempt wholesale Generators that sell electricity.

#### **2.118 Normal State**

The condition that the NYS Power System is in when the Transmission Facilities Under ISO Operational Control are operated within the parameters listed for Normal State in the Reliability Rules. These parameters include, but are not limited to, thermal, voltage, stability, frequency, operating reserve and Pool Control Error limitations.

#### **2.118a Normal Upper Operating Limit (UOL<sub>N</sub>)**

The upper operating limit that a Generator indicates it expects to be able to reach, or the maximum amount of demand that a Demand Side Resource expects to be able to reduce, during

normal conditions. Each Resource will specify its  $UOL_N$  in its Bids which shall be reduced when the Resource requests that the NYISO derate its capacity or the ISO derates the Resource's capacity. A Normal Upper Operating Limit may be submitted as a function depending on one or

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more variables, such as temperature or pondage levels, in which case the Normal Upper Operating Limit applicable at any time shall be determined by reference to that schedule.

**2.118b Northport-Norwalk Scheduled Line:**

A transmission facility that originates at the Northport substation in New York and interconnects the NYCA to the ISO New England Control Area at the Norwalk Harbor substation in Connecticut.

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Issued on: April 27, 2007

**2.135 Original Residual TCC:**

A TCC converted from Residual Transmission Capacity estimated prior to the first Centralized TCC Auction and allocated among the Transmission Owners utilizing the Interface MW-Mile Methodology prior to the first Centralized TCC Auction.

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**2.135a Out-of-Merit**

The designation of Resources committed and/or dispatched by the ISO at specified output limits for specified time periods to meet Load and/or reliability requirements that differ from or supplement the ISO's security constrained economic commitment and/or dispatch.

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**2.140 Point(s) of Withdrawal (“POW” or “Point of Delivery”)**

The point(s) on the NYS Transmission System where Energy, Capacity and Ancillary Services will be made available to the receiving party under the ISO OATT or the ISO Services Tariff.

**Deleted:** The Point(s) of Withdrawal shall be specified in the Service Agreement.

**2.141 Pool Control Error (“PCE”)**

The difference between the actual and scheduled interchange with other Control Areas, adjusted for frequency bias.

**2.142 Post Contingency**

Conditions existing on a system immediately following a Contingency.

**2.143 Power Exchange (“PE”)**

A commercial entity meeting the requirements for service under the ISO OATT or the ISO Services Tariff that facilitates the purchase and/or sale of Energy, Unforced Capacity and/or Ancillary Services in a New York Wholesale Market. A PE may transact with the ISO on its own behalf or as an agent for others.

**2.144 Power Factor**

The ratio of real power to apparent power (the product of volts and amperes, expressed in megavolt-amperes, MVA).

**2.145 Power Factor Criteria**

Criteria to be established by the ISO to monitor a Load’s use of Reactive Power.

Capacity of a block of generator units that is set to Quick Start Mode by request of a Transmission Owner.

### **2.151a Ramp Capacity**

The amount of change in the Desired Net Interchange that generation located in the NYCA can support at any given time. Ramp capacity may be calculated for all Interfaces between the NYCA and neighboring Control Areas as a whole or for any individual Interface between the NYCA and an adjoining Control Area.

### **2.151b RCRR TCC:**

A zone-to-zone TCC created when a Transmission Owner with a RCRR exercises its right to convert the RCRR into a TCC pursuant to Section 6.3 of Part IV of Attachment B of this Tariff.

### **2.152 Reactive Power (MVar)**

The product of voltage and the out-of-phase component of alternating current. Reactive Power, usually measured in MVar, is produced by capacitors (synchronous condensers), Qualified Non-Generator Voltage Support Resources, and over-excited Generators and absorbed by reactors or under-excited Generators and other inductive devices including the inductive portion of Loads.

### **2.153 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.

### **2.153a Real-Time Bid**

A Bid submitted into the Real-Time Commitment

**Deleted:** 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

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before the close of the Real-Time Scheduling Window.

**Deleted:** Bid seeks to schedule an External Transaction at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, or the Linden VFT 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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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>15</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 hourly External Transaction schedules, while all RTC runs will establish 15 minute External Transaction schedules. Additional information about RTC’s functions is provided in Section 4.4.2 of this ISO Services Tariff.

### **2.153c 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 occurs within an hour). The Real-Time Dispatch dispatches, but does not commit, Resources, except that RTD may commit, for pricing purposes, Resources meeting Minimum Generation Levels and capable of starting in ten minutes. RTD will also establish 5 minute External Transaction schedules. Real-Time Dispatch runs will normally occur every five minutes. Additional information about RTD’s functions is provided in Section 4.4.3 of this ISO Services Tariff.



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#### **2.154 Real-Time LBMP**

The LBMPs established through the ISO Administered Real-Time Market.

#### **2.155 Real-Time Market**

The ISO Administered Markets for Energy and Ancillary Services resulting from the operation of the RTC and RTD.

#### **2.155a Real-Time Minimum Run Qualified Gas Turbine**

One or more gas turbines, offered in the Real-Time Market, which, because of their physical operating characteristics, may qualify for a minimum run time of two hours in the Real-Time Market. Characteristics that qualify gas turbines for this treatment are established by ISO Procedures and include using waste heat from the gas turbine-generated electricity to make steam for the generation of additional electricity via a steam turbine.

#### **2.155b Real-Time Scheduled Energy**

The quantity of Energy that a Supplier is directed to inject or withdraw in real-time by the ISO. Injections are indicated by positive Base Point Signals and withdrawals are indicated by negative Base Point Signals. Unless otherwise directed by the ISO, Dispatchable Supplier's Real-Time Scheduled Energy is equal to its RTD Base Point Signal, or, if it is providing Regulation Service, to its AGC Base Point Signal, and an ISO Committed Fixed or Self-

Committed Fixed Supplier's Real-Time Scheduled Energy is equal to its bid output level in real-time.

**2.155c Real-Time Scheduling Window**

The period of time within which the ISO accepts offers and bids to sell and purchase Energy and Ancillary Services in the real-time Market for a given hour which period closes seventy-five (75) minutes before the start of that hour, or eighty-five (85) minutes before the start of that hour for Bids to schedule External Transactions at the Proxy Generator Buses associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, or the Linden VFT Scheduled Line).

### **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.

### **2.160d Rolling RTC**

A RTC run, which is one of the four RTC runs, that schedules 15 minute transactions for a quarter of an hour and completes subsequent to the RTC<sub>15</sub> that schedules hourly transactions for that same hour. For example, the RTC<sub>15</sub> that completes at 2:15 is scheduling hourly transactions for the 3:00 hour and 15 minute transactions for the quarter hour starting at 2:45, while the RTC runs that complete at 2:30, 2:45, 3:00 and 3:15 is scheduling 15 minute transactions for the each of the four quarter hours for the 3:00 hour. In the above example, Rolling RTC refers to the RTC runs that complete from 2:30 through 3:15.

### **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, the Dennison Scheduled Line, the Northport Norwalk Scheduled Line, and the Linden VFT Scheduled Line.

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Superseding Original Sheet No. 64B

**2.162 SCUC**

Security Constrained Unit Commitment, described in Section 4.2.4 of this ISO Services

Tariff.

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**2.161b 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).¶

### 2.172b Sink Price Cap Bid

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A monotonically increasing Bid curve provided by an entity engaged in an Export to indicate the relevant Proxy Generator Bus LBMP below which that entity is willing to either purchase Energy in the LBMP Markets or, in the case of Bilateral Transactions, to accept Transmission Service, where the MW amounts on the Bid curve represent the desired increments of Energy above the previous Bid curve point that the transaction bidder is willing to purchase at various price points.

### 2.172c Special Case Resource

Demand Side Resources capable of being interrupted upon demand, and Local Generators, rated 100 kW or higher, that are not visible to the ISO's Market Information System and that are subject to special rules, set forth in Section 5.12.11(a) of this ISO Services Tariff and related ISO Procedures, in order to facilitate their participation in the Installed Capacity market as Installed Capacity Suppliers. Special Case Resources that are not Local Generators, may be offered as synchronized Operating Reserves and Regulation Service and Energy in the Day-Ahead Market. Special Case Resources, using Local Generators rated 100 kw or higher, that are not visible to the ISO's Market Information System may also be offered as non-synchronized Operating Reserves.

#### 2.172c.1 Special Case Resource Capacity

The Installed Capacity Equivalent of the Unforced Capacity which has been sold by a Special Case Resource in the Installed Capacity market during the current Capability Period.

### 2.172d Start-Up Period

An ISO approved period of time immediately following synchronization to the Bulk power system, which has been designated by a Customer and bid into the Real-Time Market,

during which unstable operation prevents the unit from accurately following its base points.

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transfer power from one area to another over all transmission facilities (or paths) between those areas under specified system conditions.

**2.181a Transmission Congestion Contract Component (“TCC Component”)**

A component of the Operating Requirement, calculated in accordance with Section III.B. of Attachment K to this Services Tariff.

**2.182 Transmission Congestion Contracts (“TCCs”)**

The right to collect or obligation to pay Congestion Rents in the Day-Ahead Market for Energy associated with a single MW of transmission between a specified POI and POW. TCCs are financial instruments that enable Energy buyers and sellers to hedge fluctuations in the price of transmission.

**2.183 Transmission Customer**

Any entity (or its designated agent) that [requests or](#) receives Transmission Service pursuant to a Service Agreement and the terms of the ISO OATT.

**2.184 Transmission District**

The geographic area served by the Investor-Owned Transmission Owners and LIPA, as well as the customers directly interconnected with the transmission facilities of the Power Authority of the State of New York.

## ARTICLE 4

### MARKET SERVICES: RIGHTS AND OBLIGATIONS

#### 4.1 Market Services - General Rules

##### 4.1.1 Overview

Market Services include all services and functions performed by the ISO under this Tariff related to the sale and purchase of Energy, Capacity or Demand Reductions, and the payment to Suppliers who provide Ancillary Services in the ISO Administered Markets.

##### 4.1.2 Independent System Operator Authority

The ISO shall provide all Market Services in accordance with the terms of the ISO Services Tariff and the ISO Related Agreements. The ISO shall be the sole point of Application for all Market Services provided in the NYCA. Each Market Participant that sells or purchases Energy, including Demand Side Resources, sells or purchases Capacity, or provides Ancillary Services in the ISO Administered Markets utilizes Market Services and must take service as a Customer under ~~this ISO Services Tariff and shall obtain Transmission Service under the ISO OATT.~~

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##### 4.1.3 Informational and Reporting Requirements

The ISO shall operate and maintain an OASIS, including a Bid/Post System that will facilitate the posting of Bids to supply Energy, Ancillary Services and Demand Reductions by Suppliers for use by the ISO and the posting of Locational Based Marginal Prices ("LBMP") and schedules for accepted Bids for Energy, Ancillary Services and Demand Reductions. The Bid/Post System will be used to post schedules for Bilateral Transactions. The ~~OASIS~~ will provide historical data regarding Energy

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and Capacity market clearing prices in addition to Congestion Costs.

#### 4.1.4 Scheduling Prerequisites

~~Pursuant to ISO Procedures, each transaction offered in the Energy, Installed Capacity, Ancillary Services or Transmission Congestion Contract market shall be subject to a minimum size of one (1) megawatt ("MW"), provided however, pursuant to ISO Procedures, Special Case Resources may offer a minimum of 100 kW of Unforced Capacity in the Installed Capacity Market. Each Transaction above one (1) megawatt may be scheduled in tenths of a megawatt, provided, however, Bilateral Transactions and External Transactions in the LBMP Market must be bid and scheduled in increments of one (1) megawatt.~~

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#### 4.1.5 Communication Requirements for Market Services

~~Customers and Transmission Customers shall utilize Internet service providers to access the ISO's OASIS and bid/post system. Customers shall arrange for and maintain all communications facilities for the purpose of communication of commercial data to the ISO. Each Customer shall be the customer of record for the communications facilities and services it uses and shall assume all duties and responsibilities associated with the procurement, installation and maintenance of the subject equipment and software.~~

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#### 4.1.6 Customer Responsibilities

All purchasers in the Day-Ahead or Real-Time Markets who withdraw Energy within the NYCA or at an NYCA Interconnection with another Control Area must obtain Transmission Service under the ISO OATT. All Customers requesting service under the ISO Services Tariff to engage in Virtual Transactions must obtain Transmission Service under the ISO OATT.

All LSEs serving Load in the NYCA must comply with the Installed Capacity requirements set forth in Article 5 of this ISO Services Tariff.

All Customers taking service under the ISO Services Tariff must pay the Market Administration and Control Area Services Charge, as specified in Rate Schedule 1 of this ISO Services Tariff.

A Generator or Demand Side Resource with a real time physical operating problem that makes it impossible for it to operate in the bidding mode in which it was scheduled shall notify the NYISO.

#### **4.1.6a Customer Compliance with Laws, Regulations and Orders**

All Customers shall comply with all applicable federal, state and local laws, regulations and orders, including orders from the ISO.

1. In particular, if FERC or a court of competent jurisdiction determines there has been a violation of FERC's regulations related to electric energy market manipulation (see 18 C.F.R. Section 1c.2, or any successor provision thereto), such violation is also a violation of this ISO Services Tariff if such violation affects or is related to the ISO Administered Markets.

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Rules for determining: (i) variable operating costs associated with burning the required alternate fuel that would not have been incurred but for the requirement to burn the required alternate fuel as established by Local Reliability Rules I-R3 and I-R5; and (ii) Eligibility Periods shall be specified in ISO Procedures. Payments made by the ISO to the eligible unit to reimburse the variable operating costs paid pursuant to this section 4.1.7a shall be in addition to any LBMP, Ancillary Service or other revenues received as a result of the eligible unit's Day-Ahead or Real-Time dispatch for that day.

There shall be no recovery of costs pursuant to this section 4.1.7a for any hour for which the indexed variable operating costs of the required alternate fuel that is being burned pursuant to Rule I-R3 or I-R5 is less than the indexed variable operating costs for natural gas, as determined by the ISO.

The ISO shall make available for the Transmission Owner in whose subzone the Generator is located: (i) the identity of Generators determined by the ISO to be eligible to recover the variable operating costs associated with burning the required alternate fuel pursuant to the provisions of this section; (ii) the start and stop hours for each claimed Eligibility Period and (iii) the amount of alternative fuel for which the Generator has sought to recover variable operating costs.

## 4.2 Day-Ahead Markets and Schedules

### 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 or Transmission Customers seeking to schedule External Transactions at the Proxy Generator Bus associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, or the Linden VFT Scheduled Line): (i) All LSEs serving Load in the NYCA shall provide the ISO with ~~Load forecasts for the Dispatch day and the day after the Dispatch Day;~~ and (ii)

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Customers and Transmission Customers submitting Bids in the Day-Ahead Market shall provide the ISO, as appropriate with:

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1. Bids to supply Energy, including Bids to supply Energy in Virtual Transactions;
2. Bids to supply Ancillary Services;
3. Requests for Bilateral Transaction schedules;
4. Bids to purchase Energy, including Bids to purchase Energy in Virtual Transactions; and
5. Demand Reduction Bids.

In general, the information provided to the ISO shall include the following:

**B. Load Forecasts**

The Load forecast shall indicate the predicted level of Load in MW by Point of

Withdrawal for each hour.

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**C. Offers by Suppliers Using the ISO-Committed Flexible, Self-Committed Flexible or ISO-Committed Fixed Bid Modes to Supply Energy and/or Ancillary Services**

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**1. General Rules**

Day-Ahead Bids by Suppliers using the ISO-Committed Flexible, Self-Committed

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Flexible or ISO-Committed Fixed bid modes shall identify the Capacity, in MW, available for commitment in the Day-Ahead Market (for every hour of the Dispatch Day) and the price(s) at

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which the Supplier will voluntarily enter into dispatch commitments. All bids are subject to field size limitations pursuant to ISO Procedures.

**Deleted:** Bids to supply Energy at Proxy Generator Buses shall be priced no lower than

**Deleted:** the Bid that provides the highest scheduling priority for sales to the relevant LBMP Market plus the product of (i) the Scheduling Differential and (ii) three

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If the Supplier ~~using the~~ ISO-Committed Flexible or Self-Committed Flexible ~~bid modes~~, is eligible to provide Regulation Service or Operating Reserves under Rate Schedules 3 and 4 respectively of this ISO Services Tariff, the Supplier's Bid ~~may~~ specify the quantity of Regulation Service it is making available and ~~shall specify~~ an emergency response rate that determines the quantity of Operating Reserves that it is capable of providing. Offers to provide Regulation Service and Operating Reserves must comply with the rules set forth in Rate Schedules 3 and 4 ~~of this ISO Services Tariff~~. If a Supplier that is eligible to provide Operating Reserves does not submit a Day-Ahead Availability Bid for Operating Reserves, its Day-Ahead Bid shall be rejected in its entirety. A Supplier may resubmit a complete Day-Ahead Bid, provided that the new Bid is timely. [See Section I of this section 4.2.2 for bidding requirements for Demand Side Resources offering Energy in the Day-Ahead Market.](#)

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~~Suppliers entering an offer into a Day-Ahead Market may also enter Day-Ahead offers for each of the next (9) Dispatch Days. If not subsequently modified or withdrawn, these offers for subsequent Dispatch Days may be used by the ISO as offers from these Suppliers in the Day-Ahead Market for these subsequent Dispatch Days. For Suppliers which have sold Unforced Capacity in the NYCA for the month in which the ten-day period is encompassed, the NYISO may enter the eighth day offer as the Supplier's ninth day offer.~~

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## 2. Bid Parameters

Day-Ahead Bids by ~~Suppliers using the ISO-Committed Flexible, Self-Committed Flexible~~ or ISO-Committed Fixed ~~bid modes~~, may identify variable Energy price Bids, consisting of up to eleven monotonically increasing, constant cost incremental Energy steps, and other parameters described in ~~ISO Procedures~~. Day-Ahead ~~offers~~ from Demand Side Resources

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~~for~~ Operating Reserves or Regulation Service shall be ISO-Committed Flexible and shall have an Energy Bid price no lower than \$75/MW hour. Day-Ahead offers by Intermittent Power

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Resources that depend on wind as their fuel shall be ISO-Committed Flexible and shall include a

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Minimum Generation Bid ~~of zero megawatts and zero costs, and~~ a Start-Up Bid ~~of zero cost.~~

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Issued by: Stephen G. Whitley, President  
Issued on: March 5, 2009

Effective: May 12, 2009

Day-Ahead Bids by ISO-Committed Fixed and ISO-Committed Flexible Generators, other than bids from Intermittent Power Resources that depend on wind as their fuel, shall also include Minimum Generation Bids and hourly Start-Up Bids. Bids shall specify whether a Supplier is offering to be ISO-Committed Fixed, ISO-Committed Flexible, Self-Committed Fixed or Self-Committed Flexible.

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### 3. Upper Operating Limits and Response Rates

All Bids to supply Energy and Ancillary Services must specify a  $UOL_N$  and a  $UOL_E$  for each hour. A Resource's  $UOL_E$  may not be lower than its  $UOL_N$ .

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All Bids from Generators to supply Energy and Ancillary Services must specify a normal response rate and may provide up to three normal response rates provided the minimum normal response rate may be no less than one percent (1%) of the Generator's Operating Capacity. All Bids from Generators to supply Energy and Ancillary Services must also specify an emergency response rate which shall be greater than or equal to the capacity-weighted average of its normal response rates.

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All Bids from Demand Side Resources to supply Ancillary Services must specify a normal response rate and an emergency response rate provided that the emergency response rate may not be lower than the normal response rate. For Demand Side Resources the minimum acceptable response rate is one percent (1%) of the quantity of demand reduction the Demand Side Resource produces per minute.

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**D. Offers to Supply Energy from Self-Committed Fixed Generators**

Self-Committed Fixed Generators shall provide the ISO with a schedule of their expected Energy output for each hour. Self-Committed Fixed Generators are responsible for ensuring that any hourly changes in output are consistent with their response rates. Self-Committed Fixed Generators shall also submit UOL<sub>NS</sub>, UOL<sub>ES</sub> and variable Energy Bids for possible use by the ISO in the event that RTD-CAM initiates a maximum generation pickup, as described in Section 4.4.4 of this ISO Services Tariff.

**E. Offers to Supply Energy in Virtual Transactions**

Customers submitting offers to supply Energy in Virtual Transactions shall identify the Energy, in MW, available in the Day-Ahead Market (for every hour of the Dispatch Day) and the price(s) at which the Customer will voluntarily make it available.

**F. Bids to Purchase Energy in Virtual Transactions**

Customers submitting bids to purchase Energy in Virtual Transactions shall identify the Energy, in MW, to be purchased in the Day-Ahead Market (for every hour of the Dispatch Day) and the price(s) at which the Customer will voluntarily purchase it.

**G. Bilateral Transactions**

Transmission Customers requesting Bilateral Transaction schedules shall identify hourly Transaction quantities (in MW) by Point of Injection and Point of Withdrawal, and provide other information (as described in ISO Procedures).

Issued by: William J. Museler, President      Effective: February 1, 2005

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**H. Bids to Purchase LBMP Energy in the Day-Ahead Market**

Each purchaser shall submit Bids indicating the hourly quantity of Energy, in MW, that it will purchase from the Day-Ahead Market for each hour of the following Dispatch Day. These Bids shall indicate the quantities to be purchased by Point of Withdrawal. The Bids may identify prices at which the purchaser will enter into the Transaction.

**I. Offers from Demand Reduction Providers to Supply Energy from Demand Reductions**

Demand Reduction Providers offering Energy from Demand Side Resources shall: (i) bid in whole megawatts and shall: (ii) identify the amount of demand, in megawatts, that is available for commitment in the Day-Ahead Market (for every hour of the dispatch day) and (iii) identify the prices at which the Demand Reduction Provider will voluntarily enter into dispatch commitments to reduce demand provided, however, the price at which the Demand Reduction Provider will voluntarily enter into dispatch commitments to reduce demand shall be no lower than \$75/MW hour. The Bids will identify the minimum period of time that the Demand Reduction Provider is willing to reduce demand. The Bid may separately identify the Demand Reduction Provider's Curtailment Initiation Cost. Demand Reduction Bids from Demand Reduction Providers that are not accepted in the Day-Ahead Market shall expire at the close of the Day-Ahead Market.

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Issued by: Elaine D. Robinson, Dir. Reg. Affairs  
Issued on: March 24, 2008

Effective: May 24, 2008

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-230-023, issued July 20, 2006, 116 FERC ¶ 61,043 (2006).

#### 4.2.3 ISO Responsibility to Establish a Statewide Load Forecast

By 8 a.m., or as soon thereafter as is reasonably possible, the ISO will develop and publish its statewide Load forecast on the OASIS. The ISO will use this forecast to perform the SCUC for the Dispatch Day.

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Issued on: March 5, 2009

Effective: May 4, 2009

#### 4.2.4 Security Constrained Unit Commitment (“SCUC”)

Subject to ISO Procedures and Good Utility Practice, the ISO will develop a SCUC schedule over the Dispatch Day using a computer algorithm which simultaneously minimizes the total Bid Production Cost of: (i) supplying power or Demand Reductions to satisfy accepted purchasers’ Bids to buy Energy from the Day-Ahead Market; (ii) providing sufficient Ancillary Services to support Energy purchased from the Day-Ahead Market consistent with the Regulation Service Demand curve and Operating Reserve Demand Curves set forth in Rate Schedules 3 and 4 respectively of this ISO Services Tariff; (iii) committing sufficient Capacity to meet the ISO’s Load forecast and provide associated Ancillary Services; and (iv) meeting Bilateral Transaction schedules submitted Day-Ahead excluding schedules of Bilateral Transactions with Trading Hubs as their POWs. The computer algorithm shall consider whether accepting Demand Reduction Bids will reduce the total Bid Production Cost.

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[Point Transmission Service requests, Load forecasts, and submitted Incremental Energy Bids, Decremental Bids and Sink Price Cap Bids.](#) The schedule will include commitment of sufficient

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Generators and/or Demand Side Resources to provide for the safe and reliable operation of the NYS Power System. Pursuant to ISO Procedures, the ISO may schedule any Resource to run above its  $UOL_N$  up to the level of its  $UOL_E$ . In cases in which the sum of all Bilateral Schedules, excluding Bilateral Schedules for Transactions with Trading Hubs as their POWs, and all Day-Ahead Market purchases to serve Load within the NYCA in the Day-Ahead schedule is less than the ISO’s Day-Ahead forecast of Load, the ISO will commit Resources in addition to the Operating Reserves it normally maintains to enable it to respond to contingencies. The purpose of these additional resources is to ensure that sufficient Capacity is available to the ISO in

real-time to enable it to

Issued by: Stephen G. Whitley, President  
Issued on: July 29, 2009

Effective: September 27, 2009

requirements as determined by the ISO given the Regulation Service Demand Curve and Operating Reserve Demand Curves referenced above; (iii) Bilateral Transaction schedules excluding Bilateral Schedules for Transactions with Trading Hubs as their POWs; (iv) price Bids and operating Constraints submitted for Generators or for Demand Side Resources; (v) price Bids for Ancillary Services; (vi) Decremental Bids and Sink Price Cap Bids for External Transactions; and (vii) Bids to purchase or sell Energy from or to the Day-Ahead Market. External Transactions with minimum run times greater than one hour will only be scheduled at the requested Bid for the full minimum run time. External Transactions with identical Bids and minimum run times greater than one hour will not be prorated. The SCUC schedule shall list the hourly injections and withdrawals for: (a) each Customer whose Bid the ISO accepts for the Dispatch Day; and (b) each Bilateral Transaction scheduled Day-Ahead excluding Bilateral Transactions with Trading Hubs as their POWs.

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In the development of its SCUC schedule, the ISO may commit and de-commit Generators and Demand Side Resources, based upon any flexible Bids, including Minimum Generation Bids, Start-Up Bids, Curtailment Initiation Cost Bids, Energy, and Incremental Energy Bids and Decremental Bids received by the ISO provided however that the ISO shall commit zero megawatts of Energy for Demand Side Resources committed to provide Operating Reserves and Regulation Service.

The ISO will select the least cost mix of Ancillary Services and Energy from Suppliers, Demand Side Resources, and Customers submitting Virtual Transactions bids. The ISO may

substitute higher quality Ancillary Services (i.e., shorter response time) for lower quality Ancillary Services when doing so would result in an overall least bid cost solution. For example, 10-Minute Non-Synchronized Reserve may be substituted for 30-Minute Reserve if doing so would reduce the total bid cost of providing Energy and Ancillary Services.

#### 4.2.4.1 Reliability Forecast for the Dispatch Day

At the request of a Transmission Owner to meet the reliability of its local system, the ISO may incorporate into the ISO's Security Constrained Unit Commitment constraints specified by the Transmission Owner.

A Transmission Owner may request commitment of certain Generators for a Dispatch Day if it determines that certain Generators are needed to meet the reliability of its local system. Such request shall be made before the Day-Ahead Market for that Dispatch Day has closed if the Transmission Owner knows of the need to commit certain Generators before the Day-Ahead Market close. The ISO may commit one or more Generator(s) in the Day-Ahead Market for a Dispatch Day if it determines that the Generator(s) are needed to meet NYCA reliability requirements.

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A Transmission Owner may request commitment of additional Generators for a Dispatch Day following the close of the Day-Ahead Market to meet changed or local system conditions for the Dispatch Day that may cause the Day-Ahead schedules for the Dispatch Day to be inadequate to ensure the reliability of its local system. The ISO will use SRE to fulfill a Transmission Owner's request for additional units.

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forecast its available Generators for the day in question by summing the Operating Capacity for all Generators currently in operation that are available for the commitment cycle, the Operating Capacity of all other Generators capable of starting on subsequent days to be available on the day in question, and an estimate of the net Imports from External Bilateral Transactions; (3) if the forecasted peak Load plus reserves exceeds the ISO's forecast of available Generators for the day in question, then the ISO shall commit additional Generators capable of starting prior to the day in question (e.g., start-up period of two (2) days when looking at day three (3)) to assure system reliability; (4) in choosing among Generators with comparable start-up periods, the ISO shall schedule Generators to minimize Minimum Generation Bid and Start-Up Bid costs of meeting forecasted peak Load plus Ancillary Services consistent with the Reliability Rules; (5) in determining the appropriate reserve margin for days two (2) through seven (7), the ISO will supplement the normal reserve requirements to allow for forced outages of the short start-up period units (e.g., gas turbines) assumed to be operating at maximum output in the unit commitment analysis for reliability.

~~Energy Bids are binding for day one (1) only for units in operation or with start-up periods less than one (1) day. Minimum Generation Bids for Generators with start-up periods greater than one (1) day will be binding only for~~

**Deleted:** The bidding requirements and the Bid tables in Attachment D indicate that Energy Bids are to be provided for days one (1) through seven (7)

Issued by: William J. Museler, President  
Issued on: January 28, 2005

Effective: February 1, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-230-000, et. al., issued February 11, 2004, 106 FERC ¶ 61,111 (2004).



units that are committed by the ISO and only for the first day in which those units could produce Energy given their start-up periods. For example, Minimum Generation Bids for a Generator with a start-up period of two (2) days would be binding only for day three (3) because, if that unit begins to start up at any time during day one (1), it would begin to produce Energy forty-eight (48) hours later on day three (3). Similarly, the Minimum Generation Bids for a Generator with a start-up period of three (3) days would be binding only for day four (4).

#### 4.2.6 Post the Day-Ahead Schedule

By 11 a.m. on the day prior to the Dispatch Day, the ISO shall close the Day-Ahead scheduling process and post on the Bid/Post System the Day-Ahead schedule for each entity that submits a Bid or Bilateral Transaction schedule. All schedules shall be considered proprietary, with the posting only visible to the appropriate scheduling Customer and Transmission Owners subject to the applicable Code of Conduct (See Attachment F to the ISO OATT). The ISO will post on the OASIS the statewide aggregate resources (Day-Ahead Energy schedules and total operating capability forecast), ~~Day-Ahead scheduled Load, forecast Load~~ for each Load Zone, and the Day-Ahead LBMP prices (including the Congestion Component and the Marginal Losses Component) for each Load Zone in each hour of the upcoming Dispatch Day. The ISO shall conduct the Day-Ahead Settlement based upon the Day-Ahead schedule determined in accordance with this Section and Attachment B to this Services Tariff. The ISO will

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The ISO shall publish the Day-Ahead Settlement Load Zone LBMPs for each hour in the Dispatch Day.

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### 4.3 In-Day Scheduling Changes

Issued by: Stephen G. Whitley, President  
Issued on: August 18, 2008

Effective: February 12, 2009

**4.4.1 Real-Time Commitment**

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**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 quarter 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 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.

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**B. Bids and Other Requests**

After the Day-Ahead schedule is published and before the close of the Real-Time Scheduling Window, Customers may submit Real-Time Bids into RTC for real-time evaluation.

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Issued by: Stephen G. Whitley, President  
Issued on: April 10, 2009

Effective: June 9, 2009

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

Intermittent Power Resources that depend on wind as their fuel submitting new or revised offers to supply Energy shall bid as ISO-Committed Flexible and shall ~~submit~~ a Minimum Generation Bid ~~of zero and~~ a Start-Up Bid ~~at zero cost~~. 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 parameters in ~~real-time~~ than they did Day-Ahead. ~~Suppliers bidding Resources using~~ ISO-Committed Fixed, ISO-Committed Flexible, and Self-Committed Flexible ~~bid modes~~ may not ~~submit real-time Energy Bids that exceed~~ their Day-Ahead Incremental Energy Bids ~~for that~~ portion of their ~~Energy Bid~~ that was scheduled Day-Ahead, and may not increase their Minimum Generation Bids, or Start-Up Bids, for any hour in which they received a Day-Ahead Energy schedule. Additionally, Real-Time Minimum Run Qualified Gas Turbine Customers shall not increase their previously submitted Real-Time Incremental Energy Bids, Minimum Generation Bids, or Start-Up Bids within 135 minutes of the dispatch hour. Bids to supply Energy or Ancillary Services shall be subject to the rules set forth in Section 4.2.2 ~~of~~ this ISO Services Tariff.

~~Suppliers bidding on behalf of~~ Generators that did not ~~receive~~ a Day-Ahead ~~schedule~~ for a given hour may offer ~~their Generators using the~~ ISO-Committed Flexible, Self-Committed Flexible, Self-Committed Fixed ~~bid modes~~ or, with ISO approval,

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~~the~~ ISO-Committed Fixed ~~bid mode~~ in real-time. ~~Suppliers bidding on behalf of~~ Demand Side

Resources that ~~did not receive a Day-Ahead schedule to provide Operating Reserves or~~

~~Regulation Service~~ for a given hour may offer to provide Operating Reserves or Regulation

Service ~~using the~~ ISO-Committed Flexible ~~bid mode~~ for that hour in the Real-Time Market

provided, however, that the Demand Side Resource shall have an Energy price Bid no lower than

\$75 /MW hour. ~~Generators that received a Day-Ahead schedule for a given hour may not change the bi~~

Fixed bidding mode in real-time. Generators that were scheduled Day-Ahead in ISO-Committed

Fixed mode will be scheduled as Self-Committed Fixed in the Real-Time Market unless, with

ISO approval, they change their bidding mode to ISO-Committed Fixed.

A Generator with a real time physical operating problem that makes it impossible for it to  
operate in the bidding mode in which it was scheduled Day-Ahead should notify the NYISO.

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Issued by: Stephen G. Whitley, President  
Issued on: ~~March 5~~August 17, 2009

Effective: ~~May 12~~October 16, 2009

Generators and Demand Side Resources may not submit separate Operating Reserves Availability Bids in real-time and will instead automatically be assigned a real-time Operating Reserves Availability Bid of zero for the amount of Operating Reserves they are capable of providing in light of their response rate (as determined under Rate Schedule 4).

## 2. Bids Associated with Internal and External Bilateral Transactions

Customers may seek to modify Bilateral Transactions that were previously scheduled Day-Ahead or propose new Bilateral Transactions, including External Transactions, for economic evaluation by RTC, provided however, that Bilateral Transactions with Trading Hubs as their POWs that were previously scheduled Day-Ahead may not be modified. Bids associated with Internal Bilateral Transactions shall be subject to the rules set forth above in Section 4.2.2(G).

External Transaction Bids must have a one hour duration, must start and stop on the hour, and must have a single Energy Profile MW for the hour. Export Transaction Bids may indicate the desire for the transaction Bid to be scheduled more frequently than once per hour at any Proxy Generator Bus authorized to schedule transactions on an intra-hour basis. Intra-hour Bid modifications, associated with External Transactions will not be accommodated. Transmission Customers scheduling Bilateral Transactions shall also be subject to the provisions of Attachment J of the ISO OATT.

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Deleted: Except as noted in Attachment N to this ISO Services Tariff, Sink Price Cap Bids or Decremental Bids for External Transactions may be submitted into RTC up to seventy five minutes before the hour in which the External Transaction would flow.

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### 3. Self-Commitment Requests

Self-Committed Flexible Resources must provide the ISO with schedules of their expected minimum operating points in quarter hour increments. Self-Committed Fixed Resources must provide their expected actual operating points in quarter hour increments or, with ISO approval, bid as an ISO-Committed Fixed Generator.

### 4. ISO-Committed Fixed

The ability to use the ISO-Committed Fixed bidding mode in the Real-Time Market shall be subject to ISO approval pursuant to procedures, which shall be published by the ISO. Generators that have exclusively used the Self-Committed Fixed or ISO-Committed Fixed bid modes in the Day-Ahead Market or that do not have the communications systems, operational control mechanisms or hardware to be able to respond to five-minute dispatch basepoints are eligible to bid as ISO-Committed Fixed in the Real-Time Market. Real-Time Bids by Generators choosing to use the ISO-Committed Fixed bid mode in real-time, shall provide variable Energy price Bids, consisting of up to eleven monotonically increasing, constant cost incremental Energy steps,

Minimum Generation Bids, hourly Start-Up Bids and other information pursuant to, ISO

Procedures. ~~RT~~ RTC shall schedule ISO-Committed Fixed Generators.

Issued by: Mark S. Lynch, President  
Issued on: June 12, 2006

Effective: October 11, 2005

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-230-017, issued October 25, 2005.

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**C. External Transaction Scheduling**

RTC<sub>15</sub> will schedule External Transactions on an hourly basis as part of its development of a co-optimized least-bid cost real-time commitment, ~~while all RTC runs will schedule intra-hour External Transactions on a 15 minute basis at Proxy Generator Buses where the scheduling of External Transactions on a 15 minute basis has been authorized.~~ RTC will alert the ISO when it appears that scheduled External Transactions need to be reduced for reliability reasons but will not automatically Curtail them. Curtailment decisions will be made by the ISO, guided by the information that RTC provides, pursuant to the rules established by Attachment B of this ISO Services Tariff and the ISO Procedures. [External Bilateral Transaction schedules are also governed by the provisions of Attachment J of the OATT.](#)

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**D. Posting Commitment/De-Commitment and External Transaction Scheduling Decisions**

Except as specifically noted in Section [4.4.2](#), [4.4.3](#), and [4.4.4](#) of this ISO Services Tariff, RTC will make all Resource commitment and de-commitment decisions. ~~RTC will make all economic commitment/de-commitment decisions based upon available offers assuming Suppliers internal to the NYCA have a one-hour minimum run time; provided however, Real-Time Minimum Run Qualified Gas Turbines shall be assumed to have a two-hour minimum run time.~~

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RTC will ~~produce advisory commitment information and advisory real-time prices.~~ RTC will make decisions and post information in a series of fifteen-minute “runs” which are described below.

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RTC<sub>15</sub> will begin at the start of the first hour of the RTC co-optimization period and will post its commitment, de-commitment, and External Transaction scheduling decisions no later



than fifteen minutes after the start of that hour. During the RTC<sub>15</sub> run, RTC will:

Issued by: ~~Elaine D. Robinson, Dir. Reg. Affairs~~ Stephen G. Whitley, President Effective: ~~May 24, 2008~~ October 16, 2009  
Issued on: ~~March 24, 2008~~ August 17, 2009  
Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-230-023, issued July 20, 2006, 116 FERC ¶ 61,043 (2006).

- (i) Commit Resources with 10-minute start-up times that should be synchronized by the time that the results of the next RTC run are posted so that they will be synchronized and running at their ~~scheduled~~ generation levels by that time;
- (ii) Commit Resources with 30-minute start-up times that should be synchronized by the time that the results of the RTC run following the next RTC run are posted so that they will be synchronized and running at their ~~scheduled~~ generation levels by that time;
- (iii) De-commit Resources that should be disconnected from the network by the time that the results of the next RTC run are posted so that they will be disconnected by that time;
- (iv) Issue advisory commitment and de-commitment guidance for periods more than thirty minutes in the future and advisory dispatch information;
- ~~(v) Schedule economic hourly External Transactions to be implemented during the entirety of the next hour; and~~
- ~~(vi) Schedule economic 15 minute External Transactions to be implemented by the time that the results of the RTC run following the next RTC run are posted; and~~
- (vi) Schedule ISO-Committed Fixed Resources.

All subsequent RTC runs in the hour, i.e., RTC<sub>30</sub>, RTC<sub>45</sub>, and RTC<sub>00</sub> will begin executing at fifteen minutes before their designated posting times (for example, RTC<sub>30</sub> will begin in the fifteenth minute of the hour), and will take the following steps.

- (i) Commit Resources with ten-minute start-up times that should be synchronized by the time that the results of the next RTC run are posted so that they will be synchronized and running at that time;

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- (ii) Commit Resources with thirty-minute start-up times that should be synchronized by the time that the results of the RTC run following the next RTC run are posted so that they will be synchronized and running at that time;
- (iii) De-commit Resources that should be disconnected from the network by the time that the results of the next RTC run are posted so that they will be disconnected at that time;
- (iv) Issue advisory commitment, de-commitment, and dispatching guidance for the period from thirty minutes in the future until the end of the RTC co-optimization period;

(v) Either reaffirm that the External Transactions scheduled by previous RTC runs should continue to flow, or inform the ISO that External Transactions may need to be reduced; and

(vi) Schedule economic 15 minute External Transactions at authorized Proxy Generator Buses to be implemented by the time that the results of the RTC run following the next RTC run are posted; and

(vi) Schedule ISO-Committed Fixed Resources.

**E. External Transaction Settlements**

External Transaction  
Issued by: Mark S. Lynch, President  
Issued on: March 28, 2007

Mark S. Lynch, President Effective:

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**Deleted:** s if constraints at the interface associated with that External Transaction are binding. In addition, RTC<sub>15</sub> will calculate Real-Time LBMPs at Proxy Generator Buses for any hour in which: (i) proposed economic Transactions over the Interface between the NYCA and the External Control Area that the Proxy Generator Bus is associated with would exceed the Available Transfer Capability for the Proxy Generator Bus or for that Interface; (ii) proposed interchange schedule changes pertaining to the NYCA as a whole¶

~~settlements are~~ described in ~~Section 4.5 of this Services Tariff for External Transactions in the~~  
~~LBMP Market and in~~ Attachment ~~J~~ to this ISO ~~OATT for External Bilateral Transactions.~~

~~4.4.2 (Reserved for Future Use)~~

**Deleted:** 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 the Proxy Generator Bus or for that Interface. Finally, 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

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**Deleted:** 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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Issued on: March 28, 2007

Effective: June 6, 2007

### 4.4.3 Real-Time Dispatch

#### A. Overview

The Real-Time Dispatch will make dispatching decisions, send Base Point Signals to Internal Generators and Demand Side Resources, produce schedules for intra-hour External Transactions at Proxy Generator Buses where the scheduling of External Transactions on a 5 Minute basis has been authorized, calculate Real-Time Market clearing prices for Energy, Operating Reserves, and Regulation Service, and establish real-time schedules for those products on a five-minute basis, starting at the beginning of each hour. The Real-Time Dispatch will not make commitment decisions and will not consider start-up costs in any of its dispatching or pricing decisions, except as specifically provided in Section 4.4.3.C below. Each Real-Time Dispatch run will co-optimize to solve simultaneously for Load, Operating Reserves, and Regulation Service and to minimize the total cost of production over its bid optimization horizon (which may be fifty, fifty-five, or sixty minutes long depending on where the run falls in the hour.) In addition to producing a binding schedule for the next five minutes, each Real-Time Dispatch run will produce advisory schedules for the remaining four time steps of its bid-optimization horizon (which may be five, ten, or fifteen minutes long depending on where the run falls in the hour). An advisory schedule may become binding in the absence of a subsequent Real-Time Dispatch run. RTD will use the most recent system information and the same set of Bids and constraints that are considered by RTC.

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#### B. Calculating Real-Time Market LBMPs and Advisory Prices

RTD shall calculate *ex ante* Real-Time LBMPs at each Generator bus, and for each Load Zone in each RTD cycle, in

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accordance with the procedures set forth in Attachment B to this ISO Services Tariff. RTD will also calculate and post advisory Real-Time LBMPs for the next four quarter hours in accordance with the procedures set forth in Attachment B.

**C. Real-Time Pricing Rules for Scheduling Ten Minute Resources**

RTD may commit and dispatch, for pricing purposes, Resources meeting Minimum Generation Levels and capable of starting within ten minutes (“eligible Resources”) when necessary to meet load. Eligible Resources committed and dispatched by RTD for pricing purposes may be physically started through normal ISO operating processes. In the RTD cycle in which RTD commits and dispatches an eligible Resource, RTD will consider the Resource’s start-up and incremental energy costs and will assume the Resource has a zero downward response rate for purposes of calculating *ex ante* Real-Time LBMPs pursuant to Attachment B to this ISO Services Tariff.

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**D. Converting to Demand Reduction, Special Case Resource Capacity scheduled as Operating Reserves, Regulation or Energy in the Real-Time Market**

The ISO shall convert to Demand Reductions, in hours in which the ISO requests that Special Case Resources reduce their demand pursuant to ISO Procedures, any Operating Reserves, Regulation Service or Energy scheduled in the Day-Ahead Market from Demand Side Resources that are also providing Special Case Resource Capacity. The ISO shall settle the Demand Reduction provided by that portion of the Special Case Resource Capacity that was scheduled Day-Ahead as Operating Reserves, Regulation Service or Energy as being provided by a Supplier of Operating Reserves, Regulation Service or Energy as appropriate. The ISO

Market by Demand Side Resources that are also providing Curtailment Services Provider Capacity. The ISO shall settle the Demand Reduction provided by that portion of the Curtailment Services Provider Capacity that was scheduled Day-Ahead as Operating Reserves, Regulation Service or Energy as being provided by a Supplier of Operating Reserves, Regulation Service or Energy as appropriate. The ISO shall settle Demand Reductions provided beyond Capacity that was scheduled Day-Ahead as ancillary services or Energy as being provided by a Curtailment Services Provider.

Operating Reserves or Regulation Service scheduled Day-Ahead and converted to Energy in real time pursuant to this subsection 4.4.3.E., will be eligible for a Day-Ahead Margin Assurance Payment, pursuant to Attachment J of this ISO Services Tariff.

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Curtailment Services Provider Capacity that has been scheduled in the Day-Ahead Market as Operating Reserves, Regulation Service or Energy and that has been instructed to reduce demand shall be considered, for the purpose of applying Real-Time special scarcity pricing rules described in Attachment B of this Services Tariff, to be a Emergency Demand Response Program Resource.

The ISO shall not accept offers of Operating Reserves and Regulation Service in the Real-Time Market from Demand Side Resources that are also providing Curtailment Services Provider Capacity for any hour in which the ISO has requested participants in the Emergency Demand Response Program pursuant to ISO Procedures to reduce demand.

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**F. Real-Time Scarcity Pricing Rules Applicable to Regulation Service and Operating Reserves During EDRP and/or SCR Activations**

Under Sections I.A.2.a and 2.b of Attachment B to this ISO Services Tariff, and Sections I.A.2.a and 2.b of Attachment J to the ISO OATT, the ISO will use special scarcity pricing rules to calculate Real-Time LBMPs during intervals when it has activated the EDRP and/or SCRs in order to avoid reserves shortages. During these intervals, the ISO will also implement special scarcity pricing rules for real-time Regulation Service and Operating Reserves. These rules are set forth in Section 5.1A of Rate Schedule 3 and Section 6.1A of Rate Schedule 4 of this ISO Services Tariff.

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**G. Post the Real-Time Schedule**

Subsequent to the close of the Real-Time Scheduling Window, the ISO shall post the real-time schedule for each entity that submits a Bid or Bilateral Transaction schedule. All schedules shall be considered proprietary, with the posting only visible to the appropriate scheduling Customer and Transmission Owners subject to the applicable Code of Conduct (See Attachment F to the ISO OATT). The ISO will post on the OASIS the real-time Load for each Load Zone, and the real-time LBMP prices (including the Congestion Component and the Marginal Losses Component) for each Load Zone for each hour of the Dispatch Day. The ISO shall conduct the real-time settlement based upon the real-time schedule determined in accordance with this Section.

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#### 4.4.4 Real-Time Dispatch - Corrective Action Mode

When the ISO needs to respond to system conditions that were not anticipated by RTC or the regular Real-Time Dispatch, e.g., the unexpected loss of a major Generator or Transmission line, it will activate the specialized RTD-CAM program. RTD-CAM runs will be nominally either five or ten minutes long, as is described below. Unlike the Real-Time Dispatch, RTD-CAM will have the ability to commit certain Resources, and schedule intra-hour External Transactions at Proxy Generator Buses where the scheduling of External Transactions on a 5 Minute basis has been authorized. When RTD-CAM is activated, the ISO will have discretion to implement various measures to restore normal operating conditions. These RTD-CAM measures are described below.

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The ISO shall have discretion to determine which specific RTD-CAM mode should be activated in particular situations. In addition, RTD-CAM may require Resources to run above their UOL<sub>NS</sub>, up to the level of their UOL<sub>ES</sub> as is described in the ISO Procedures. Self-Committed Fixed Resources will not be expected to move in response to RTD-CAM Base Point Signals except when a maximum generation pickup is activated.

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Except as expressly noted in this Section, RTD-CAM will dispatch the system in the same manner as the normal Real-Time Dispatch.

##### A. RTD-CAM Modes

###### 1. Reserve Pickup

The ISO will enter this RTD-CAM mode when necessary to re-establish schedules when large area control errors occur. When in this mode, RTD-CAM will send 10-minute Base Point Signals and produce schedules for the next ten minutes. RTD-CAM may also commit, or if

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## B. Calculating Real-Time LBMPs

When RTD-CAM is activated, RTD shall calculate *ex ante* Real-Time LBMPs at each Generator bus, and for each Load Zone, in accordance with the procedures set forth in Attachment B of this ISO Services Tariff.

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**Deleted:** When it is in reserve pickup mode, RTD-CAM will calculate *ex ante* Real-Time LBMPs every ten minutes, but shall otherwise follow the procedures set forth above in Section 4.4.3B. In addition, RTD-CAM will calculate Bid Production Cost payments for eligible Generators during large event, but not small event, reserve pickups and during maximum generation pickups. These payments are described in Section 4.10, and in Rate Schedule 4, of this ISO Services Tariff. ¶

**C. Posting Commitment Decisions¶**  
To the extent that RTD-CAM makes commitment and de-commitment decisions they will be posted at the same time as Real-Time LBMPs. ¶

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#### 4.5 Real-Time Market Settlements

Transmission Customers taking service under the Tariff shall be subject to the Real-Time Market Settlement. All withdrawals and injections not scheduled on a Day-Ahead

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Issued on: March 11, 2009

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basis, including Real-Time deviations from any Import or Export, Transaction schedules in the  
LBMP Market, shall be subject to the Real-Time Market Settlement. Transmission Customers  
not taking service under this Tariff shall be subject to balancing charges as provided for under  
the ISO OATT. Settlements with External Suppliers or External Loads will be based upon  
scheduled withdrawals or injections. Real-Time Market Settlements for injections by Resources  
supplying Regulation Service or Operating Reserves shall follow the rules which are described in  
Rate Schedules 3 and 4, respectively.

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For the purposes of this section, the scheduled output of each of the following Generators  
in each RTD interval in which it has offered Energy shall retroactively be set equal to its actual  
output in that RTD interval:

- (i) Generators providing Energy under contracts executed and effective on or  
before November 18, 1999 (including PURPA contracts) in which the power  
purchaser does not control the operation of the supply source but would be  
responsible for penalties for being off-schedule, with the exception of  
Generators under must-take PURPA contracts executed and effective on or  
before November 18, 1999 who have not provided telemetering to their local  
TO and historically have not been eligible to participate in the NYPP market,  
which will continue to be treated as TO Load modifiers under the  
ISO-administered markets;
- (ii) Existing topping turbine Generators and extraction turbine Generators  
producing electric Energy resulting from the supply of steam to the district

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Issued on: April 22, 2009

Effective: July 1, 2009

steam system located in New York City (LBMP Zone J) in operation on or before November 18, 1999 and/or topping or extraction turbine Generators utilized in replacing or repowering existing steam supplies from such units (in accordance with good engineering and economic design) that cannot follow schedules, up to a maximum total of 499 MW of such units.

This procedure shall not apply to a Generator for those hours it has used the ISO-Committed Flexible or Self-Committed Flexible bid mode,

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In subsections A, B, C, D, E and F of this Section ~~4.4.5~~4.5, references to “scheduled” Energy injections and withdrawals shall encompass injections and withdrawals that are scheduled Day-Ahead, as well as injections and withdrawals that occur in connection with real-time Bilateral Transactions. In subsections A, C, D and F of this Section ~~4.4.5~~4.5, references to Energy Withdrawals and Energy Injections shall not include Energy Withdrawals or Energy Injections in Virtual Transactions, or Energy Withdrawals or Energy Injections at Trading Hubs. Generators, including Limited Energy Storage Resources, that are providing Regulation Service shall not be subject to the real-time Energy market settlement provisions set forth in this Section, but shall instead be subject to the Energy settlement rules set forth in Section 6.0 of Rate Schedule 3 of this ISO Services Tariff.

**C. Settlement When Actual Energy Injections are Less Than Scheduled Energy Injections or When Actual Demand Reductions are Less Than Scheduled Demand Reductions**

**(1) General Rule**

When the actual Energy injections by a Supplier over an RTD interval are less than the Energy injections scheduled Day-Ahead over that RTD interval, the Supplier shall pay a charge for the Energy imbalance equal to the product of: (a) the Real-Time LBMP calculated in that RTD interval for the applicable Generator bus; and (b) the difference between the scheduled Day-Ahead Energy injections and the lesser of: (i) the actual Energy injections at that bus; or (ii) the Supplier's Real-Time Scheduled Energy Injection plus any Compensable Overgeneration. If the Energy injections by a Supplier over an RTD interval are less than the Energy injections scheduled for the Supplier Day-Ahead, and if the Supplier reduced its Energy injections in response to instructions by the ISO or a Transmission Owner that were issued in order to maintain a secure and reliable dispatch, the Supplier may be entitled to a Day-Ahead Margin Assurance Payment, pursuant to Attachment J of this ISO Services Tariff.

**(2) Failed Transactions**

If an Energy injection scheduled by RTC at a Proxy Generator Bus fails in the ISO's checkout process, the Supplier or Transmission Customer that was scheduled to make the injection will pay the Energy imbalance charge described above in

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subsection C(1). In addition, if the checkout failure occurred for reasons within the Supplier's or Transmission Customer's control it will be required to pay the "Financial Impact Charge" described below. The ISO's Market ~~Monitoring and Performance Unit~~Mitigation and Analysis Department will determine whether the Transaction associated with an injection failed for reasons within a Supplier's or Transmission Customer's control.

If an Energy injection at a Proxy Generator Bus is determined to have failed for reasons within a Supplier's or Transmission Customer's control, the Financial Impact Charge will equal:

(i) the difference computed by subtracting the actual real-time Energy injection from the amount of the Import scheduled by RTC; multiplied by (ii) the greater of the difference computed by subtracting the RTC ~~LBMP~~ from the ~~Real-Time LBMP~~ in the relevant interval, or zero.

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If a Wheel Through fails for reasons within a Supplier's or Transmission Customer's control, the Financial Impact Charge will equal the sum of the Financial Impact Charge described in this subsection and the Financial Impact Charge described below in subsection D(2).

All Financial Impact Charges collected by the ISO shall be used to reduce the charges assessed under Rate Schedule 1 of this ISO Services Tariff. In the event that the Energy injections

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scheduled by RTC or RTD, at a Proxy Generator Bus are Curtailed at the request of the ISO, and

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(ii) the Real-Time Energy Profile MW is equal to or greater than the Day-Ahead scheduled energy for that injection, and (iii) the Real-Time Decremental Bid is less than zero, then the

Supplier or Transmission Customer that is subjected to the Curtailment, in addition to the charge for Energy Imbalance shall be paid the product (if positive) of: (a) the Real-Time LBMP at the

Proxy Generator Bus minus the higher of its Day-Ahead Bid and zero; and (b) the Day-Ahead scheduled Energy injections minus the actual Energy injections at that Proxy Generator Bus for the dispatch hour.

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### (3) Capacity Limited Resources and Energy Limited Resources

For any hour in which: (i) a Capacity Limited Resource is scheduled to supply Energy, Operating Reserves, or Regulation Service in the Day-Ahead Market; (ii) the sum of its schedules to provide these services exceeds its bid-in upper operating limit; (iii) the Capacity Limited Resource requests a reduction for Capacity limitation reasons; and (iv) the ISO reduces the Capacity Limited Resource's upper operating limit to a level equal to, or greater than, its bid-in upper operating limit; the imbalance charge for Energy, Operating Reserve Service or Regulation Service imposed on that Capacity Limited Resource for that hour for its Day-Ahead Market obligations above its Capacity

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limited upper operating limit shall be equal to the product of: (a) the Real-Time price for Energy, Operating Reserve Service and Regulation Service; and (b) the Capacity Limited Resource's Day-Ahead schedule for each of these services minus the amount of these services that it has an obligation to supply pursuant to its ISO-approved schedule. When a Capacity Limited Resource's Day-Ahead obligation above its Capacity limited upper operating limit is balanced as described above, any real-time variation from its obligation pursuant to its Capacity limited schedules shall be settled pursuant to the methodology set forth in this subsection C (1).

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For any day in which: (i) an Energy Limited Resource is scheduled to supply Energy, Operating Reserve Service or Regulation Service in the Day-Ahead Market; (ii) the sum of its schedules to provide these services exceeds its bid-in upper operating limit; (iii) the Energy Limited Resource requests a reduction for Energy limitation reasons; and (iv) the ISO modifies the Energy Limited Resource's Day-Ahead upper operating limit; the imbalance charge imposed upon the Energy Limited Resource shall be equal to the sum of its Energy, Operating Reserve Service and Regulation Service imbalances across all twenty four hours of the Energy day, multiplied by the Real-Time price for each service in each hour at its location. However, if the total margin received by the Energy

shall be paid the product of: (a) the Real-Time LBMP calculated in that RTD interval for each applicable Load Zone; and (b) the difference between the scheduled Energy withdrawals and the Actual Energy Withdrawals in that Load Zone.

**(2) Failed Transactions**

If an Energy withdrawal at a Proxy Generator Bus scheduled by RTC fails in the ISO's checkout process, the Supplier or Transmission Customer that was scheduled to make the

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withdrawal will pay or be paid the energy imbalance charge described above in subsection D(1).

In addition, if the checkout failure occurred for the reasons within the Supplier's or Transmission Customer's control it will be required to pay the "Financial Impact Charge" described below.

The ISO's Market ~~Monitoring and Performance Unit~~ Mitigation and Analysis Department will determine whether the Transaction associated with a withdrawal failed for reasons within a Supplier's or Transmission Customer's control.

If an Energy withdrawal at a Proxy Generator Bus is determined to have failed for reasons within a Supplier's or Transmission Customer's control, the Financial Impact Charge will equal: (i) the difference computed by subtracting the actual real-time Energy withdrawal from the amount of the Export scheduled by RTC; multiplied by (ii) the greater of the difference computed by subtracting the Real-Time LBMP, in the relevant interval from the RTC LBMP, or zero.

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If a Wheel Through fails for reasons within a Supplier's or Transmission Customer's control, the Financial Impact Charge will equal the sum of the Financial Impact Charge described in this subsection and the Financial Impact Charge described above in subsection C(2).

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Issued on: ~~January 28~~ May 15, 2005

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product of: (1) the Real-Time LBMP calculated in that RTD Interval for the applicable Generator bus; and (2) the actual Energy injection minus the Energy injection scheduled Day-Ahead.

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#### **G. Settlement for Trading Hub Energy Owner when POI is a Trading Hub**

Each Trading Hub Energy Owner who bids a Bilateral Transaction into the Real-Time Market with a Trading Hub as its POI and has its schedule accepted by the ISO will pay the product of: (a) the hourly integrated Real-Time LBMP for the Load Zone associated with that Trading Hub; and (b) the Bilateral Transaction scheduled MW.

#### **H. Settlement for Trading Hub Energy Owner when POW is a Trading Hub**

Each Trading Hub Energy Owner who bids a Bilateral Transaction into the Real-Time Market with a Trading Hub as its POW and has its schedule accepted by the ISO will be paid the product of: (a) the hourly integrated Real-Time LBMP for the Load Zone associated with that Trading Hub; and (b) the Bilateral Transaction scheduled MW.

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#### **4.6 Payments to Suppliers of Regulation Service**

Suppliers of Regulation Service shall receive a payment that is calculated pursuant to Rate Schedule 3 of this ISO Services Tariff

#### **4.7 Payments to Suppliers of Reactive Supply and Voltage Support Service (“Voltage Support Service”)**

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Suppliers of Voltage Support Service shall receive a Voltage Support Service payment in accordance with the criteria and formula in Rate Schedule 2.

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payments to any Self-Committed Flexible Generator if its self-committed minimum generation level does not exceed its Day-Ahead schedule at any point during the Dispatch Day; and (iii) use RTD prices and schedules to calculate and pay real-time Bid Production Cost guarantee payments for Minimum Generation Bids and Start-Up Bids to ISO-Committed Fixed Generators. All such payments shall be calculated in the manner described in Attachment C to this ISO Services Tariff. No such payments shall be made to Customers that schedule Exports or Wheels-Through.

Except as expressly noted in this Section 4.10, Self-Committed Flexible and Self-Committed Fixed Resources shall not be eligible to receive Bid Production Cost guarantee payments.

Resources committed via SRE, or committed or dispatched by the ISO as Out-of-Merit generation to ensure NYCA or local system reliability, shall remain eligible to receive a real-time Bid Production Cost guarantee payment for the hours of the day that they are committed via SRE or are committed or dispatched by the ISO as Out-of-Merit Generation to meet NYCA or local reliability without regard to the Bid mode(s) employed during the Dispatch Day.

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Generators that Bid in Self-Committed mode only during ISO authorized Start-Up, Shutdown or Testing Periods, and hours when they are committed via SRE or are committed or dispatched by the ISO as Out-of-Merit generation to meet NYCA or local reliability, will not be

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Issued on: July 1, 2008

Effective: October 1, 2008

Attachment C.

When transactions at a Proxy Generator Bus are authorized to be scheduled more frequently than hourly only, External Generators and other Suppliers that schedule Imports at those Proxy Generator Buses on an hourly basis will not be eligible for Real-Time shortfall payments for those Transactions.

When a Non-Competitive Proxy Generator Bus or the Interface between the NYCA and the Control Area in which the Non-Competitive Proxy Generator Bus is located is export constrained due to limits on Available Interface Capacity or Ramp Capacity limits for that Interface in an hour, External Generators and other Suppliers scheduling Imports at such Non-Competitive Proxy Generator Bus in that hour will not be eligible for Real-Time shortfall payments for those Transactions.

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When a Proxy Generator Bus that is associated with a designated Scheduled Line is export constrained due to limits on Available Interface Capacity in an hour, External Generators and other Suppliers scheduling Imports at such Proxy Generator Bus in that hour will not be eligible for real-time shortfall payments for those Transactions.

When the Rolling RTC is exported constrained due to limits on NYCA Ramp Capacity in an hour, External Generators and other Suppliers scheduling Imports at Proxy Generator Buses associated with designated Scheduled Lines and Non-Competitive Proxy Generator Buses in that hour will not be eligible for real-time shortfall payments for those Transactions.

The ISO shall recover supplemental payments and Demand Reduction Incentive Payments to Demand Reduction Providers pursuant to Rate Schedule 1 of its Open Access Transmission Services Tariff, from all Loads excluding exports and Wheels Through on a zonal basis in proportion to the benefits received after accounting for, pursuant to ISO Procedures,



Demand Reduction imbalance charges paid by Demand Reduction Providers pursuant to Section

4.4.5.