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II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

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

13.0 Nature of Firm Point-To-Point Transmission Service

- 13.1 Term: The minimum term of Firm Point-To-Point Transmission Service shall be provided in nominal one hour increments and the maximum term shall be specified in the Service Agreementby the Transmission Customer's transmission schedules pursuant to ISO Procedures.
- 13.2 Reservation Priority: All requests for Firm Point-to-Point Transmission Service

will be deemed to have the same reservation priority. Firm Point to Point

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Transmission Service will have the same priority as Network Service subject to Section 13.6. All Firm Point-to-Point Transmission Service will have priority over Non-Firm Point-to-Point Transmission Service under the Tariff.

- Transmission Owner will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under (i) agreements executed on or after the effective date of ISO, or (ii) agreements executed prior to the aforementioned date that the Commission requires to be unbundled, by the date specified by the Commission. The Transmission Owners will maintain separate accounting, pursuant to Section 8, -for any use of the Point-To-Point Transmission Service to make Third-Party Sales. NOTE: Transmission Owners to report on this sentence.
- 13.4 Service Agreements: The ISO shall offer a standard form Firm Point-To-Point

 Transmission Service Agreement (Attachment A) to an Eligible Customer when it
 submits a Completed Application for Firm Point-To-Point Transmission Service.

 Executed Service Agreements that contain the information required under this

 Tariff shall be filed with the Commission in compliance with applicable

 Commission regulations.

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possible, Curtailments of External Transactions at the Proxy Generator Buses associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, or

the Linden VFT Scheduled Line shall be based on the transmission priority of the associated Advance Reservation for use of the Cross-Sound Scheduled Line, the Neptune Scheduled Line, or the Linden VFT Scheduled Line (as appropriate).
multiple

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transactions require Curtailment, to the extent practicable and consistent with right to Curtail, in whole or in part, any The ISO reserves the right to Curtail, in whole or in part, Firm Transmission Service provided under this Tariff for reliability reasons when, in the ISO's sole discretion, an Emergency or other unforeseen condition threatens to impairs- or degrades the reliability of the NYS Power System.—The ISO will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments. If the ISO declares a Major Emergency State, Transmission Customers shall comply with all directions issued by the ISO concerning the avoidance, management, and alleviation of the Major Emergency and shall comply with all procedures concerning a Major E mergency set forth in the ISO Procedures and the Reliability Rules. If the ISO is required to Curtail Transmission Service as a result of a Transmission Loading Relief ("TLR") event, the ISO will perform such Curtailment in accordance with the NERC TLR Procedure.

13.7 Classification of Firm Transmission Service:

(i) The Transmission Customer taking Firm Point-To-Point Transmission

Service, other than Transmission Customers taking Firm Point to Point

Transmission Service associated with a Pre-Scheduled Transaction, may

(1) change its Receipt and Delivery Points to obtain service on a non-firm

basis consistent with the terms of Section 22.1 or (2) request a modification of the Points of Receipt or Delivery on a firm basis Second Revised Sheet No. 115

pursuant to the terms of Section 22.2.

- (ii) The Transmission Customer may purchase Transmission Service to make sales of Capacity and Energy from multiple generating units that are on the NYS Transmission System. For such a purchase of Transmission Service, the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant in which case the units would be treated as a single Point of Receipt.
- (iii) The ISO shall provide firm deliveries of Capacity and Transmission

 Service for the sale of Energy from the Point(s) of Receipt to the Point(s)

 of Delivery. Each Point of Receipt shall be set forth in the Firm

 Point-To-Point Service schedule submitted by the Transmission Customer.

13.8 Scheduling of Firm Point-To-Point Transmission Service:

(i)

(ii) In the Day-Ahead Market: Schedules for the Transmission Customer's

Firm Point-to-Point Transmission Service Day-Ahead, other than

schedules from Transmission Customers taking Firm Point to Point

Transmission Service for a Pre-Scheduled Transaction, must be submitted

to the ISO no later than 5:00 a.m. of the day prior to commencement of the

Dispatch Day. Decremental Bids submitted at Proxy Generator Buses

shall be price no lower than the Bid that provides the highest scheduling

priority for sales to the LBMP Market plus the product of (i) the

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Proxy Generator Buses shall be priced no higher than the Bid that provides the highest scheduling priority for purchases from the LBMP Market minus the product of (i) the Scheduling Differential and (ii) three. Schedules involving the use of LIPA's facilities shall be treated in accordance with Section 5.2D. Schedules submitted after 5:00 a.m. will not be accepted in the Day-Ahead schedule. Schedules of any

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Capacity and Energy that are to be delivered must be stated in increments of 1,000 KWh per hour between each Point of Receipt and corresponding Point of Delivery. Each Transmission Customer within the NYCA with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 KWh per hour, may consolidate its service requests at a common Point of Receipt into units of 1,000 KWh per hour for scheduling and billing purposes. For Firm Transmission Service requests between a Point of Receipt and Point of Delivery that are internal to the NYCA, and between a Point of Receipt at the Proxy Generator Bus designated for Imports and a Point of Delivery that is a Load Bus internal to the NYCA, Tihe ISO will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished requested by the Receiving Party and shall deliver the Capacity and Energy provided by such schedules. Should the Transmission Customer, Deleivering party or

Rreceiving Pparty revise or terminate any schedule, such party shall notify the ISO prior to the close of the Real-Time Market, and the ISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and to be delivered.

(ii) In the Real-Time Market: Schedules for the Transmission Customer's

Firm Point-to-Point Transmission Service in Real-Time must be submitted

to the ISO no later than ninety_ (90) minutes prior to the dispatch hourthe

close of the Real-Time Scheduling Window.

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Bids for Exports shall be priced no higher than the Bid that provides the highest scheduling priority for purchases in the LBMP Market, minus the product of (i) the Scheduling Differential and (ii) three. Bids for Imports and Decremental Bids or Wheels Through at the Proxy Generator Bus designated as the source of the Transaction shall be price no lower than the Bid that provides the highest scheduling priority for sales to the LBMP Market plus the product of (i) the Scheduling Differential and (ii) three. Schedules involving the use of LIPA's facilities shall be treated in

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accordance with Section 5.2D. Schedules submitted later than ninety (90) minutes prior to the dispatch hour after the close of the Real-Time

Scheduling Window shall not be accepted in the Real-Time schedule.

Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 KWh per hour between each Point of

Receipt and corresponding Point of Delivery. For Firm Transmission

Service requests between a Point of Receipt and Point of Delivery that are internal to the NYCA, or between a Point of Receipt at the Proxy

Generator Bus designated for Imports and a Point of Delivery that is a

Load Bus internal to the NYCA, The ISO will furnish to the Delivering Party's system operator, if applicable, hour-to-hour schedules equal to those furnished requested by the Receiving Party and shall deliver the Capacity and Energy provided by such schedules. Should the

Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall notify the ISO prior to the close of the Real-Time Market, and the ISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and to be delivered.

14.0 Nature of Non-Firm Point-To-Point Transmission Service:

- **14.1 Term:** The minimum term of Non-Firm Point-To-Point Transmission Service shall be one (1) hour and the maximum term shall be specified in the Service

 Agreement by the Transmission Customer.
- 14.2 Reservation Priority: Non-Firm Point-to-Point Transmission Service shall be

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Available, for an Export Transaction, an Import Transaction and or a WheelThrough Transaction, when there is no Congestion between the Point(s) of Receipt
and the Point(s) of Delivery for the Transaction. In all instances, Non-Firm
Point-to-Point Transmission Service shall have a lower priority than Firm
Point-to-Point Transmission Service and Network Service. Non-Firm Point-to-Point

Transmission Service shall have an equal priority with Network Service from a secondary resource. A customer requesting non-firm Transmission Service that cannot be accommodated in the Day-Ahead Schedule because of Congestion may upgrade to Firm Point-to-Point Transmission Service up to ninetyseventy-five (9075) minutes prior to a given hour the close of the Real-Time Scheduling Window by rescheduling the Transaction and agreeing to pay the real-time Congestion Rents associated with the Transaction.

14.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Owner: The Transmission Owners will be subject to the rates, terms and conditions of Part II of this Tariff when making Third-Party Sales under (i) agreements executed on or after the date this Tariff is effective or (ii) agreements executed prior to the aforementioned date that the Commission requires to be unbundled, by the date specified by the Commission. The Transmission Owners will maintain separate accounting, pursuant to Section 8, for any use of Non-Firm Point-To-Point Transmission Service to make Third-Party Sales.

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- 14.4 Service Agreements: The ISO shall offer a standard form Non-Firm

 Point-To-Point Transmission Service Agreement (Attachment B) to an Eligible

 Customer when it first submits a Completed Application for Non-Firm

 Point-To-Point Transmission Service pursuant to this Tariff. Executed Service

 Agreements that contain the information required under this Tariff shall be filed with the Commission in compliance with applicable Commission regulations.
- 14.5 Classifications of Non-Firm Point-To-Point Transmission Service: Non-Firm Point-To-Point Transmission Service shall be offered under terms and conditions

contained in Part II of this Tariff. The ISO undertakes no obligation under this

Tariff to plan its Transmission System in order to have sufficient capacity for

Non-Firm Point-To-Point Transmission Service. Parties requesting Non-Firm

Point-To-Point Transmission Service for the transmission of firm power do so

with the full realization that such service is subject to availability and to

Curtailment or Interruption under the terms of this Tariff. The ISO shall specify

the rate treatment and all related terms and conditions applicable in the event that

a Transmission Customer (including Third-Party Sales by the Transmission

Owner) exceeds its non-firm capacity reservation. Non-Firm Point-To-Point

Transmission Service shall include transmission of Energy and Capacity on an

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hourly and daily basis under Schedule 8.

14.6 Scheduling of Non-Firm Point-To-Point Transmission Service:

(i) In the Day-Ahead Market: Schedules for the Transmission Customer's Non-Firm Point-to-Point Transmission Service in the Day-Ahead must be submitted to the ISO no later than 5:00 a.m. of the day prior to commencement of service. Schedules involving the use of LIPA's facilities shall be treated in accordance with Section 5.2D. Schedules submitted after 5:00 a.m. will not be accepted in the Day-Ahead Schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 kWh per hour between each Point of Receipt and corresponding Point of Delivery. Each Transmission Customer within the NYCA with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kWh per hour, may consolidate its schedules at a common Point of Receipt into units of 1,000 kWh per hour. The

ISO will furnish to the <u>Dd</u>elivering <u>Pparty's system operator</u>, hour-to-hour advisory schedules equal to those furnished by the <u>Rr</u>eceiving <u>Pparty</u>. Should the Transmission Customer, <u>Dd</u>elivering <u>Pparty</u> or <u>Rreceiving <u>Pparty</u> revise or terminate any schedule, such party shall notify the ISO</u>

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prior to the close or the Real-Time Market, and the ISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and to be delivered.

(ii) **In the Real-Time Market:** Schedules for the Transmission Customer's Non-Firm Point-to-Point Transmission Service in real-time must be submitted to the ISO no later than ninety (90) minutes prior to the hour the close of the Real-<u>Time Scheduling Window</u>. Schedules involving the use of LIPA's facilities shall be treated in accordance with Section 5.2D. Schedules submitted later than ninetyseventy-five (9075) minutes prior to the dispatch hour shall not be accepted in the real-time schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 KWh per hour between each Point of Receipt and corresponding Point of Delivery. For nNon-firm Transmission Service is not available requests between a Point of Receipt and Point of Delivery that are internal to the NYCA. For non-firm Transmission Service requests, or between a Point of Receipt at the Proxy Generator Bus designated for Imports and a Point of Delivery that is a Load Bus internal to the NYCA, Tthe ISO will furnish to the Delivering Party's system operator, if applicable, advisory hour-to-hour schedules equal to those furnished-requested by the Receiving Party and shall deliver the Capacity and Energy provided by such

Point of Delivery. Should the Transmission Customer, Delivering Party or Receiving Party-revise or terminate any schedule, -such party shall immediately notify the ISO prior to the close of the Real-Time Market, and the ISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and be delivered.

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14.7 Curtailment or Interruption of Service: The ISO reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when, an Emergency or other unforeseen condition threatens to impair or degrade the reliability of the NYS Transmission System. The ISO reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under this Tariff for economic reasons if the NYS Transmission System experiences Congestion. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the Constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Point-to-Point Transmission Service and Network Integration Transmission Service. The ISO will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice. The process of Curtailment of Non-Firm Point-To-Point Transmission Service for Imports, Exports, and Wheels Through may cause these non-firm transactions to incur incidental realtime Congestion Rents due to inter-Control Area Curtailment procedures.

15.0 Service Availability

15.1 General Conditions: The ISO will provide Firm and Non-Firm Point-To-Point Third Revised Sheet No. 123

Transmission Service over the New York State Transmission System pursuant to ISO designated Points of Receipt and Points of Delivery-transmission facilities of the parties to the ISO/TO Agreement, to any Transmission Customer that has met the requirements of Section 16, provided however, Non-Firm Point-to-Point Transmission Service is not available between points of Injection and Points of Withdrawal internal to the NYCA.

- 15.2 Determination of Available Transfer Capability: The ISO continuously redispatches all resources subject to its control in order to meet Load and to accommodate requests for Firm Transmission Service through the use of SCUC, RTC and RTD. The ISO will post information regarding ATC and TTC availability on the OASIS.
- Iso and the Transmission Customer requesting Firm or Non-Firm Point-To-Point

 Transmission Service cannot agree on all terms and conditions of the Point-To
 Point Service Agreement, Iso shall file with the Commission, within thirty (30)

 days after the date the Transmission Customer provides written notification

 directing the Iso to file, an unexecuted Point-To-Point Service Agreement

 containing terms and conditions deemed appropriate by the Iso for such