

## **2.2a Adjusted Actual Peak Load**

Actual peak Load adjusted to reflect: (i) Load relief measures such as voltage reduction and Load Shedding; (ii) peak Load reductions provided by Interruptible Load Resources; (iii) normalized design weather conditions; and (iv) adjustments for Special Case Resources.

## **2.3 Affiliate**

With respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term “Control” shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

## **2.4 Ancillary Services**

Services necessary to support the transmission of Energy from Generators to Loads, while maintaining reliable operation of the NYS Power System in accordance with Good Utility Practice and Reliability Rules. Ancillary Services include Scheduling, System Control and Dispatch Service; Reactive Supply and Voltage Support Service (or “Voltage Support Service”); Regulation and Frequency Response Service (or “Regulation Service”); Energy Imbalance

## **2.17 Capability Period**

Six month periods which are established as follows: (1) from May 1 through October 31 of each year (“Summer Capability Period”); and (2) from November 1 of each year through April 30 of the following year (“Winter Capability Period”).

### **2.17a [reserved for future use]**

### **2.17b Capability Year**

A Summer Capability Period, followed by a Winter Capability Period (*i.e.*, May 1 - April 30).

## **2.18 Capacity**

The capability to generate or transmit electrical power, measured in megawatts (“MW”).

### **2.18a CARL Data**

Control Area Resource and Load (“CARL”) data submitted by Control Area System Resources to the ISO.

## **2.19 Centralized Transmission Congestion Contracts (“TCC”) Auction (“Auction”)**

The process by which TCCs are released for sale for the Centralized TCC Auction period, through a bidding process administered by the ISO or an auctioneer.

## **2.20 Class A Unit**

A Generator or Dispatchable Load that participates in nominal five (5) minute SCD dispatch.

**2.21 Class B Unit**

A Generator or Dispatchable Load that is not participating in the nominal five (5) minute  
SCD dispatch, but offers to provide spinning reserves to the ISO.

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### **2.31 Contingency**

An actual or potential unexpected failure or outage of a system component, such as a Generator, transmission line, circuit breaker, switch or other electrical element. A Contingency also may include multiple components, which are related by situations leading to simultaneous component outages.

### **2.32 Control Area**

An electric system or combination of electric power systems to which a common Automatic Generation Control scheme is applied in order to: (1) match, at all times, the power output of the Generators within the electric power system(s) and Capacity and Energy purchased from entities outside the electric power system(s), with the Load within the electric power system(s); (2) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice; (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and (4) provide sufficient generating Capacity to maintain operating reserves in accordance with Good Utility Practice.

#### **2.32a Control Area System Resource**

A set of Resources owned or controlled by an entity within a Control Area that also is the operator of such Control Area. Entities supplying Installed Capacity using Control Area System Resources will not designate particular Resources as the suppliers of Installed Capacity.

**2.33 Curtailment or Curtail**

A reduction in Firm or Non-Firm Transmission Service in response to a transmission  
Capacity shortage as a result of system reliability conditions.

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output or have its Transmission Service Curtailed, and purchase Energy in the LBMP Markets.

If Decremental Bids are not voluntarily provided by such entities, the ISO will enter a default Decremental Bid.

### **2.38a Deficiency Procurement Auction**

An auction conducted pursuant to Section 5.14.1(a) to procure sufficient Installed Capacity to cover the remainder of the LSEs' Installed Capacity requirement for an Obligation Procurement Period.

### **2.39 Demand Side Resources**

Resources that result in the reduction of a Load in a responsive and measurable manner and within time limits established in the ISO Procedures.

### **2.40 Dependable Maximum Net Capability ("DMNC")**

The sustained maximum net output of a Generator, as demonstrated by the performance of a test or through actual operation, averaged over a continuous time period as defined in the ISO Procedures.

### **2.41 Desired Net Interchange ("DNI")**

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

**2.42 Direct Sale**

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

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**2.43 Dispatchable**

A Generator or Load that is capable of responding to real-time control from the ISO.

**2.44 Dispatch Day**

The twenty-four (24) hour period commencing at the beginning of each day (0000 hour).

**2.45 Dispute Resolution Administrator (“DRA”)**

An individual hired by the ISO to administer the Dispute Resolution Process established in the ISO Tariffs and ISO Agreement.

**2.46 Dispute Resolution Process (“DRP”)**

The procedures: (1) described in the ISO Tariffs and the ISO Agreement that are used to resolve disputes between Market Participants and the ISO involving services provided under the ISO Tariffs (excluding applications for rate changes or other changes to the ISO Tariffs or rules relating to such services); and (2) described in the ISO/NYSRC Agreement that are used to resolve disputes between the ISO and NYSRC involving the implementation and/or application of the Reliability Rules.

**2.46a DMNC Test Period**

The period within a Capability Period during which a Resource required to do so shall conduct a DMNC test if that DMNC test is to be valid for



purposes of determining the amount of Installed Capacity this Resource is permitted to provide in the NYCA. Such periods will be established pursuant to the ISO Procedures.

#### **2.47 Emergency**

Any abnormal system condition that requires immediate automatic or manual action to prevent or limit loss of transmission facilities or Generators that could adversely affect the reliability of an electric system.

#### **2.48 Emergency State**

The state that the NYS Power System is in when an abnormal condition occurs that requires automatic or immediate, manual action to prevent or limit loss of the NYS Transmission System or Generators that could adversely affect the reliability of the NYS Power System.

#### **2.49 Energy (“MWh”)**

A quantity of electricity that is bid, produced, purchased, consumed, sold, or transmitted over a period of time, and measured or calculated in megawatt hours.

#### **2.49a Energy Limited Resource**

Capacity Resources that, due to design considerations, environmental restrictions on operations, cyclical requirements, such as the need to recharge or refill, or other non-economic reasons, are unable to operate continuously on a daily basis, but are able to operate for at least four consecutive hours each day.

**2.49b [reserved for future use]**

**2.49c Excess Amount**

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

**2.50 Excess Congestion Rents**

Congestion revenues in the Day-Ahead Market for Energy collected by the ISO that are in excess of its Day-Ahead payment obligations. Excess Congestion Rents may arise if Congestion occurs in the Day-Ahead Market for Energy and if the Day-Ahead Transfer Capability of the transmission system is not exhausted by the set of TCCs and Grandfathered Rights that have been allocated at the completion of the last Centralized TCC Auction.

**2.51 Existing Transmission Capacity for Native Load ("ETCNL")**

Transmission Capacity reserved on a Transmission Owner's transmission system to serve the Native Load Customers of the current Transmission Owners (as of the filing date of the original ISO Tariff - January 31, 1997). This includes transmission Capacity required: (1) to deliver the output from operating facilities located out of a Transmission Owner's Transmission District; (2) to deliver power purchased under power supply contracts; and (3) to deliver power purchased under third party agreements (i.e., Non-Utility Generators). Existing Transmission Capacity for Native Load is listed in Attachment L of the ISO OATT.

## **2.52 Existing Transmission Agreement (“ETA”)**

An agreement between two or more Transmission Owners, or between a Transmission Owner and another entity, as defined in the ISO Agreement and the ISO OATT.

### **2.52a Expedited Dispute Resolution Procedures**

The procedures set forth in Section 5.16 of this Tariff.

## **2.53 Exports**

A Bilateral Transaction or purchases from the LBMP Market where the Energy is delivered to an NYCA Interconnection with another Control Area.

## **2.54 External**

An entity (e.g., Supplier, Transmission Customer) or facility (e.g., Generator, Interface) located outside the Control Area being referenced or between two or more Control Areas. Where a specific Control Area is not referenced, the NYCA is the intended reference.

## **2.55 External Transactions**

Purchases, sales or exchanges of Energy, Capacity or Ancillary Services for which either the Point of Injection (“POI”) or Point of Withdrawal (“POW”) or both are located outside the NYCA (i.e., Exports, Imports or Wheels Through).

## **2.56 Federal Power Act (“FPA”)**

The Federal Power Act, as may be amended from time-to-time (See 16 U.S.C. § 796 et seq.).

### **2.57 Firm Point-To-Point Transmission Service**

Transmission Service under this Tariff that is scheduled between specified Points of Receipt and Delivery pursuant to the ISO OATT. Firm Point-To-Point Transmission Service is service for which the Transmission Customer has agreed to pay the Congestion associated with its service. A Transmission Customer may fix the price of Congestion 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.

### **2.58 Firm Transmission Service**

Transmission service requested by a Transmission Customer willing to pay Congestion Rent.

### **2.59 First Settlement**

The process of establishing binding financial commitments on the part of Customers participating in the Day-Ahead Market based on Day-Ahead LBMP.

#### **2.59a [reserved for future use]**

#### **2.59b GADS Data**

Data submitted to the NERC for collection into the NERC's Generating Availability Data System ("GADS").

**2.60 Generator**

A facility capable of supplying Energy, Capacity and/or Ancillary Services that is accessible to the NYCA or the Energy, Capacity and/or Ancillary Services from such facilities.

**2.61 [reserved for future use]**

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break points), that indicates an entity's willingness to supply Energy at certain prices to the ISO Administered LBMP Markets.

**2.70 Independent System Operator ("ISO")**

The New York Independent System Operator, Inc., a not-for-profit corporation established pursuant to the ISO Agreement.

**2.71 Independent System Operator Agreement ("ISO Agreement")**

The agreement that establishes the New York ISO.

**2.72 Independent System Operator/New York State Reliability Council ("ISO/NYSRC Agreement")**

The agreement between the ISO and the New York State Reliability Council governing the relationship between the two organizations.

**2.73 Independent System Operator-Transmission Owner Agreement ("ISO/TO Agreement")**

The agreement that establishes the terms and conditions under which the Transmission Owners transferred to the ISO Operational Control over designated transmission facilities.

**2.74 Installed Capacity**

External or Internal Capacity, in increments of 100 kW, that is made available, pursuant to Tariff requirements and ISO Procedures, for the portion of an Obligation Procurement Period for which that Capacity is being used to satisfy the NYCA Installed Capacity Requirement.

**2.74a [reserved for future use]**

**2.74b Installed Capacity Marketer**

An entity which has signed this Tariff and which purchases Installed Capacity from qualified Installed Capacity Suppliers, or from LSEs with excess Installed Capacity, either bilaterally or through an ISO-administered auction. Installed Capacity Marketers that purchase Installed Capacity through an ISO-administered auction may only resell Installed Capacity purchased in such auctions in the NYCA.

**2.74c Installed Capacity Supplier**

An Energy Limited Resource, Generator, Installed Capacity Marketer, Interruptible Load Resource, Special Case Resource, Intermittent Power Resource, municipally-owned generation, System Resource or Control Area System Resource that satisfies the ISO's qualification requirements for supplying Installed Capacity.

**2.75 Interconnection or Interconnection Points ("IP")**

The point(s) at which the NYCA connects with a distribution system or adjacent Control Area. The IP may be a single tie line or several tie lines that are operated in parallel.

**2.76 Interface**

A defined set of transmission facilities that separate Load Zones and that separate the NYCA from adjacent Control Areas.

**2.77 Interface MW - Mile Methodology**

The procedure used to allocate Residual TCCs, revenues from the sale of certain TCCs, and Excess Congestion Rents between the Transmission Owners as described in Attachment K to the ISO OATT.

**2.77a Intermittent Power Resource**

Capacity Resources that depend upon wind or solar energy for their fuel.

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#### **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 and Start-Up Bid**

The payment required by a Supplier to bring a Generator to, and operate at, its minimum safe and stable operating level.

#### **2.107 Modified Wheeling Agreement ("MWA")**

A Transmission Agreement in existence, as amended, between Transmission Owners, that is associated with existing Generators or power supply contracts, that will be modified effective upon LBMP implementation. The terms and conditions of the MWA will remain the same as the original agreement, except as noted in the ISO OATT.

#### **2.107a Monthly Auction**

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

#### **2.107b Native Load Customers**

The wholesale and retail power customers of the Transmission Owners on whose behalf the Transmission Owners, by statute, franchise, regulatory requirement, or contract, have undertaken an obligation to construct and operate the Transmission Owners' systems to meet the reliable electric needs of such customers.

**2.117 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.

**2.119 NPCC**

The Northeast Power Coordinating Council.

**2.120 NRC**

The Nuclear Regulatory Commission or any successor thereto.

**2.120a NYCA Installed Capacity Requirement**

The requirement established for each Capability Year by multiplying the NYCA peak Load forecasted by the ISO by the quantity one plus the NYCA Installed Reserve Margin.

**2.120b NYCA Installed Reserve Margin**

The ratio of the amount of additional Installed Capacity required by the NYSRC in order for the NYCA to meet NPCC reliability criteria to the forecasted NYCA upcoming Capability Year peak Load, expressed as a decimal.

**2.121 NYPA**

The Power Authority of the State of New York.

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## **2.122 NYPA Tax-Exempt Bonds**

Obligations of the New York Power Authority, the interest on which is not included in gross income under the Internal Revenue Code.

### **2.122a Obligation Procurement Period**

The period of time during which LSEs shall be required to satisfy their Installed Capacity requirements. Obligation Procurement Periods shall begin and end on the same dates as the Capability Periods defined by Section 2.17 of this Tariff.

### **2.123 Off-Dispatch**

A Dispatchable Generator or Load that is not capable of responding to computer-issued ISO instructions but is capable of responding to ISO orders relayed by telephone.

### **2.124 Off-Peak**

The hours between 11 p.m. and 7 a.m., prevailing Eastern Time, Monday through Friday, and all day Saturday and Sunday, and NERC-defined holidays, or as otherwise decided by ISO.

### **2.124a Offeror**

An entity that offers to sell Installed Capacity in an auction.

### **2.125 On-Dispatch**

A Dispatchable Generator or Load that is capable of responding to computer-issued ISO instructions.

### **2.126 On-Peak**

The hours between 7 a.m. and 11 p.m. inclusive, prevailing Eastern Time, Monday through Friday, except for NERC-defined holidays, or as otherwise decided by the ISO.

### **2.127 Open Access Same-Time Information System ("OASIS")**

The information system and standards of conduct contained in Part 37 of the Commission's regulations and all additional requirements implemented by subsequent Commission orders dealing with OASIS.

### **2.128 Operating Capacity**

Capacity that is readily converted to Energy and is measured in MW.

#### **2.128a Operating Committee**

A standing committee of the ISO created pursuant to the ISO Agreement, which coordinates operations, develops procedures, evaluates proposed system expansions and acts as a liaison to the NYSRC.

#### **2.128b Operating Data**

Pursuant to Section 5.12.5 of this Tariff, Operating Data shall mean GADS Data, data equivalent to GADS Data, CARL Data, metered Load data, or actual system failure occurrences data, all as described in the ISO Procedures.

## **2.129 Operating Reserves**

Generator Capacity that is available to supply Energy, or Interruptible Load Resources that are available to Curtail Energy usage, in the event of Contingency conditions, which meet the requirements of the ISO. Operating Reserves include spinning reserves, non-synchronized 10-minute reserves, and 30-minute reserves.

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### **2.160a Residual Transmission Capacity (“RTC”)**

The transmission capacity determined by the ISO before, during and after the Centralized TCC Auction which is conceptually equal to the following:

$$\text{RTC} = \text{TTC} - \text{TRM} - \text{CBM} - \text{GTR} - \text{GTCC} - \text{ETCNL}$$

RTC is Residual Transmission Capacity. The TCCs associated with RTC cannot be accurately determined until the Centralized TCC Auction is conducted.

TTC is the Total Transfer Capability that can only be determined after the RTC is known.

GTR is the transmission capacity associated with Grandfathered Rights.

GTCC is the transmission capacity associated with Grandfathered TCCs.

ETCNL is the transmission capacity associated with Existing Transmission Capacity for Native Load.

TRM is the Transmission Reliability Margin.

CBM is the Capacity Benefit Margin.

### **2.160b Resource**

An Energy Limited Resource, Generator, Installed Capacity Marketer, Interruptible Load Resource, Special Case Resource, Intermittent Power Resource, municipally-owned generation, System Resource, or Control Area System Resource.

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**2.161 Safe Operations**

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

**2.162 SCUC**

Security Constrained Unit Commitment, described in Section 4.9 of the Tariff.

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files with the Commission.

### **2.170 Service Commencement Date**

The date that the ISO begins to provide service pursuant to the terms of a Service Agreement, or in accordance with the Tariff.

### **2.171 Settlement**

The process of determining the charges to be paid to, or by, a Transmission Customer to satisfy its obligations.

### **2.172 Shift Factor (“SF”)**

A ratio, calculated by the ISO, that compares the change in power flow through a transmission facility resulting from the incremental injection and withdrawal of power on the NYS Transmission System.

### **2.172a Special Case Resource**

Loads capable of being interrupted upon demand, and distributed 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 Tariff and related ISO Procedures, in order to facilitate their participation in the Installed Capacity market as Installed Capacity Suppliers.

### **2.173 Storm Watch**

Actual or anticipated severe weather conditions under which region-specific portions of

### **2.177a System Resource**

A portfolio of Installed Capacity provided by Resources located in a single ISO-defined Locality, the remainder of the NYCA, or any single External Control Area, that is owned by or under the control of a single entity, which is not the operator of the Control Area where such Resources are located, and that is made available, in whole or in part, to the ISO.

### **2.178 Third Party Transmission Wheeling Agreements ("Third Party TWAs")**

A Transmission Wheeling Agreement, as amended, between Transmission Owner or between a Transmission Owner and an entity that is not a Transmission Owner associated with the purchase (or sale) of Energy, Capacity, and/or Ancillary Services for the benefit of an entity that is not a Transmission Owner. These agreements are listed in Table 1 of Attachment L to the ISO OATT.

### **2.179 Total Transfer Capability ("TTC")**

The amount of electric power that can be transferred over the interconnected transmission network in a reliable manner.

### **2.180 Transaction**

The purchase and/or sale of Energy or Capacity, or the sale of Ancillary Services.

### **2.181 Transfer Capability**

The measure of the ability of interconnected electrical systems to reliably move or