the NYS Transmission System are operated in a more conservative manner by reducing transmission transfer limits.

2.174 Strandable Costs

Prudent and verifiable expenditures and commitments made pursuant to a Transmission Owner's legal obligations that are currently recovered in the Transmission Owner's retail or wholesale rate that could become unrecoverable as a result of a restructuring of the electric utility industry and/or electricity market, or as a result of retail-turned-wholesale customers, or customers switching generation or Transmission Service suppliers.

2.175 Stranded Investment Recovery Charge

A charge established by a Transmission Owner to recover Strandable Costs.

2.175b Sub-Auctions

The set of rounds in a given Capability Period Auction in which TCCs of a given duration may be purchased.

2.176 Supplemental Resource Evaluation ("SRE")

A determination of the least cost selection of additional Generators, which are to be committed, to meet: (i) changed or local system conditions for the Dispatch Day that may cause the Day-Ahead schedules for the Dispatch Day to be inadequate to meet the reliability requirements of the Transmission Owner's local system or to meet Load or reliability requirements of the ISO; or (ii) forecast Load and reserve requirements over the six-day period that follows the Dispatch Day.

2.177 Supplier

A Party that is supplying the Capacity, Demand Reduction, Energy and/or associated Ancillary Services to be made available under the ISO OATT or the ISO Services Tariff, including Generators and Demand Side Resources that satisfy all applicable ISO requirements.

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

Effective: February 12, 2009