to meet Load which was not security constrained. Out-of-Merit Generation occurs to maintain system reliability or to provide Ancillary Services.

2.136 Performance Index

An index, described in ISO Procedures, that tracks a Generator's response to AGC signals from the ISO.

2.137 Performance Tracking System

A system designed to provide quantitative comparisons of actual values versus expected and forecasted values for Generators and Loads. This system will be used by the ISO to measure compliance with criteria associated with, but not limited to, the provision of Regulation and Frequency Response Service.

xx.xxx.xx.Available Reserves (ALPHABETIZE)

For purposes of determining the Real-Time Locational Based Marginal Price, the reserves in any Security Constrained Dispatch interval that include (i) spinning reserves, (ii) non-synchronized 10-minute reserves, (iii), 30-minute reserves, Operating Reserve, (iiv) recallable external ICAP energy sales, and (iiiv) the Load reduction available with a 5% Voltage reduction; but not including the purchase of Emergency Energy from a contiguous Control Area at rates that have been approved by the Commission. The Available Reserves may be locational.

2.127.2 Persistent Ten Minute Reserves Shortage

For purposes of determining the Real-Time Locational Based Marginal Price, the failure to meet the ten minute Operating Reserves requirement in any Security Constrained Dispatch interval, during an Emergency condition, that occurs after the ISO has (i) converted its 30 minute reserve to energy or 10 minute synchronized reserve, (ii) recalled its external ICAP energy sales,

(iii) activated the Emergency Demand Response Program and requested Load reductions from

Special Case Resources and (iv) counted as Operating Reserves the Load reduction available

with a 5% Voltage reduction, but for the purchase of Emergency Energy from a contiguous

Control Area at rates that have been approved by the Commission. The Persistent Reserves

Shortage may be locational.

xxx.xxx. Expected Load Reduction (alphabetize)

For purposes of determining the Real-Time Locational Based Marginal Price, Expected Load

Reduction is the reduction in Load expected to behave been realized in real-time from activation

of the Emergency Demand Response Program and from Load reductions requested from Special

Case Resources, as established determined pursuant to ISO Procedures;

2.138 Point to Point Transmission Service

The reservation and transmission of Capacity and Energy on either a firm or non-firm

basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

2.139 Point(s) of Injection ("POI" or "Point of Receipt")

The point(s) on the NYS Transmission System where Energy, Capacity and Ancillary

Effective:

July 25, 2001

Services will be made available to the ISO by the delivering party under the ISO OATT or the

ISO Services Tariff. The Point(s) of Injection shall be specified in the Service Agreement.

Issued by: William J. Museler, President

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