New York Independent System Operator, Inc.

Superseding First-Second Revised Sheet No. 276A

Second Third Revised Sheet No. 276A

FERC Electric Tariff Original Volume No. 2

Sched. 3

DAMCPreg<sub>i</sub> is the applicable market clearing price for Regulation Service (in \$/MW),

in the Day-Ahead Market, as established by the ISO pursuant to Section 4.1 of this Rate

Schedule for the hour that includes RTD interval i;

<u>DAMCPregDARcap</u><sub>i</sub> is the Regulation Service Capability (in MW) offered by the

Generator and selected by the ISO in the Day-Ahead Market in the hour that includes RTD

interval i;

RTMCPreg<sub>i</sub> is the applicable market clearing price for Regulation Service (in MW), in

the Real-Time Market as established by the ISO under Section 5.1 of this Rate Schedule in

RTD interval i;

RTRcap<sub>i</sub> is the Regulation Service Capability (in MW) offered by the Generator and

selected by the ISO in the Real-Time Market in RTD interval i;

s<sub>i</sub> is the number of seconds in interval i; and

 $K_{pi}$  is a factor, with a value between 0.0 and 1.0 inclusive, derived from each

Generator's Regulation Service performance, as measured by the performance indices set forth

in the ISO Procedures and determined pursuant to the following equation:

 $K_{PI} = PI - PSF$ 

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