



Transmission Congestion Contracts Manual Attachments

**Attachment I Binding Agreement to Purchase Non-Historic Fixed Price
Transmission Congestion Contracts**

Issued: 11/06/2020

Prepared by: NYISO TCC Market Operations

New York Independent System Operator
10 Krey Boulevard
Rensselaer, NY 12144
(518) 356-6060
www.nyiso.com

Disclaimer: The information contained within this manual, along with other NYISO manuals, is intended to be used for information purposes only, and is subject to change. The NYISO is not responsible for the user's reliance on these publications, or for any erroneous or misleading material.

©Copyright 1999-2020 New York Independent System Operator

Attachment I.

BINDING AGREEMENT TO PURCHASE NON-HISTORIC FIXED PRICE TRANSMISSION CONGESTION CONTRACTS

THIS BINDING AGREEMENT TO PURCHASE NON-HISTORIC FIXED PRICE TRANSMISSION CONGESTION CONTRACTS (the "Purchase Agreement"), dated as of this _____ day of _____, _____, is given by _____, having a principal business address at _____ (the "Buyer").

RECITALS

WHEREAS, pursuant to the terms of the New York Independent System Operator Open Access Transmission Tariff ("ISO OATT"), and the Market Administration and Control Area Services Tariff ("ISO Services Tariff"), the New York Independent System Operator, Inc. ("NYISO") will conduct Non-Historic Fixed Price Transmission Congestion Contracts Allocation and Renewal Rounds concurrent with Centralized TCC Auctions (collectively, the "Allocation and Renewal Rounds") as described in Attachment M of the ISO OATT, in which parties wishing to acquire Non-Historic Fixed Price Transmission Congestion Contracts ("NHFPTCCs") may acquire them and holders of NHFPTCCs may renew them;

WHEREAS, all capitalized terms that are not otherwise defined herein shall have the meaning set forth for such terms ascribed thereto in the ISO OATT, the ISO Services Tariff, and/or the Independent System Operator Agreement (the "ISO Agreement");

WHEREAS, a TCC represents the right to collect, or the obligation to pay, the Day-Ahead Congestion Rents associated with one (1) megawatt of transmission between a specified Point of Injection ("POI") and a specified Point of Withdrawal ("POW") for all hours of each day during the relevant period, as such Congestion Rents are determined and settled according to the ISO OATT and ISO Services Tariff; and

WHEREAS, Buyer has been designated a registrant name for purposes of the Allocation and Renewal Rounds and intends to submit this Purchase Agreement, coupled with the submission of properly formatted requests (such requests together being an "Electronic Request" and such an Electronic Request together with the Purchase Agreement constituting a "Nomination Package") and intends to participate in the Allocation and Renewal Rounds operated on an automated basis through the submission of Electronic Request over the internet (the "TCC Automated Market System"); and

WHEREAS, Buyer intends that such Nomination Package shall constitute an official request for participation in the Allocation and Renewal Rounds and that the Nomination Package will be recorded and objectively analyzed pursuant to applicable provisions for conducting the Allocation and Renewal Rounds as found in ISO Procedures, Attachments M and N of the ISO OATT, Attachment B and K of the ISO Services Tariff, and any other applicable provisions of the ISO OATT and ISO Services Tariff

("Allocation Rules"), any of which may be amended from time to time and copies of which have been made available to the Buyer on the NYISO website; and

WHEREAS any prior Purchase Agreement ("previous Purchase Agreement") executed by Buyer and the NYISO shall remain in full force and effect until a new Purchase Agreement ("new Purchase Agreement") is signed, at which time the previous Purchase Agreement shall be superseded by this new Purchase Agreement, and thereafter this new Purchase Agreement shall govern Buyer's participation in Allocation and Renewal Rounds for the purpose of purchasing NHFPTCCs; and

NOW, THEREFORE, in consideration of the NYISO including Buyer's Nomination Package in conducting the Allocation and Renewal Rounds, which Buyer acknowledges and agrees is adequate consideration for its obligations hereunder, Buyer hereby agrees to the following:

1. Request to Purchase NHFPTCCs.

- (a) The Buyer agrees to purchase NHFPTCCs in a quantity to be determined by the NYISO, or its designee, pursuant to the Allocation Rules, provided that the NHFPTCCs to be purchased shall not exceed the number of NHFPTCCs set forth in the Electronic Request, and the purchase price for each NHFPTCC shall be the Market Clearing Price as established in the Centralized TCC Auction in which the Allocation and Renewal Rounds appear (as determined by the NYISO or its designee and adjusted as necessary pursuant to Section 1d of this agreement). The Buyer acknowledges and understands that if the Buyer's request(s) would make an existing and valid TCC infeasible, the NYISO will reduce the number of NHFPTCCs that may be obtained.
- (b) The Buyer acknowledges and understands that the Buyer's submission of a valid Nomination Package represents a firm commitment of the Buyer to pay for the number of NHFPTCCs awarded by the NYISO pursuant to the terms hereof. The Buyer further acknowledges and understands that the submission of a Nomination Package does not obligate the NYISO to accept the Nomination Package, in whole or in part, nor does the submission of a Nomination Package grant any right to the Buyer to purchase any NHFPTCCs.
- (c) The Buyer acknowledges and understands that the Allocation and Renewal Rounds shall be conducted in accordance with the applicable Allocation Rules.
- (d) The Buyer acknowledges and understands that the Market Clearing Price for the NHFPTCCs purchased pursuant to this Purchase Agreement shall not be less than zero. The Market Clearing Price shall administratively be set to zero when the Market Clearing Price established in the Centralized TCC Auction is negative.
- (e) The Buyer acknowledges that its statements made in any Electronic Request (which term is used in the TCC Automated Market System as "Set", "Nomination Set", or "Renewal Set") may be amended by the Buyer at any time during the period to request NHFPTCCs in the Allocation and Renewal Rounds (the "Request Period") by submitting a new Electronic Request which must be received in accordance with this Section and the Allocation Rules. If such new Electronic Request is timely, correctly and completely submitted by the Buyer as provided herein, the most recently received Electronic Request, as indicated by the date and time of submission reported in the TCC Automated Market System, will supersede any previous Electronic Request and any previous Electronic Request will have no further force or effect. A newly submitted Electronic Request must include all properly formatted requests

that Buyer intends to be in effect, including any previously submitted properly formatted requests that are not being amended.

- (f) The Buyer acknowledges that its statements made in any Electronic Request may be withdrawn by the Buyer at any time during the Request Period by submitting a Withdrawal Request, which must be received in accordance with this Section, and the Allocation Rules. If such Withdrawal Request is timely, correctly and completely submitted by the Buyer as provided herein, the most recently received Electronic Request, as indicated by the date and time of submission reported in the TCC Automated Market System, will be removed from the Allocation or Renewal Round and will have no further force or effect. The Buyer must submit a new Electronic Request if it intends to participate in the Allocation or Renewal Round.
- (g) The Buyer acknowledges that this Purchase Agreement must be submitted to the address referenced in the Allocation Rules, via an overnight mail or delivery service that requires the signature of the addressee as a record of the date and time of delivery. The Buyer hereby acknowledges that a Purchase Agreement submitted via an overnight mail or delivery service to the address referenced in the ISO Procedures shall be evidenced as being submitted in a timely manner only by the signature of the NYISO, or its designated recipient, upon delivery made in accordance with the schedule established by these Allocation Rules. The Buyer may also provide an electronic version of this Purchase Agreement to the NYISO at the email address referenced in the Allocation Rules prior to submitting it via overnight mail or delivery service which shall not be used to establish timely submission.
- (h) The Buyer acknowledges that the timely submission of a Nomination Package does not guarantee that the Nomination Package is valid for inclusion in any Allocation or Renewal Round, and that a Nomination Package that has not been completed or submitted in conformity with the Allocation Rules, in the NYISO's sole judgment, shall be invalid and shall be rejected.
- (i) The Buyer acknowledges that the Buyer bears the sole responsibility for submitting a correct and complete Nomination Package in accordance with the Allocation Rules.

2. Billing and Payment Procedures for Purchase of NHFPTCCs.

- (a) The NYISO, or its designee, shall make available to the Buyer information constituting an Award Notice by posting such information to a secure location on the NYISO's website that is accessible to the Buyer according to the schedule established by the Allocation Rules, which Award Notice shall specify the number of NHFPTCCs, if any, that the Buyer shall be required to purchase ("Awarded NHFPTCCs"), the Market Clearing Price for each Awarded NHFPTCC, the POI and the POW of each Awarded NHFPTCC, and the amount due as a result of the purchase of each Awarded NHFPTCC - which shall be the Market Clearing Price of each Awarded NHFPTCC. The amount due for each Awarded NHFPTCC may be summed together as a total amount due for Awarded NHFPTCCs. A Buyer shall be deemed to be in receipt of the Award Notice on the day the NYISO has posted the Award Notice to a secure location on the NYISO's website that is accessible to the Buyer.
- (b) The NYISO, or its designee, shall make available to the Buyer as part of the information constituting an Award Notice an "Invoice" or series of Invoices, as described herein, according to the schedule established by the Allocation Rules, which Invoice(s) shall reflect

all the Buyer's activity in an Allocation and Renewal Round by specifying the total amount due to the NYISO from the Buyer or due from the NYISO to the Buyer ("Net Invoiced Amount") and the date by which such Net Invoiced Amount is to be paid to the NYISO or will be paid by the NYISO. A Buyer shall be deemed to be in receipt of the Invoice on the day the NYISO has posted the Invoice to a secure location on the NYISO's website that is accessible to the Buyer.

- (c) The payment obligation for each Awarded NHFPTCC with a duration of one year or less shall be included in one invoice in an amount equal to the Market Clearing Price of each Awarded NHFPTCC with a duration of one year or less. The payment obligation for each Awarded NHFPTCC with a duration of two years shall be included in two invoices. The payment obligation that is included in the first Invoice for each Awarded NHFPTCC with a duration of two years shall be the Market Clearing Price of each Awarded NHFPTCC with a duration of two years divided by two (rounded up to the nearest cent). The payment obligation included in the second Invoice for each Awarded NHFPTCC with duration of two years shall be the Market Clearing Price of each Awarded NHFPTCC with a duration of two years divided by two (rounded down to the nearest cent). The Allocation Rules shall describe the dates by which the first and second Invoices will be provided to the Buyer by the NYISO.
- (d) If the Net Invoiced Amount is greater than zero, within three (3) business days of the Invoice being accessible to the Buyer at a secure location on the NYISO's website, the Buyer shall cause funds to be wired to the account specified in the Invoice in an amount equal to the Net Invoiced Amount.
- (e) If the Net Invoiced Amount is less than zero, within six (6) business days of the Invoice being accessible to the Buyer at a secure location on the NYISO's website, the Buyer shall give wiring instructions to the NYISO, or its designee, designating the account(s) to which funds generated from the Allocation and Renewal Round will be disbursed and allocated by the NYISO pursuant to the Allocation Rules.
- (f) Within two (2) business days after the Invoice is accessible to the Buyer, to the extent that the Buyer disputes the calculation of the Net Invoiced Amount, the Buyer shall give written notice to the NYISO, or its designee, setting forth in reasonable detail the basis for any such disagreement ("Dispute") which dispute may reflect information included in the Award Notice if such information impacts the Net Invoiced Amount. If the Buyer does not give written notice within the two (2) business day period, the Buyer shall be deemed to have irrevocably accepted the Net Invoiced Amount in the manner specified in the Invoice as made available to the Buyer by the NYISO, or its designee.
- (g) If a timely filed written notice of Dispute is given, the Expedited Dispute Resolution Procedures, included as Appendix A to this Purchase Agreement, will be followed.
- (h) To the extent that the Buyer disputes the calculation of the Net Invoiced Amount, the Buyer or the NYISO, depending on which is the obligated party, shall remain obligated to make payment in full for the NHFPTCCs, as indicated in the Invoice. However, if it is later determined, in accordance with this Section 2, that an overpayment or underpayment has been made, the NYISO shall refund that overpayment or underpayment, including interest calculated from the date that the overpayment or underpayment was made, in accordance with the methodology specified for interest on refunds in the NYISO Procedures for energy market settlements.

- (i) If a mistake is discovered in the calculation of information provided in an Award Notice or an Invoice after it was made available to the Buyer at a secure location on the NYISO's website, the NYISO reserves the right to revise the Award Notice and/or the Invoice, and the Buyer acknowledges that it will be obligated to make arrangement for payment or receipt of payment in accordance with the revised Invoice.

3. Representations and Warranties of the Buyer.

- (a) The Buyer hereby represents and warrants to the NYISO as follows:
 - (i) Buyer is a Customer and the sale or purchase of Non-Historic Fixed Price Transmission Congestion Contracts is done as part of Buyer's business.
 - (ii) Buyer has full power and authority to execute and submit the Nomination Package and to perform its obligations thereunder. The Nomination Package constitutes a valid and legally binding obligation of the Buyer.
 - (iii) The execution and submission of the Nomination Package and the consummation of the transactions contemplated thereby have been duly and validly approved by all requisite action, corporate or otherwise, on the part of Buyer, and no other proceedings, corporate or other, on the part of Buyer are necessary to approve and submit the Nomination Package and to consummate the transactions contemplated hereby.
 - (iv) Buyer is qualified to purchase the NHFPTCCs in accordance with the Allocation Rules and has sufficient funds to purchase the NHFPTCCs as contemplated herein.
 - (v) Buyer has access to and has reviewed the Allocation Rules and understands the terms and conditions contained therein.
 - (vi) Buyer shall meet all requirements of the NYISO Credit Policy as provided in Attachment K to the Services Tariff and ISO Procedures.
 - (vii) Buyer shall hold, use, and transfer any NHFPTCCs purchased pursuant to the Allocation and Renewal Rounds in accordance with the terms and conditions set forth in the ISO OATT and the Allocation Rules.
 - (viii) Buyer holds all licenses, franchises, permits, and authorizations in compliance with any applicable laws, rules, and regulations that are necessary for the lawful ownership and use of the NHFPTCCs.
 - (ix) Other than providing the information as required by this Purchase Agreement, Buyer has not amended or changed this Purchase Agreement in any way to make it different from the "Purchase Agreement," found at Attachment I to the TCC Manual. Any change to this Purchase Agreement made by the Buyer, other than to provide the information as required by the Purchase Agreement, shall be null, void and unenforceable.
- (b) All representations and warranties contained herein shall apply to each purchase of NHFPTCCs in all Allocation and Renewal Rounds contemplated in this Purchase Agreement.
- (c) It is understood and agreed by the Buyer that if the Buyer is found to be in breach of Section 3(a)(vii), then the NYISO shall be entitled, in addition to such other remedies, damages, and relief as may be available under applicable law, to declare as invalid, null and void the

Buyer's Award Notice and / or Net Invoiced Amount with regard to such NHFPTCCs and to seek equitable relief, including an injunction prohibiting the Buyer from using any awarded NHFPTCC, and the Buyer shall not resist such application for relief on the basis that the NYISO has an adequate remedy at law.

4. Indemnification; Release of Liability.

- (a) Buyer agrees to indemnify and save and hold harmless the NYISO, and all of its respective officers, directors, employees, and agents, from and against any and all losses, damages, expenses, liabilities, claims, or demands, including attorney's fees, (collectively, the "Damages") whatsoever suffered or incurred by such parties resulting, arising from or relating to Buyer's breach of any of its agreements, covenants, representations, or warranties contained herein, except for those Damages resulting from NYISO's gross negligence or willful misconduct.
- (b) Buyer hereby releases the NYISO, and all of its officers, directors, employees and agents, from any and all liability arising from or relating to the Allocation and Renewal Rounds, except with respect to any gross negligence or willful misconduct on the part of the NYISO, its officers, directors, employees, or agents.

5. Miscellaneous.

- (a) All inquires, notices and communications can be given by the NYISO in writing to the Buyer at the address that follows, except that the NYISO may deliver the Award Notice and the Invoice by posting all required information to a secure location on the NYISO's website that is accessible to Buyer:

Name: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

- (b) All representations, warranties, covenants, and obligations of this Purchase Agreement shall survive the purchase of the NHFPTCCs by the Buyer.
- (c) It is understood and agreed that the provisions of this Purchase Agreement are intended for the benefit of the Buyer and the NYISO and may be enforced directly by the NYISO against Buyer or by the Buyer against the NYISO.
- (d) This Purchase Agreement and any Electronic Request shall be governed by and construed in accordance with the laws of the State of New York without giving effect to its conflict of law provisions.

IN WITNESS WHEREOF, this Purchase Agreement has been submitted as of the date first above written.

NAME OF BUYER:

By: _____ (signature)

Name: _____ (please print clearly or type)

Title: _____

(must be Corporate Officer or employee with legal authority to bind Buyer)

New York Independent System Operator, Inc.

By: _____

Name: _____

Title: _____

Appendix A

EXPEDITED DISPUTE RESOLUTION PROCEDURES

Five-Day Consultation Period

Parties to a dispute involving a matter that is subject to the procedures of this Appendix A must immediately confer and attempt to resolve the dispute on an informal basis. If the parties are unable to resolve the dispute within five (5) calendar days by mutual agreement, the dispute shall be immediately submitted to the ISO's Dispute Resolution Administrator ("DRA").

Written Submissions

Immediately upon conclusion of the five-day consultation period, the party requesting the dispute resolution shall submit to the DRA and all other parties to the dispute, a concise written statement specifying that expedited dispute resolution under this Appendix A is requested and describing the nature of the dispute, the issues to be resolved and the specific award requested. The party opposing the requested relief shall then have five (5) calendar days to submit to the DRA and the party requesting the dispute resolution, a concise written response which shall include a proposed disposition of the dispute.

Appointment of the Arbitrator

The DRA shall keep at all times a list of ten (10) qualified arbitrators for matters which may be subject to the procedures of this Appendix A. Within five (5) calendar days of receipt of a request for dispute resolution under this Appendix A, the DRA shall appoint one arbitrator from that list to preside over the dispute. The arbitrator shall be selected by the DRA by randomly drawing names from the list until an available arbitrator is found. If none of the arbitrators on the list is available, the DRA shall appoint a qualified arbitrator to preside over the dispute. No person shall be eligible to act as an arbitrator who is a past or present officer, employee of, or NYISO consultant to any of the disputing parties, or of an entity related to or affiliated with any of the disputing parties, or is otherwise interested in the matter to be arbitrated except upon the express written consent of the parties. Any individual appointed as an arbitrator shall make known to the disputing parties any such disqualifying relationship or interest and a new arbitrator shall be appointed by the DRA, unless express written consent is provided by each party.

Arbitration Proceeding

There shall be no right to discovery between the parties, including, but not limited to, depositions, interrogatories or other information requests. The arbitrator may request, and the parties shall produce, any information in addition to the written statements that is deemed by the arbitrator to be relevant to the issues presented. The arbitrator shall resolve the arbitration matter solely on the basis of the written statements and evidence submitted by the parties unless, in the sole discretion of the arbitrator, a hearing is deemed necessary. Any such hearing shall be limited to one (1) day and conducted in accordance with the procedures determined by the arbitrator. Absent agreement to the contrary by all parties to the dispute, no person or entity shall be permitted to intervene. Except as

otherwise set forth in this Appendix A, the arbitrator will follow the Commercial Arbitration Rules of the American Arbitration Association and the expedited procedures contained therein.

Arbitration Award

Within fifteen (15) calendar days of the appointment of the arbitrator, the arbitrator shall select as an arbitration award the award proposed by one of the parties in their written submission and shall render a concise written decision including findings of fact and the basis for the decision. All costs associated with the time, expenses, and other charges of the arbitrator shall be borne by the unsuccessful party. Each party shall bear its own costs, including attorney and expert fees, if any. No award shall be deemed to be precedential in any other arbitration related to a different dispute.

Limited Appeal

The decision of the arbitrator shall be final and binding upon the parties, except that, within one year of the arbitration decision, a party may request that any federal, state regulatory or judicial authority (in the State of New York) having jurisdiction take such action as may be appropriate with respect to any arbitration decision that is based on fraudulent conduct or demonstrable bias of the arbitrator.