

2.12 Definitions - L

LBMP Market(s): The Real-Time Market or the Day-Ahead Market or both.

Limited Control Run-of-River Hydro Resource: A Generator above 1 MW in size that has demonstrated to the satisfaction of the ISO that its Energy production depends directly on river flows over which it has limited control and that such dependence precludes accurate prediction of the facility's real-time output.

Limited Customer: An entity that is not a Customer but which qualifies to participate in the ISO's Emergency Demand Response Program by complying with Limited Customer requirements set forth in the ISO Procedures.

Limited Energy Storage Resource ("LESR"): A Generator authorized to offer Regulation Service only and characterized by limited Energy storage, that is, the inability to sustain continuous operation at maximum Energy withdrawal or maximum Energy injection for a minimum period of one hour. LESRs must bid as ISO-Committed Flexible Resources.

Limited Energy Storage Resource ("LESR") Energy Management: Real-time Energy injections or withdrawals scheduled by the ISO to manage the Energy storage capacity of a Limited Energy Storage Resource, pursuant to ISO Procedures, for the purpose of maximizing the Capacity bid as available for Regulation Service from such Resource.

Linden VFT Scheduled Line: A transmission facility that interconnects the NYCA to the PJM Interconnection, L.L.C. Control Area in Linden, New Jersey.

LIPA Tax Exempt Bonds: Obligations issued by the Long Island Power Authority, the interest on which is not included in gross income under the Internal Revenue Code.

Load: A term that refers to either a consumer of Energy or the amount of demand (MW) or Energy (MWh) consumed by certain consumers. Energy withdrawals by Withdrawal-Eligible Generators are not Load.

Load Serving Entity ("LSE"): Any entity, including a municipal electric system and an electric cooperative, authorized or required by law, regulatory authorization or requirement, agreement, or contractual obligation to supply Energy, Capacity and/or Ancillary Services to retail customers located within the NYCA, including an entity that takes service directly from the ISO to supply its own Load in the NYCA.

Load Shedding: The systematic reduction of system demand by disconnecting Load in response to a Transmission System or area Capacity shortage, system instability, or voltage control considerations under the ISO OATT.

Load Zone: One (1) of eleven (11) geographical areas located within the NYCA that is bounded by one (1) or more of the fourteen (14) New York State Interfaces.

Local Furnishing Bonds: Tax-exempt bonds issued by a Transmission Owner under an agreement between the Transmission Owner and the New York State Energy Research and Development Authority (“NYSERDA”), or its successor, or by a Transmission Owner itself, and pursuant to Section 142(f) of the Internal Revenue Code, 26 U.S.C. § 142(f).

Local Generator: A resource operated by or on behalf of a Load that is either: (i) not synchronized to a local distribution system; or (ii) synchronized to a local distribution system solely in order to support a Load that is equal to or in excess of the resource’s Capacity. Local Generators supply Energy only to the Load they are being operated to serve and do not supply Energy to the distribution system.

Locality: A single LBMP Load Zone or set of adjacent LBMP Load Zones within which a minimum level of Installed Capacity must be maintained, and as specifically identified in this subsection to mean (1) Load Zone J; (2) Load Zone K; and (3) Load Zones G, H, I, and J collectively (*i.e.*, the G-J Locality).

Locality Exchange Factor: The percentage of Locational Export Capacity that the ISO determines annually in accordance with Section 5.11.6 of the Services Tariff.

Locality Exchange MW: The MW of Locational Export Capacity excluding the MW to be transmitted using UDRs, that the ISO determines in accordance with Section 5.11.5 of the Services Tariff.

Local Reliability Rule: A Reliability Rule established by a Transmission Owner, and adopted by the NYSRC, to meet specific reliability concerns in limited areas of the NYCA, including without limitation, special conditions and requirements applicable to nuclear plants and special requirements applicable to the New York City metropolitan area.

Locational Based Marginal Pricing (“LBMP”): The price of Energy at each location in the NYS Transmission System as calculated pursuant to Section 17 Attachment B of this Services Tariff.

Locational Export Capacity: The MW of a Generator electrically located in an Import Constrained Locality that (a) has Capacity Resource Interconnection Service, pursuant to the applicable provisions of Attachment X, Attachment S and Attachment Z to the ISO OATT, and (b) that meets the eligibility requirements set forth in Section 5.9.2.2 of the Services Tariff.

Locational Marginal Operating Reserve Prices (“LMORP”): The price of Operating Reserves at each location in the NYS Transmission System as calculated pursuant to Section 15.4 Rate Schedule 4 of this ISO Services Tariff.

Locational Minimum Installed Capacity Requirement: The portion of the NYCA Minimum Installed Capacity Requirement provided by Capacity Resources that must be electrically located within a Locality (including those combined with a Unforced Capacity Deliverability Right except for rights returned in an annual election to the ISO in accordance with ISO Procedures) in order to ensure that sufficient Energy and Capacity are available in that Locality and that appropriate reliability criteria are met.

Locational Minimum Unforced Capacity Requirement: The Unforced Capacity equivalent of the Locational Minimum Installed Capacity Requirement.

Long Island (“L.I.”): An electrical area comprised of Load Zone K, as identified in the ISO Procedures.

Lost Opportunity Cost: The foregone profit associated with the provision of Ancillary Services, which is equal to the product of: (1) the difference between (a) the Energy that a Generator or Aggregation could have sold at the specific LBMP and (b) the Energy sold as a result of reducing the Generator or Aggregation’s output to provide an Ancillary Service under the directions of the ISO; and (2) the LBMP existing at the time the Generator or Aggregation was instructed to provide the Ancillary Service, less the Generator or Aggregation’s Energy bid for the same MW segment.

Lower Operating Limit: For an Energy Storage Resource or Aggregation containing Energy Storage Resources, the maximum amount of megawatts the Resource can consume from the grid, if it is bidding to withdraw Energy, or the minimum amount of MW the Resource can supply the grid if it is not bidding to withdraw Energy. The Lower Operating Limit of an ISO-Managed Energy Storage Resource that is not bidding to withdraw Energy shall not be set to less than 0 MW.

Lower Storage Limit: The minimum amount of Energy an Energy Storage Resource or Aggregation comprised entirely of Energy Storage Resources is physically capable of storing.

LSE Unforced Capacity Obligation: The amount of Unforced Capacity that each NYCA LSE must obtain for an Obligation Procurement Period as determined by the ICAP Demand Curve for the NYCA, the G-J Locality, New York City Locality, and/or the Long Island Locality, as applicable, for each ICAP Spot Market Auction. The amount includes, at a minimum, each LSE’s share of the NYCA Minimum Unforced Capacity Requirement and the Locational Minimum Unforced Capacity Requirement, as applicable.