

19.10 End-State Auctions for TCCs

Upon the completion of more sophisticated Auction software, the ISO will perform an End-State Auction, which will permit the Bids submitted by Auction participants to determine the lengths of the TCCs sold in the Auction. The End-State Auction will be held annually. The date for the first End-State Auction shall be determined by the ISO. The period during which each TCC sold in an End-State Auction is valid shall begin on the beginning date of a Capability Period, and shall conclude on the ending date of a Capability Period.

The ISO will determine the maximum duration and minimum duration of the TCCs available in the End-State Auctions. The ISO shall have the authority to determine the percentage of the available transmission Capacity that will be sold in each round of the Auction. The ISO shall announce these percentages before the Auction. The ISO shall also determine the periods for which TCCs will be sold in End-State Auctions (*e.g.*, TCCs valid during on-peak and off-peak periods, or TCCs valid during Winter and Summer Capability Periods). The ISO may elect to vary the duration or the periods for which TCCs will be available from one End-State Auction to the next End-State Auction.

The End-State Auction will not include separate Sub-Auctions for TCCs of different durations. Instead, TCCs of each permitted duration will be allocated as the result of the operation of a single Auction. If a Market Participant wishes to purchase a TCC beginning in the Summer Capability Period of 2003, and ending in the Winter Capability Period of 2004-2005, it would submit a single Bid for this TCC. If that Bid is a winning Bid, the bidder would be awarded a TCC valid for the entire two year-long period; if the Bid is a losing Bid, the bidder would not receive the TCC for any portion of this period. The ISO will not specify in advance the portion of system transmission Capacity that will be used to create TCCs of differing durations. Rather, the durations of TCCs awarded will be determined as part of the objective of the Auction, and will depend on the Bids submitted by participants in the Auction.

In a given round of the End-State Auction, the Market-Clearing Price determined for a TCC that is valid for multiple Capability Periods will equal the sum of the Market-Clearing Prices for shorter-term TCCs with the same Point of Injection and Point of Withdrawal, which in aggregate cover the same period for which the longer-term TCC is valid. (For example, the price of a TCC that is valid from May 2001 through April 2003 would equal the sum of the prices in that round for (1) TCCs valid from May 2001 through April 2002 and (2) TCCs valid from May 2002 through April 2003.)

The End-State Auction will include multiple rounds of bidding, as described elsewhere in this Attachment.

Transmission Capacity that can be used to support TCCs sold in End-State Auctions shall include all transmission Capacity except that necessary to support the following: Original Residual TCCs that the Transmission Owners sell directly in advance of the Auction; any TCCs previously allocated (either in an Auction or through other means) that have not been offered for sale in this Auction; and transmission Capacity needed to support Grandfathered Rights.

The End-State Auction will allow reconfiguration of the TCCs sold in the previous Auctions. An entity holding a five-year TCC, for example, may release a TCC for some or all of the period for which that TCC is valid for sale in the End-State Auction.

If necessary, the ISO may elect to conduct a semi-annual Auction to sell six-month TCCs between annual End-State Auctions. The transmission Capacity that can be used to support TCCs purchased in this Auction shall include the portion of the transmission Capacity sold in the previous End-State Auction as six-month TCCs, as well as any other outstanding TCC whose Primary Holder elects to release it for sale in this Auction.

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2. Subject to NYPA's obtaining non-discriminatory long term firm reservation through 2017 under their OATT.
3. NYPA's TCCs allocated to their SENY Governmental Load Customers, across UPNY/Con Ed, Millwood South and Dunwoodie South will be up to 600 MW, or amounts otherwise available to NYPA pursuant to the grandfathered rights applicable under the Planning & Supply and Delivery Services Agreement between NYPA and Con Edison dated March 1989.
4. NYPA's TCCs allocated to their SENY Governmental Load Customers will terminate on the earlier of December 31, 2017 or when NYPA no longer has an obligation to serve any SENY Loads or the retirement or sale of both IP#3 and Poletti.

Attachment M – Table 2

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TABLE 2- ETCNL Data for Converting ETCNL to ETCNL TCCs					
	Holder of ETCNL	Name of Set of ETCNL	Point of Injection	Point of Withdrawal	Transmission Capacity (MW)
1.	Con Edison	Native Load-Bowline	Bowline	Millwood Zone	33
2.	Con Edison	Native Load-Bowline	Bowline	Dunwoodie Zone	184
3.	Con Edison	Native Load-Bowline	Bowline	NYC Zone	584
4.	Con Edison	Native Load- HQ Capacity Purchase	Pleasant Valley-345kV	Millwood Zone	16/8
5.	Con Edison	Native Load- HQ Capacity Purchase	Pleasant Valley-345kV	Dunwoodie Zone	92/48
6.	Con Edison	Native Load- HQ Capacity Purchase	Pleasant Valley-345kV	NYCZone	292/152
7.	Con Edison	Native Load - Gilboa	Pleasant Valley-345kV	Millwood Zone	5
8.	Con Edison	Native Load - Gilboa	Pleasant Valley-345kV	Dunwoodie Zone	29
9.	Con Edison	Native Load - Gilboa	Pleasant Valley-345kV	NYC Zone	91
10.	Con Edison	Native Load - Roseton	Roseton-#1	Millwood Zone	19
11.	Con Edison	Native Load - Roseton	Roseton-#1	Dunwoodie Zone	110
12.	Con Edison	Native Load - Roseton	Roseton-#1	NYC Zone	351
13.	Con Edison	Native Load - Corinth	Pleasant Valley-345kV	Millwood Zone	5
14.	Con Edison	Native Load - Corinth	Pleasant Valley-345kV	Dunwoodie Zone	31
15.	Con Edison	Native Load - Corinth	Pleasant Valley-345kV	NYC Zone	98
16.	Con Edison	Native Load - Sithe	Pleasant Valley-345kV	Millwood Zone	34

17.	Con Edison	Native Load - Sithe	Pleasant Valley- 345kV	Dunwoodie Zone	192
18.	Con Edison	Native Load - Sithe	Pleasant Valley- 345kV	NYC Zone	611
19.	Con Edison	Native Load - Selkirk	Pleasant Valley- 345kV	Millwood Zone	11
20.	Con Edison	Native Load - Selkirk	Pleasant Valley- 345kV	Dunwoodie Zone	61
21.	Con Edison	Native Load - Selkirk	Pleasant Valley- 345kV	NYC Zone	193
22.	Con Edison	Native Load - IP2	Indian Pt 2	Dunwoodie Zone	214
23.	Con Edison	Native Load - IP2	Indian Pt 2	NYC Zone	679
24.	Con Edison	Native Load - IP3	Indian Pt 3	Dunwoodie Zone	26
25.	Con Edison	Native Load - IP3	Indian Pt 3	NYC Zone	82
26.	Con Edison	Native Load - IP Gas Turbine	Indian Pt.-GT Buchanan	Dunwoodie Zone	12
27.	Con Edison	Native Load - IP Gas Turbine	Indian Pt.-GT Buchanan	NYC Zone	36
28.	NMPC	Native Load - NMP1	Nine Mile Pt. #1	Capital Zone	610
29.	NMPC	Native Load - NMP2	Nine Mile Pt. #2	Capital Zone	460
30.	NMPC	Native Load - Hydro North	Colton Hydro	Capital Zone	110
31.	NYSEG	Native Load - Homer City	PJM Proxy Bus	Central Zone	863
32.	NYSEG	Native Load - Homer City	PJM Proxy Bus	West Zone	100
33.	NYSEG	Native Load - Allegheny 8&9	PJM Proxy Bus	Central Zone	37
34.	NYSEG	Native Load - BCLP	PJM Proxy Bus	Central Zone	80
35.	NYSEG	Native Load - LEA (Lockport)	Gardenville- 115kV	Central Zone	100
36.	NYSEG	Native Load - Gilboa	Gilboa	Capital Zone	99

Notes: 1. Where two different amounts of transmission Capacity are separated by a "/", the first number shall indicate the transmission Capacity available for conversion to ETCNL TCCs in a Centralized TCC Auction held for a Summer Capability Period, and the second number shall indicate the transmission Capacity available for conversion to ETCNL TCCs in a Centralized TCC Auction held for a Winter Capability Period.

Attachment M – Table 3

TABLE 3- LIST OF ORIGINAL RESIDUAL TCCS			
Primary Holder of Original Residual TCCs	Point of Injection	Point of Withdrawal	Number of Original Residual TCCs
NYSEG	West	Genesee	16
NMPC	West	Genesee	23
NYPA	West	Genesee	28
RG&E	West	Genesee	3