Attachment I

5.1 Control Area Services

The ISO will provide Control Area Services in accordance with the standards and criteria of NERC and NPCC, the Reliability Rules of the NYSRC, and Good Utility Practice. The Control Area Services provided by the ISO include, but are not limited to, the following:

(a) Developing and implementing procedures to maintain the reliability of NYS Power System;

(b) Coordinating operations with other Control Area operators;

(c) Arranging for reserve sharing agreements with other ISOs and other Control Areas to enhance reliability during abnormal operating conditions;

(d) Coordinating the outage schedules for generating units and Installed Capacity Suppliers within the NYCA to maintain system reliability;

(e) Committing adequate generation resources to ensure the reliability of the NYS Power System;

(f) Taking command and control of the NYCA resources during Emergency conditions and coordinating operations with Transmission Owners;

(g) Maintaining and Operating a central control center and performing the functions of the NERC security control center for the NYCA under Emergency operating conditions;

(h) Defining the Installed Capacity requirements for LSEs, inclusive of individual customers taking services directly from the ISO, within the NYCA;

(i) Determining Locational Installed Capacity requirements for LSEs to ensure the reliable operation of the NYCA;

(j) Administering of an Installed Capacity market;

(k) Training the operating personnel of the ISO and Transmission Owner control rooms; and

(l) Administering the mandatory NERC reliability compliance process.

5.1.1 Customer Compliance with Reliability Standards; Penalties

5.1.1.1 Customer Compliance with Reliability Standards:

In accordance with applicable requirements in this Tariff and the ISO Procedures, all Customers shall conform to all applicable reliability criteria, policies, standards, rules, regulations and other requirements of NERC, NPCC, NYSRC, any applicable regional council, or their successors, the ISO's specific reliability requirements and ISO Procedures, and applicable operating guidelines and all applicable requirements of federal and state regulatory authorities. Failure to conform to these requirements may subject a Customer to direct assignment of penalties assessed against the ISO by FERC, NERC, NPCC or any other federal or state regulatory authority as a result of such Customer's failure to conform.

5.1.1.2 Direct Assignment of Penalty Costs:

The ISO's compliance with applicable reliability criteria, policies, standards, rules, regulations and other requirements is sometimes dependent on timely, accurate and adequate information and/or action on the part of a Customer. If the ISO is found to be non-compliant with respect to any applicable reliability criteria, policies, standards, rules, regulations and other requirements as a result of a Customer's actions or failure to act in violation of an obligation imposed by the ISO Tariffs, ISO Procedures, or ISO Related Agreements, the ISO may seek to directly assign to the Customer the cost of a penalty imposed on the ISO as a consequence of its non-compliance. If the Customer is found to be non-compliant with respect to any applicable reliability criteria, policies, standards, rules, regulations and other requirements as a result of the

ISO's actions or failure to act in violation of an obligation imposed by the ISO Tariffs, ISO Procedures, or ISO Related Agreements, the Customer may seek to directly assign to the ISO the cost of a penalty imposed on the Customer as a consequence of the ISO's non-compliance. Any direct assignment of penalty costs must first be approved by FERC, as provided in Schedule 6.11 of the OATT.

5.1.1.3 ISO's Recovery of Penalty Costs Through Schedule 11:

If direct assignment to a particular Customer is not possible or if the ISO is directly responsible for a violation because of its own action or inaction, the ISO may seek to recover such penalty costs in Schedule 6.11 Section 6.11.3 of the ISO OATT. Any inclusion of penalty costs in Schedule 6.11 must first be approved by FERC on a case-by-case basis, as provided in Schedule 6.11 of the ISO OATT. Prior to seeking FERC authorization for recovery of a penalty in Schedule 6.11 Section 6.11.3 of the ISO OATT, the ISO shall consult with the Management Committee and any appropriate subcommittee or working groups designated by the Management Committee, regarding the recovery and allocation of such penalty before filing at FERC. Any recommendation by the Management Committee regarding a proposed penalty recovery shall be reported by the ISO to FERC in any ISO filing seeking penalty recovery.

5.1.2 Incorporation of Certain Business Practice Standards

(a) Pursuant to Commission Order No. 676-~~I~~J, the ISO incorporates by reference the following business practice standards developed by the North American Energy Standards Board's Wholesale Electric Quadrant:

(i~~1~~) WEQ–000, Abbreviations, Acronyms, and Definition of Terms~~, standard WEQ-000-2~~ (~~[~~WEQ~~]~~ Version 003.1, September 30, 2015) (including only: the definitions of Interconnection Time Monitor, Time Error, and Time Error Correction);

(ii2) WEQ-000, Abbreviations, Acronyms, and Definition of Terms ([WEQ] Version 003.2, Dec. 8, 2017) (with minor correction applied July 23, 2019) and the cybersecurity standard definitions (WEQ Version 003.3, March 30, 2020);

(iii3) WEQ-001, Open Access Same-Time Information Systems (OASIS), [OASIS] Version 2.2 ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017) excluding standards WEQ-001-9 preamble text, WEQ-001-10 preamble text, except as provided in section 5.1.2(b) below;

(6vi) WEQ-004, Coordinate Interchange ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017), except as provided in section 5.1.2(b) below;

(7vii) WEQ-005, Area Control Error (ACE) Equation Special Cases ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017);

(8viii) WEQ-006, Manual Time Error Correction ([WEQ] Version 003.1, Sept. 30, 2015);

(9ix) WEQ-007, Inadvertent Interchange Payback ([WEQ] Version 003.23, Dec. 8, 2017March 30, 2020);

(10x) WEQ-008, Transmission Loading Relief (TLR) - Eastern Interconnection, ([WEQ] Version 003.2, Dec. 8, 2017) and the Parallel Flow Visualization Standards (WEQ Version 003.3, March 30, 2020);

(11xi) WEQ-011, Gas/Electric Coordination ([WEQ] Version 003..32, March 30, 2020Dec. 8, 2017);

(12xii) WEQ-012 Public Key Infrastructure (PKI) ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017);

(14xiv) WEQ-015, Measurement and Verification of Wholesale Electricity Demand Response ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017);

(15xv) WEQ-021, Measurement and Verification of Energy Efficiency Products ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017); and

(16xvi) WEQ-022, Electric Industry Registry ([WEQ] Version 003.23, March 30, 2020Dec. 8, 2017).; and

(17xvii) WEQ-023, Modeling ([WEQ] Version 003.3, March 30, 2020), except as provided in section 5.1.2(b) below.

(b) The ISO is not required to comply with the following Standards:

(3iii) WEQ-001 Open Access Same-Time Information Systems (OASIS), (WEQ Version 003.3, March 30, 2020)[OASIS] Version 2.2 ([WEQ] Version 003.2, Dec. 8, 2017), excluding standards WEQ-001-9 preamble text, WEQ-001-10 preamble text: Standards 001-2, 001-3, 001-4, 001-5, 001-6, 001-7, 001-8, 001-9, 001-10, 001-011, 001-012, 001-13.1.2, 001-13.1.3 (c), 001-013.2, 001-014, 001-015, 001-016, 001-017, 001-020, 001-021, 001-022, 001-23, 001-24, 001-25, 001-26, 001-27, 001-28, 001-101 through 001-107.3.1, 001-Appendix A, and 001-Appendix B, pursuant to [Order] *New York Independent System*

~~*Operator, Inc.*, 178 FERC ¶ 61,165 (March 7, 2022) and WEQ-001, Open Access Same-Time Information Systems (OASIS) cybersecurity standards (WEQ Version 003.3, March 30, 2020), pursuant to *New York Independent System Operator, Inc.*, 182 FERC ¶ 61,121 (February 23, 2023)~~;

(~~4~~iv) WEQ-002, Open Access Same-Time Information System (OASIS) Business Practice Standards and Communication Protocols (S&CP), ~~[OASIS] Version 2.2 ([~~WEQ~~]~~ Version ~~003.2, Dec. 8, 2017), pursuant to *New York Independent System Operator, Inc.*, 178 FERC ¶ 61,165 (March 7, 2022) and the cybersecurity standards (WEQ Version~~ 003.3, March 30, 2020), pursuant to [Order]~~*New York Independent System Operator, Inc.*, 182 FERC ¶ 61,121 (February 23, 2023)~~;

(~~5~~v) WEQ-003, Open Access Same-Time Information Systems (OASIS) Data Dictionary ~~Business Practice Standards, [OASIS] Version 2.2 ([~~WEQ~~]~~ Version 003.~~3~~2~~, Dec. 8, 2017~~March 30, 2020) ~~(with minor corrections applied July 23, 2019)~~, pursuant to [Order] ~~*New York Independent System Operator, Inc.*, 178 FERC ¶ 61,165 (March 7, 2022)~~;

(~~6~~vi) WEQ-004, Coordinate Interchange (~~[~~WEQ~~]~~ Version 003.~~2~~3, ~~Dec. 8, 2017~~March 30, 2020): Standards 004-3, 004-18, ~~and~~ 004-Appendix A and 004-Appendix C, pursuant to [Order] ~~*New York Independent System Operator, Inc.*, 178 FERC ¶ 61,165 (March 7, 2022)~~;

(~~13~~xiii) WEQ-013, Open Access Same-Time Information Systems (OASIS) Implementation Guide, ~~[OASIS] Version 2.2 ([~~WEQ~~]~~ Version 003.~~2~~3, March 30, 2020~~Dec. 8, 2017~~), pursuant to [Order] ~~*New York Independent System Operator, Inc.*, 178 FERC ¶ 61,165 (March 7, 2022)~~; and

(~~17~~xvii) WEQ-023, Modeling (~~[~~WEQ~~]~~ Version 003.~~2~~3, Dec. 8, 2017), ~~including only: s~~Standards WEQ-023-5; ~~WEQ-023-5.1; WEQ-023-5.1.1; WEQ-023-5.1.2; WEQ-023-5.1.2.1; WEQ-023-5.1.2.2; WEQ-023-5.1.2.3; WEQ-023-5.1.3; WEQ-023-5.2;~~ WEQ-023-6; ~~WEQ-023-6.1; WEQ-023-6.1.1; WEQ-023-6.1.2;~~ and WEQ-023-A (Appendix A), pursuant to [Order] ~~*New York Independent System Operator, Inc.*, 178 FERC ¶ 61,165 (March 7, 2022)~~.