16.3 Transmission Service, Schedules and Curtailment

16.3.1 Requests for Bilateral Transaction Schedules

Firm Point--to--Point Transmission Service only shall be available for internal Bilateral

Transactions. Firm and Non-Firm Point-to-Point Transmission Service shall be available for Import and

Export Bilateral Transactions and Wheel-Through Transactions.

External Transaction Bids must have at least a one-hour duration, must start and stop on the

hour, and must have constant magnitude for the hour. Intra-hour schedule changes, or Bid

modifications, associated with External Transactions will not be accommodated.

Transmission Customers may modify Bilateral Transactions that were scheduled Day-Ahead or

propose new Bilateral Transactions, including External Bilateral Transactions, for economic evaluation by

RTC, provided however, that Bilateral Transactions with Trading Hubs as their POWs that were

previously scheduled Day-Ahead may not be modified.

<u>Transmission Customers scheduling Transmission Service to support a Bilateral Transaction with</u> <u>Energy supplied by an External Generator or Internal Generator shall submit the following information</u> <u>to the ISO:</u>

(1) Point of Injection location. For Transactions with Internal sources, the Point of Injection is the Generator's bus; for Transactions with Trading Hubs as their sources, the Point of Injection is the Trading Hub Generator bus; for Transactions with External sources, the Point of Injection is the Proxy Generator Bus designated for Imports.

(2) Point of Withdrawal location. For Transactions to serve Internal Load, the Point of Withdrawal is the Load bus; for Transactions to serve External load, the Point of

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Withdrawal is the Proxy Generator Bus designated for Exports; for Transactions with

Trading Hubs as their sinks, the Point of Withdrawal is the Trading Hub Load bus;

(3) Desired hourly MW schedules;

(4) Whether Firm or Non-Firm Transmission Service is requested,

(5) NERC Tag data;

(6) A Sink Price Cap Bid for Export Transactions up to the MW level of the desired schedule, a Decremental Bid for Import and Wheel Through Transactions up to the MW level of the desired schedule; and

(7) Other data required by the ISO.

16.3.2 ISO's General Responsibilities

The ISO shall evaluate requests for <u>Bilateral Transactions</u>, and <u>associated T</u>transmission <u>sS</u>ervice, submitted in the Day--Ahead scheduling process using Security Constrained Unit Commitment ("SCUC"), and will subsequently establish a Day-Ahead schedule. During the Dispatch Day, the ISO shall use the RTC₁₅ to establish schedules for each hour of dispatch in that day.

The ISO shall use the information provided by RTC when making Curtailment decisions pursuant to the Curtailment rules described in Section 16.3.4 of this Attachment J.

16.3.2 Use of Decremental Bids to Dispatch Internal Generators

When dispatching Generators taking service under this Tariff to match changing conditions, the ISO shall treat Decremental Bids and Incremental Energy Bids simultaneously and identically as follows: (i) a generating facility selling energy in the LBMP Market may be dispatched downward if the LBMP at

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the Point of Receipt falls below the generating facility's Incremental Energy Bid; (ii) a Generator serving a transaction scheduled under this Tariff may be dispatched downward if the LBMP at the Generators's Point of Receipt falls below Decremental Bid for the Generator; (iii) a Supplier's Generator may be dispatched upward if the LBMP at the Generator's Point of Receipt rises above the Decremental or Incremental Energy Bid for the Generator regardless of whether the Generator is supplying Energy to the LBMP Market or supporting a transaction scheduled under this Tariff.

16.3.2.1 Use of Decremental Bids to Dispatch External Generators

When determining the amount of Energy that External Generators taking service under this Tariff are scheduled an hour ahead to produce, the ISO shall treat Decremental Bids and Incremental Energy Bids simultaneously and identically as follows: (i) a generating facility selling Energy in the LBMP Market will have its hour-ahead schedule reduced if the LBMP forecasted for the next hour by BME at the Point of Receipt falls below the generating facility's Incremental Energy Bid; (ii) a Generator serving a Transaction scheduled under this Tariff will have its schedule reduced if the LBMP forecasted for the next hour by RTC₁₅-at the Generator's Point of Receipt falls below the Decremental Bid for the Generator; (iii) a Supplier's Generator will have its schedule increased if the LBMP forecasted for the next hour by RTC₁₅-at the Generator's Point of Receipt rises above the Decremental or Incremental Energy Bid for the Generator, regardless of whether the Generator is supplying Energy to the LBMP Market or supporting a Transaction scheduled under this Tariff.

16.3.3 <u>Scheduling of Bilateral Transactions in the</u> Day-Ahead <u>Schedules</u>Market and Real-Time Market

16.3.3.1 ISO Responsibilities

<u>The ISO shall model Bids for Import Bilateral Transactions and Bids for Export Bilateral</u> Transactions as Bids to buy or sell a block of MW at a single price at their respective buses.

The ISO shall compute all NYCA Interface Transfer Capabilities <u>and interface Ramp and NYCA</u> <u>Ramp capabilities</u> prior to scheduling Transmission Service Day-Ahead <u>and in real-time</u>. The ISO shall evaluate (i) Decremental Bids from entities engaged in Bilateral Import Transactions, Imports to the LBMP Market, and Wheels Through; (ii) Energy Bids from internal Generators; and (iii) Sink Price Cap Bids from entities engaged in Bilateral Export Transactions and Exports from the LBMP Market simultaneously -when committing internal Generators and scheduling Import, Export and Wheel Through Transactions and Imports and Exports to and from the LBMP Market in <u>-run the-SCUC utilizing</u> the computed Transfer Capabilities, submitted Firm Point to Point Transmission Service and Network Integration Transmission Service schedules, Load forecasts, and submitted Incremental Energy Bids, Decremental Bids and Sink Price Cap Bids. In the Day-Ahead schedule, the ISO shall use the SCUC to determine Generator schedules, Transmission Service schedules and DNIs with adjacent Control Areas and RTC, provided however, the ISO shall also evaluate Price Capped Load Bids simultaneously with (i) through (iii) in SCUC.

The ISO shall not use Decremental Bids submitted by Transmission Customers for Generators associated with Non-Firm Point-to-Point Transmission Service in the determination of the Day-Ahead schedule.

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 16.3.3.2
 Scheduling Internal Bilateral Transactions

 The ISO shall schedule Firm Transmission Service between the Point of Injection at the

 Generator bus to the Point of Withdrawal at the Load bus equal to the request for Transmission Service

 in both the Day-Ahead and Real-Time Markets. The ISO shall use Energy Bids to determine commitment

 and dispatch schedules for internal Generators including those providing Energy for an Internal Bilateral

Transaction.

16.3.3.3 <u>Scheduling Export Bilateral Transactions and Firm Point-to-Point Transmission</u> <u>Service to Support Them</u>

<u>The ISO shall use Sink Price Cap Bids supplied by Transmission Customers proposing</u> <u>Export Bilateral Transactions in SCUC and RTC to determine the amount of Energy scheduled</u> to be exported under those Transactions in the Day-Ahead and Real-Time Markets respectively. <u>The ISO shall not schedule Energy to be exported under an Export Bilateral Transaction in</u> amounts that exceed the Transfer Capability of the Interface.

<u>The ISO shall schedule in the Day-Ahead and Real-Time Markets Firm Transmission Service</u> for Export Bilateral Transactions between the Point of Receipt at the internal Generator bus and the Point of Delivery at the Proxy Generator Bus designated for Exports in an amount equal to the amount of Energy scheduled to be exported under those Transactions Day-Ahead and in realtime respectively.

<u>The ISO shall use Energy Bids supplied by internal Generators designated as supporting Export</u> <u>Bilateral Transactions scheduled with Firm Transmission Service in SCUC and RTC to determine the</u> <u>Generator's commitment and dispatch schedule.</u> Formatted: Font: Not Bold Formatted: Heading 4, Line spacing: single,

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<u>16.3.3.4</u> Scheduling Import Bilateral Transactions and Firm Point-to-Point Transmission Service to Support Them

The ISO shall use Decremental Bids from Transmission Customers proposing Import Bilateral Transactions in SCUC and RTC to determine the amount of Energy scheduled to be imported under those Transactions in the Day-Ahead and Real-Time Markets respectively. The ISO shall not schedule Energy to be imported in amounts that exceed the Transfer Capability of the Interface. The ISO shall schedule Firm Transmission Service in the Day-Ahead and Real-Time Markets for Import Bilateral Transactions between the Point of Receipt at the Proxy Generator Bus and the Point of Delivery at the Load bus equal to the amount of Transmission Service requested to support those Transactions Day-Ahead and in real-time respectively.

<u>16.3.3.5</u> Scheduling Wheel Through Bilateral Transactions and Firm Point--to--Point Transmission Service to Support Them

The ISO shall use Decremental Bids supplied by Transmission Customers proposing Wheel-Through Transactions in SCUC and RTC to determine the amount of Energy scheduled to be wheeled under those Transactions Day-Ahead and in real-time respectively. The ISO shall schedule Firm Transmission Service in the Day-Ahead and Real-Time Markets between the Point of Receipt at the Proxy Generator Bus and the Point of Delivery at the Proxy Generator bus designated for Exports equal to the amount of Energy scheduled to be imported and Wheeled Through under those Transactions Day-Ahead and in real-time respectively.

16.3.3.6 Scheduling Non Firm Transmission Service

<u>The ISO shall not use Decremental Bids submitted by Transmission Customers associated with</u> <u>Non-Firm Point-to-Point Transmission Service in the determination of the Day-Ahead or real-time</u> <u>schedules. The ISO shall not schedule Non-Firm Transmission Service Day-Ahead for a Transaction if</u>

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Congestion Rents associated with that Transaction are positive, nor will the ISO schedule Non-Firm Transmission Service in the RTC if Congestion Rents associated with that Transaction are expected to be positive. All schedules for Non-Firm Point-to-Point Transmission Service are advisory only and are subject to Reduction if real-time Congestion Rents associated with those Transactions become positive.

Transmission Customers receiving Non-Firm Transmission Service will be required to pay Real-Time Congestion Rents during any delay in the implementation of Reduction (*e.g.*, during the nominal five-minute RTD intervals that elapse before the implementation of Reduction) calculated pursuant to Section 17, Attachment B of the Services Tariff.

<u>16.3.3.7.</u> <u>Scheduling External Transactions at the Proxy Generator Buses</u> Associated with <u>Scheduled Lines</u>

Scheduling External Transactions at the Proxy Generator Buses that are associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, and the Linden VFT Scheduled Line shall also be governed by Section 29, Attachment N to the ISO Services Tariff.

16.3.3.8 Prohibited Transmission Paths

The ISO shall not permit Market Participants to schedule External Transactions over the

following eight scheduling paths:

 1.
 External Transactions that are scheduled to exit the NYCA at the Proxy Generator Bus

 that represents its Interface with the Control Area operated by the Independent

 Electricity System Operator of Ontario ("IESO"), and to sink in the Control Area operated

 by PJM Interconnection, LLC ("PJM");

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- 2. External Transactions that are scheduled to exit the NYCA at the Proxy Generator Buses that represent the NYCA's common border with the Control Area operated by PJM, and to sink in the Control Area operated by IESO;
- <u>3.</u> External Transactions that are scheduled to enter the NYCA at the Proxy Generator
 <u>Buses that represent the NYCA's common border with the Control Area operated by</u>
 PJM, and to source from the Control Area operated by IESO;
- 4.
 External Transactions that are scheduled to enter the NYCA at the Proxy Generator Bus

 that represents the NYCA's Interface with the Control Area operated by IESO, and to

 source from the Control Area operated by PJM;
- 5. Wheels Through the NYCA that are scheduled to enter the NYCA at the Proxy Generator
 Buses that represent the NYCA's common border with the Control Area operated by
 PJM, and to sink in the Control Area operated by the Midwest Independent
 Transmission System Operator, Inc. ("MISO");
- <u>6.</u> Wheels Through the NYCA that are scheduled to exit the NYCA at the Proxy Generator
 <u>Buses that represent the NYCA's common border with the Control Area operated by</u>
 <u>PJM, and to source from the Control Area operated by the MISO;</u>
- 7. Wheels Through the NYCA that are scheduled to enter the NYCA at the Proxy Generator
 Bus that represents the NYCA's Interface with the Control Area operated by IESO, and to sink in the Control Area operated by the MISO; and
- 8. Wheels Through the NYCA that are scheduled to exit the NYCA at the Proxy Generator Bus that represents the NYCA's Interface with the Control Area operated by IESO, and to source from the Control Area operated by the MISO.

16.3.4 Reduction and Curtailment Bilateral Transaction Adjustments, Curtailments and Settlements

<u>The DNI between the NYCA and adjoining Control Areas will be adjusted as necessary</u> to reflect the effects of any Curtailments of Import or Export Transactions.

<u>To the extent possible, Curtailments of External Transactions at the Proxy Generator Bus</u> associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, and the Linden VFT Scheduled Line shall be based on the transmission priority of the associated Advance Reservation for use of the Cross-Sound Scheduled Line, the Neptune Scheduled Line, and the Linden VFT Scheduled Line (as appropriate).

Integration Transmission Service is supporting an Internal Bilateral Transaction, or an Import, the ISO shall not reduce the Transmission Service. If a Transmission Customer's Firm Point-to-Point Transmission Service or Network Integration Transmission Service is supporting an Export Bilateral Transaction or a Wheel Through, the ISO shall reduce Transmission Service to the extent the amount of Energy scheduled to be exported or wheeled is reduced.

16.3.4.1 Import Bilateral Transactions

If the amount of Energy scheduled to be imported in an Import Bilateral Transaction was scheduled in the Day-Ahead Market, and the Day-Ahead Schedule for the Generator designated as the Supplier of Energy for that Bilateral Transaction called for that Generator to produce is less Energy than was scheduled the amount of Transmission Service requested and scheduled Day-Ahead to be consumed in association with that Import Bilateral Transaction, the ISO shall supply the Load or Transmission Customer shall pay in an Export with Energy from the Day-Ahead LBMP_Market Energy Formatted: Pattern: Clear Imbalance Service Charge pursuant to Rate Schedule 4 of this OATT. The Transmission Customer shall

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continue to pay the Day-Ahead TUC for the amount of Transmission Service scheduled.and in addition, the Supplier of Energy for the Bilateral Transaction, if it takes service under the ISO Services Tariff, shall pay the Day-Ahead LBMP price, at the Point of Receipt for the Transaction, for the replacement amount of Energy in (MWh) purchased in the LBMP Market. If the Supplier of Energy for the Bilateral Transaction does not take service under the ISO Services Tariff, it shall pay the greater of 150 percent of the Day-Ahead LBMP at the Point of Receipt for the Transaction or \$100/MWh, for the replacement amount of Energy, as specified in this Tariff. These procedures shall apply regardless of whether the Generator designated to supply Energy in association with the Transaction was located inside or outside the NYCA.

If the Import Bilateral Transaction was scheduled following the Day-Ahead Market, or the schedule for the Import Bilateral Transaction was revised following the Day-Ahead Market, and the amount of Energy scheduled to be imported in real-time (modified for within-hour changes in DNI, if any) is less than the amount of Transmission Service requested in real-time in association with that Transaction, then the ISO-Transmission Customer shall supply the Load or Transmission Customer in an Export with Energy from the Real-Time LBMP Market, at the Real-Time LBMP, if necessary, pay an Energy Imbalance Service Charge pursuant to Rate Schedule 4 of this OATT. If (1) the Generator designated to supply the Transaction is an Internal Generator, and it has been dispatched to produce less than the amount of Energy that is scheduled hour-ahead to be consumed in association with that Transaction; or (2) the Generator designated to supply the Transaction is an External Generator, and the amount of Energy it has been scheduled an hour ahead to produce (modified for any within-hour changes in DNI, if any) is less than the amount of Energy scheduled hour-ahead to be consumed in association with that Transaction; then t If the Import Bilateral Transaction was scheduled following the Day-Ahead Market, or the schedule for the Import Bilateral Transaction was revised following the Day-Ahead Market, the Transmission Customer shall pay or be paid the Real-Time TUC for the amount of Transmission Service Energy withdrawn requested in real-time in association with that Transaction

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minus the amount of Energy scheduled-Transmission Service requested Day-Ahead to be withdrawn-in association with that Transaction. In addition, to the extent that it has not purchased sufficient replacement Energy in the Day-Ahead Market, the Supplier of Energy for the Bilateral Transaction, if it takes service under the ISO Services Tariff, shall pay the Real-Time LBMP price, at the Point of Injection for the Transaction, for any additional replacement Energy (in MWh) necessary to serve the Load. If the Supplier of Energy for the Bilateral Transaction does not take service under the ISO Services Tariff, it shall pay the greater of 150 percent of the Real-Time LBMP at the Point of Injection for the Transaction or \$100/MWh for the replacement amount of Energy, as specified in this Tariff. These procedures shall apply regardless of whether the Generator designated to supply Energy in association with that Transaction was located inside or outside the NYCA.

16.3.4.2 Export Bilateral Transactions, Internal Bilateral Transactions and Wheel Through Transactions

If the internal Generator designated to supply the Export Bilateral Transaction or internal Bilateral Transaction has been scheduled Day-Ahead to produce Energy in an amount that is less than the amount of Transmission Service scheduled Day-Ahead in association with that internal or Export Bilateral Transaction, the internal Generator shall pay an Energy Imbalance Service Charge pursuant to Rate Schedule 4 of this OATT.

If the internal Generator designated to supply the Export Bilateral Transaction or internal Bilateral Transaction has been dispatched in real-time to produce Energy in an amount that is less than the amount of Transmission Service scheduled in real-time in association with that internal or Export Bilateral Transaction, the internal Generator shall pay an Energy Imbalance Service Charge pursuant to Rate Schedule 4 of this OATT. **Formatted:** Default Paragraph Font, Font: Cambria, 10 pt

If the Export Bilateral Transaction or internal Bilateral Transaction was scheduled following the Day-Ahead Market, or the schedule for the Export Bilateral Transaction or internal Transaction was revised following the Day-Ahead Market, the Transmission Customer shall pay or be paid the Real-Time TUC for the amount of Transmission Service scheduled in real time in association with that Transaction minus the amount of Transmission Service scheduled Day-Ahead in association with that Transaction.

If a Wheel-Through Transaction was scheduled following the Day-Ahead Market, or the schedule for the Wheel-Through transaction was revised following the Day-Ahead Market, the Transmission Customer shall pay or be paid the Real-Time TUC for the amount of Transmission Service scheduled in real time in association with that Transaction minus the amount of Transmission Service scheduled Day-Ahead in association with that Transaction.

Notwithstanding the foregoing, the amount of Transmission Service scheduled hour-ahead in the RTC for <u>internal Bilateral</u> Transactions supplied by one of the following Generators shall retroactively be set equal to that Generator's actual output in each RTD interval:

16.3.4.42.1 Generators

16.3.4.42.1.1 Generators providing Energy under contracts executed and effective on or before November 18, 1999 (including PURPA contracts) in which the power purchaser does not control the operation of the supply source but would be responsible for penalties for being off-schedule;

16.3.4.12.1.22 Existing topping turbine Generators and extraction turbine Generators producing electric Energy resulting from the supply of steam to the district steam system located in New York City (LBMP Zone J) in operation on or before November 18, 1999 and/or topping or extraction turbine Generators utilized in replacing or

repowering existing steam supplies from such units (in accordance with good engineering and economic design) that cannot follow schedules, up to a maximum total of 499 MW of such units; and

16.3.4.42.3 Intermittent Power Resources that depend on landfill gas or solar for their fuel,
 Eexisting iIntermittent (i.e., non schedulable) renewable-Power Resources that depend on wind as their fuel, other than those for which the NYISO has imposed a Wind Output Limit, resource Generators and Limited Control Run of River Hydro Resources in operation on or before November 18, 1999 within the NYCA, plus up to an additional 103300 MW of such Generators.

This procedure shall not apply for those hours the Generator supplying that Transaction has bid in a manner that indicates it is available to provide Regulation Service or Operating Reserves.

If the Energy injections scheduled by RTC₁₅ at a Proxy Generator Bus are Curtailed at the request of the ISO then the Supplier of Transmission Customer whose transaction is Curtailed, in addition to paying the charge for replacement Energy necessary to serve the Load, shall be paid the product (if positive) of: (a) the Real-Time LBMP at the Proxy Generator Bus minus the higher of the Real-Time Bid price and zero; and (b) the scheduled Energy injection minus the actual Energy injections at that Proxy Generator Bus for the dispatch hour.

16.3.4.3 Non-Firm Transmission

If the Transmission Customer was receiving Non-Firm Point-to-Point Transmission Service <u>for an</u> <u>Import</u>, and its Transmission Service was Reduced or Curtailed, the <u>Load replacement Energy may be-will</u> purchase<u>d Energy</u> in the Real-Time LBMP Market, at the Real-Time LBMP, <u>by the Internal Load for the</u> <u>amount of Energy Reduced or Curtailed</u>. An Internal Generator supplying Energy for <u>non-Firm Point-to-</u> Formatted: Font: Times New Roman, 12 pt, Bold Formatted: Font: Bold

<u>Point Transmission Service for an Export such a Transmission Service</u> that is Reduced or Curtailed may sell its excess the Energy no longer serving the Export in the Real-Time LBMP Market.

The ISO shall not automatically reinstate Non-Firm Point-to-Point Transmission Service that was Reduced or Curtailed. Transmission Customers may submit new schedules to restore the Non-Firm Point-to-Point Transmission Service in the next RTC₁₅ execution.

16.3.4.4 Procedure for Relieving Security Violations

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If a security violation occurs or is anticipated to occur, the ISO shall attempt to relieve the violation using the following procedures:

16.3.4.2 Procedures

16.3.4.24.1 Reduce Non-Firm Point-to-Point Transmission Service: Partially or fully physically Curtail External Non-Firm Transmission Service (Imports, Exports and Wheels Through) by changing DNI schedules to (1) Curtail those in the lowest NERC priority categories first; (2) Curtail within each NERC priority category, based on Decremental Bids; and Incremental Energy Bids for Imports and Wheel Throughs; and based on Sink Price Cap Bids for Exports and (3) prorate Curtailment of equal cost transactions within a priority category ;

- 16.3.4.24.2 Curtail non-Firm Point-to-Point Transmission Service: Curtail (through changing DNI) unscheduled non-Firm Transactions which contribute to the violation, starting with the lowest NERC priority category;
- 16.3.4.24.3 Dispatch Internal Generators, based on Incremental Energy Bids and Decremental Bids, including committing additional resources, if necessary;

- 16.3.4.24.4 Adjust the DNI associated with Transactions supplied by External Resources:
 Curtail External Firm Transactions until the Constraint is relieved by (1) Curtailing based on Incremental Energy Bids, Decremental Bids and Sink Price Cap Bids; and (2) except for External Transactions with minimum run times, prorating Curtailment of equal cost transactions;
- 16.3.4.24.5 Request Internal Generators to voluntarily operate in manual mode below minimum or above maximum dispatchable levels. When operating in manual mode, Generators will not be required to adhere to minimum ramp rates, nor will they be required to be respond to RTD Base Point Signals;
- 16.3.4.24.6 In over generation conditions, decommit Internal Generators based on Minimum Generation Bid rate in descending order; and
- 16.3.4.24.7 Invoke other emergency procedures including involuntary load Curtailment, if necessary.

16.3.5 Scheduling Transmission Service for External Transactions

The amount of Firm Transmission Service scheduled Day-Ahead for Bilateral Transactions which designate External Generators to supply Imports or Internal Generators to supply Exports will be equal to the amount of Energy scheduled to be consumed under those Transactions Day-Ahead. The amount of Firm Transmission Service scheduled in the RTC₁₅ for Bilateral Transactions which designate External Generators to supply Imports or Internal Generators to supply Exports will be equal to the amount of Energy scheduled in the RTC₁₅ for Bilateral Transactions which designate External Generators to supply Imports or Internal Generators to supply Exports will be equal to the amount of Energy scheduled to be consumed under those Transactions in the RTC₁₅. The DNI between the NYCA and adjoining Control Areas will be adjusted as necessary to reflect the effects of any Curtailments of

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Import or Export Transactions. Additionally, any Curtailment or Reductions of schedules for Export Transactions will cause the scheduled amount of Transmission Service to change.

To the extent possible, Curtailments of External Transactions at the Proxy Generator Buses associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, and the Linden VFT Scheduled Line shall be based on the transmission priority of the associated Advance Reservation for use of the Cross Sound Scheduled Line, Neptune Scheduled Line, or the Linden VFT Scheduled Line (as appropriate).

The ISO shall use Decremental Bids supplied by Transmission Customers using External Generators to supply Wheels-Through to determine the amount of Energy those Generators are scheduled Day Ahead to produce in each hour. This in turn will determine the Firm Transmission Service scheduled Day-Ahead to support those Transactions. The ISO shall also use Decremental Bids supplied by Transmission Customers using External Generators to supply Wheels-Through to determine the amount of Energy these Generators are scheduled to produce in the RTC₁₆₇ which, in turn, will determine the Transmission Service scheduled in the RTC to support those Transactions.

The ISO will not schedule a Bilateral Transaction which crosses an Interface between the NYCA and a neighboring Control Area if doing so would cause the DNI to exceed the Transfer Capability of that Interface.

The ISO shall not permit Market Participants to schedule External Transactions over the following eight scheduling paths:

 16.3.5.1 External Transactions that are scheduled to exit the NYCA at the Proxy

 Generator Bus that represents the NYCA's Interface with the Control Area operated by the Independent

Electricity System Operator of Ontario ("IESO"), and to sink in the Control Area operated by PJM

Interconnection, LLC ("PJM");

16.3.5.2 External Transactions that are scheduled to exit the NYCA at the Proxy Generator Buses that represent the NYCA's common border with the Control Area operated by PJM, and to sink in the Control Area operated by IESO;

16.3.5.3 External Transactions that are scheduled to enter the NYCA at the Proxy Generator Buses that represent the NYCA's common border with the Control Area operated by PJM, and to source from the Control Area operated by IESO;

16.3.5.4 External Transactions that are scheduled to enter the NYCA at the Proxy Generator Bus that represents the NYCA's Interface with the Control Area operated by IESO, and to source from the Control Area operated by PJM;

16.3.5.5 Wheels Through the NYCA that are scheduled to enter the NYCA at the Proxy Generator Buses that represent the NYCA's common border with the Control Area operated by PJM, and to sink in the Control Area operated by the Midwest Independent Transmission System Operator, Inc. ("MISO");

16.3.5.6 Wheels Through the NYCA that are scheduled to exit the NYCA at the Proxy Generator Buses that represent the NYCA's common border with the Control Area operated by PJM, and to source from the Control Area operated by the MISO;

16.3.5.7 Wheels Through the NYCA that are scheduled to enter the NYCA at the Proxy Generator Bus that represents the NYCA's Interface with the Control Area operated by IESO, and to sink in the Control Area operated by the MISO; and

16.3.5.8 Wheels Through the NYCA that are scheduled to exit the NYCA at the Proxy

Generator Bus that represents the NYCA's Interface with the Control Area operated by IESO, and to

source from the Control Area operated by the MISO.

External Transactions at the Proxy Generator Buses that are associated with the Cross Sound

Scheduled Line, the Neptune Scheduled Line, and the Linden VFT Scheduled Line shall also be governed

by Attachment N to the ISO Services Tariff.