

2.3 Ancillary Services

Ancillary Services are needed with Transmission Service to maintain reliability within and among the Control Areas affected by the Transmission Service. The ISO is required to provide, and the Transmission Customer is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch, (ii) Voltage Support Service, (iii) Energy Imbalance and (iv) Black Start Service.

The ISO is required to offer to provide the following Ancillary Services only to the Transmission Customers serving Load within the NYCA: (i) Regulation and Frequency Response, and (ii) Operating Reserves. The Transmission Customer serving Load within the NYCA is required to acquire these Ancillary Services, whether from the ISO, a third party, or by Self-Supply pursuant to Schedules 3 and 5. The Transmission Customer may not decline the ISO's offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from the ISO.

The ISO shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer.

The specific Ancillary Services, prices and/or compensation methods are described on the schedules that are attached to and made a part of this Tariff. Sections 2.3.1 through 2.3.6 below list the six Ancillary Services.

2.3.1 Scheduling, System Control and Dispatch Service:

The rates and/or methodology are described in Schedule 1.

2.3.2 Voltage Support Service:

The rates and/or methodology are described in Schedule 2.

2.3.3 Regulation and Frequency Response Service:

The rates and/or methodology are described in Schedule 3.

2.3.4 Energy Imbalance Service:

The rates and/or methodology are described in Schedule 4.

2.3.5 Operating Reserve Service:

The rates and/or methodology are described in Schedule 5.

2.3.6 ISO Black Start Capability:

The rates and/or methodology are described in Schedule 6.