

4.6 Load Shedding and Curtailments

4.6.1 Procedures:

Prior to the Service Commencement Date, the ISO and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the NYS Transmission System. The parties will implement such programs during any period when the ISO determines that a system contingency exists and such procedures are necessary to alleviate such contingency. The ISO will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

4.6.2 Transmission Constraints:

During any period when the ISO determines that a transmission Constraint exists on the NYS Transmission System, and such Constraint may impair the reliability of the NYS Transmission System, the ISO generation resources on a least-cost basis in accordance with the provisions of Attachment J. When applicable, the ISO will follow the LEER Procedure, referenced in Section 3.1.6, which is incorporated by reference herein. The LEER Procedure is intended to prevent the necessity of implementing the curtailment procedures contained in the FERC and NERC tariffs and policies. If the ISO is required to Curtail Transmission Service as a result of a TLR event, the ISO will perform such Curtailment in accordance with the NERC TLR Procedure. Any redispatch under this Section may not unduly discriminate between the Transmission Owner's use of the NYS Transmission System on behalf of its Native Load Customers and any Network Customer's use of the NYS Transmission System to serve its designated Network Load.

4.6.3 Cost Responsibility for Relieving Transmission Constraints:

Whenever the ISO implements least-cost redispatch procedures in response to a transmission Constraint, all Transmission Customers and Network Customers will bear the costs of such redispatch in accordance with Attachment J.

4.6.4 Curtailments of Scheduled Deliveries:

If a transmission Constraint on the NYS Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and the ISO determines that it is necessary to Curtail scheduled deliveries, the parties shall Curtail such schedules in accordance with the Network Operating Agreement.

4.6.5 Allocation of Curtailments:

The ISO shall, on a non-discriminatory basis, Curtail the Transaction(s) that effectively relieve the Constraint. However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by the Transmission Owners and Network Customers in proportion to their respective Load Ratio Shares. The ISO shall not direct Network Customers to Curtail schedules to an extent greater than the ISO would Curtail the Transmission Owners' schedules under similar circumstances.

4.6.6 Load Shedding:

To the extent that a system contingency exists on the NYS Transmission System and the ISO determines that it is necessary to shed load, the parties shall shed load in accordance with previously established procedures under the Network Operating Agreement.

4.6.7 System Reliability:

Notwithstanding any other provisions of this Tariff, the ISO reserves the right, consistent

with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on the ISO's and/or Transmission Owner's part for the purpose of the Transmission Owners making necessary adjustments to, changes in, or repairs on their lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on the NYS Transmission System or on any other system(s) directly or indirectly interconnected with the NYS Transmission System, the ISO, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or transmission facilities, or (iii) expedite restoration of service. The ISO will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will be not unduly discriminatory relative to the Transmission Owners' use of the NYS Transmission System on behalf of its Native Load Customers. The ISO shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.