

March 5, 2010

By Hand Delivery

Hon. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: *New York Independent System Operator, Inc.’s, Proposed Tariff
Revisions Regarding its Virtual Trading and Eligibility Tariff
Provisions; Docket No. ER10-_____***

Dear Secretary Bose:

In accordance with Section 205 of the Federal Power Act¹ and Part 35 of the Commission’s regulations, the New York Independent System Operator, Inc. (“NYISO”) respectfully submits proposed revisions to its Open Access Transmission Tariff (“OATT”) to modify or eliminate minor, eligibility related provisions which are vestiges of the *pro forma* OATT but inapplicable to the NYISO’s financial market design. The NYISO is also proposing changes to its Market Administration and Control Area Services Tariff (“Services Tariff”) related to virtual trading.²

I. Documents Submitted

1. This filing letter;
2. A clean version of the proposed revisions to the NYISO’s OATT and Services Tariff (“Attachment I”);
3. A blacklined version of the proposed revisions to the NYISO’s OATT and Services Tariff (“Attachment II”);

¹ 16 U.S.C § 824(d)

² Capitalized terms not otherwise defined herein shall have the meaning specified in Article 1.0 of the OATT and Article 2 of the Services Tariff.

II. Background

The NYISO recently conducted an internal review of several provisions in its tariffs and identified opportunities to improve and clarify certain provisions.³ Several provisions related to the NYISO customer application and eligibility requirements were identified as inaccurate or no longer applicable. Most of these changes involve deleting provisions that appear in the NYISO OATT as vestiges of the *pro forma* OATT. These provisions are not pertinent to the NYISO's financial reservation based system. Additional changes are proposed to delete references to information "specified in the Service Agreement" that is not currently contained in the Service Agreements between the NYISO and its Customers. These provisions are instead specified by the Customer in its Bid or Bilateral Transaction schedule. A review of the tariff provisions related to Virtual Transactions identified two minor changes to the Services Tariff. The first amendment indicates that additional direction with regard to customer Bidding Requirements can be found in the NYISO's procedures. The second change corrects a reference to "LSE" when the context of the phrase requires the use of the term "Customer." This change is also internally consistent with the intent of the tariff provision.

The NYISO proposes to specifically revise such provisions as described in Section III below.

III. Tariff Description and Justification

A. Revisions to the OATT — Eligibility Revisions

In order to more accurately describe the contents of the Service Agreement between the NYISO and its Customers (Attachments A to the Services Tariff and the OATT), the NYISO proposes to indicate that a Customer scheduling Transmission Service informs the NYISO of its desired Point of Injection, Point of Withdrawal, Point of Receipt or Point of Delivery, in its Bid, Bilateral Transaction schedule or other similar entry rather than in its Service Agreement. The inclusion of the phrase "or similar entry" is intended to accommodate future design changes in the NYISO system.

This clarification requires amendments to these four terms:

- 1.33 Point(s) of Delivery
- 1.33a Point(s) of Injection ("POI")
- 1.34 Point(s) of Receipt
- 1.34a Point(s) of Withdrawal ("POW")

³ The NYISO conducted this internal review and is making this filing as part of an on-going comprehensive review of its tariffs to identify opportunities to improve and clarify them.

Similarly, Sections 22.1 Modifications On a Non-Firm Basis and 22.2 Modification On a Firm Basis are proposed to be amended to indicate that a Customer scheduling Transmission Service informs the NYISO of its desired Point of Injection, Point of Withdrawal, Point of Receipt or Point of Delivery, in its Bid, Bilateral Transaction schedule or similar entry rather than in its Service Agreement.

In addition, the NYISO proposes to amend Section 13.1, the description of Firm Point to Point Transmission Service, and Section 14.1 the description of Non-Firm Point to Point Transmission Service to clarify that the maximum term for both Firm and Non-Firm Point to Point Transmission Service is specified in the NYISO procedures and not in the Service Agreement. Finally, the NYISO proposes to delete portions of sections 17.1 and 18.0 relating to procedures for arranging transmission service prior to the implementation of the NYISO's Open Access Same Time Information System ("OASIS"). These provisions are outdated and do not apply to the manner in which the NYISO currently accepts requests for transmission service.

B. Revisions to Services Tariff — Virtual Transactions

The NYISO proposes two minor changes that clarify the existing tariff language in sections 4.2.2.A and 4.2.7 of the Services Tariff. In Section 4.2.2.A the NYISO proposes to add the phrase "consistent with ISO Procedures" to indicate that additional Bidding Requirements are provided in NYISO procedures. This amendment is necessary because it is not readily apparent from reading the current tariff language that there are other requirements with which Customers must comply when submitting their Bids.

The change proposed in Section 4.2.7 is ministerial in nature, replacing the term "LSE" with "Customer". This change makes tariff language internally consistent and to makes it clear that the tariff provision applies to all Customers that submit virtual Bids to purchase Energy in the Day-Ahead Market.

IV. Effective Date

The NYISO requests an effective date for these tariff amendments of May 4, 2010, 60 days from the date the proposed changes have been filed with the Federal Energy Regulatory Commission.

V. Requisite Stakeholder Approval

These amendments were unanimously approved, with abstentions, by the NYISO Management Committee on October 28, 2009.

VI. Communications and Correspondence

All Communications and service in this proceeding should be directed to:

Robert E. Fernandez, General Counsel
Elaine Robinson, Director of Regulatory Affairs
Mollie Lampi, Assistant General Counsel
* Kristin Bluvas, Attorney
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144
Tel: (518) 356-7530
Fax: (518) 356-7678

* Persons designated for receipt of service.

VII. Service

The NYISO will send an electronic link to this filing to the official representative of each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, and to the electric utility regulatory agency of New Jersey. In addition, the complete filing will be posted on the NYISO's website at www.nyiso.com. This is in accordance with 18 C.F.R. 35.2(e).

VIII. Conclusion

Wherefore, for the foregoing reasons, the New York Independent System Operator, Inc. respectfully requests that the Commission accept for filing the proposed tariff revisions that are attached hereto with an effective date of May 4, 2010.

Respectfully Submitted,

Kristin A. Bluvas
Attorney
New York Independent System Operator, Inc.

Attachment I

scheduled ahead of time and can be changed only manually in real-time.

- 1.9b Developer:** An Eligible Customer developing a generation project larger than 20 megawatts, or a merchant transmission project, proposing to interconnect to the New York State Transmission System, in compliance with the NYISO Minimum Interconnection Standard and, depending on the Developer's interconnection service election, also in compliance with the NYISO Deliverability Interconnection Standard.
- 1.10 Direct Assignment Facilities:** Facilities or portions of facilities that are constructed by the Transmission Owner(s) for the sole use/benefit of a particular Transmission Customer requesting service under the ISO OATT. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to Commission approval.
- 1.10a Direct Sale:** The sale of TCCs directly to a buyer by the Primary Owner through a non-discriminatory auditable sale conducted on the ISO's OASIS, in compliance with the requirements and restrictions set forth in Commission Orders 888 et seq. and 889 et seq.
- 1.10b Dispatchable:** A bidding mode in which Generators or Demand Side Resources indicate that they are willing to respond to real-time control from the ISO. Dispatchable Resources may either be ISO-Committed Flexible or Self Committed Flexible. Dispatchable Demand Side Resources must be ISO Committed Flexible. Dispatchable Resources that are not providing Regulation Service will follow five-minute RTD Base Point Signals. Dispatchable Resources that are providing Regulation Service will follow six-second AGC Base Point Signals.
- 1.10c Dispatch Day:** The twenty-four (24) hour period commencing at the beginning of each day (0000 hour).
- 1.10d Dispute Resolution Administrator ("DRA"):** An individual hired by the ISO to administer the Dispute Resolution Process established in the ISO Tariffs and ISO Agreement.

- 1.30 Part II:** Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.31 Part III:** Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.31a Part IV:** Tariff Sections 36 through 37 pertaining to Retail Access Service.
- 1.32 Party or Parties:** The ISO and the Transmission Customer receiving service under the Tariff.
- 1.32a Performance Tracking System:** A system designed to provide quantitative comparisons of actual values versus expected and forecasted values for Generators and Loads (See Rate Schedule 3 of the ISO Services Tariff). This system will be used by the ISO to measure compliance with criteria associated with the provision of Regulation and Frequency Response Service.
- 1.33 Point(s) of Delivery:** Point(s) on the NYS Transmission System where Capacity, Energy, and Ancillary Services transmitted by the ISO will be made available to the Receiving Party under the ISO Tariffs. The Point(s) of Delivery shall be specified in the Bid, Bilateral Transaction schedule, or similar entry. (Same as Point of Withdrawal.)

- 1.33a Point(s) of Injection (“POP”):** The point(s) on the NYS Transmission System where Energy, Capacity and Ancillary Services will be made available to the ISO by the Delivering Party under the ISO Tariffs. The Point(s) of Injection shall be specified in the Bid, Bilateral Transaction schedule, or similar entry. (Same as Point of Receipt.)
- 1.34 Point(s) of Receipt:** Point(s) of interconnection on the NYS Transmission System where Capacity, Energy, and Ancillary Services will be made available to the ISO by the Delivering Party under the ISO Tariffs. The Point(s) of Receipt shall be specified in the Bid, Bilateral Transaction schedule, or similar entry. (Same as Point of Injection.)

- 1.34a Point(s) of Withdrawal (“POW”):** The point(s) on the NYS Transmission System where Energy, Capacity and Ancillary Services will be made available to the Receiving Party under the ISO Tariffs. The Point(s) of Withdrawal shall be specified in the Bid, Bilateral Transaction Schedule, or other similar entry. (Same as Point of Delivery).
- 1.35 Point-to-Point Transmission Service:** The reservation and transmission of Capacity and Energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.
- 1.35a Pool Control Error (“PCE”):** The difference between the actual and scheduled interchange with other Control Areas, adjusted for frequency bias.
- 1.35b Post Contingency:** Conditions existing on a system immediately following a Contingency.
- 1.35c Power Exchange (“PE”):** A commercial entity meeting the requirements for service under the ISO OATT or the ISO Services Tariff that facilitates the purchase and/or sale of Energy, Capacity and/or Ancillary Services in the New York Wholesale Market. A PE may transact with the ISO on its own behalf or as an agent for others.
- 1.35d Power Factor:** The ratio of real power to apparent power (the product of volts and amperes, expressed in megavolt-amperes, MVA).
- 1.35e Power Factor Criteria:** Criteria to be established by the ISO to monitor a Load’s use of Reactive Power.
- 1.35f Power Flow:** A simulation which determines the Energy flows on the NYS Transmission System and adjacent transmission systems.
- 1.35f.1 Pre-Scheduled Transaction Request:** An offer submitted, pursuant to ISO Procedures, for priority scheduling of Transactions between the ISO and neighboring Control Areas to: (i) purchase Energy from the LBMP Market at the LBMP Market Price and deliver it to an External Control Area; (ii) sell Energy delivered from an External Control Area to the LBMP Market at the LBMP Market Price; or (iii) wheel Energy through the New York Control Area from one

II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

The ISO will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff over the transmission facilities of the parties to the ISO/TO Agreement. Point-To-Point Transmission Service is for the receipt of Capacity and Energy at designated Point(s) of Receipt and the transfer of such Capacity and Energy to designated Point(s) of Delivery. Firm Point-To-Point Transmission Service is service for which the Transmission Customer has agreed to pay the Congestion Rent associated with its service. Non-Firm Point-To-Point Transmission Service is service for which the Transmission Customer has not agreed to pay Congestion Rent. A Transmission Customer may fix the price of Day-Ahead Congestion Rent associated with its Firm Point-To-Point Transmission Service by acquiring sufficient TCCs with the same Points of Receipt and Delivery as its Transmission Service. Notwithstanding any provision in this Part to the contrary, External Transactions scheduled at the Proxy Generator Buses associated with the Cross-Sound Scheduled Line, the Neptune Scheduled Line, or the Linden VFT Scheduled Line shall be subject to the requirements of Attachment N to the ISO Services Tariff.

13.0 Nature of Firm Point-To-Point Transmission Service

13.1 Term: The minimum term of Firm Point-To-Point Transmission Service shall be one hour and the maximum term shall not exceed the maximum permissible term as specified in ISO Procedures.

13.2 Reservation Priority: All requests for Firm Point-to-Point Transmission Service will be deemed to have the same reservation priority. Firm Point-to-Point

accordance with Section 5.2D. Schedules submitted later than ninety (90) minutes prior to the dispatch hour shall not be accepted in the Real-Time schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 KWh per hour between each Point of Receipt and corresponding Point of Delivery. The ISO will furnish to the Delivering Party's system operator, if applicable, hour-to-hour schedules equal to those furnished by the Receiving Party and shall deliver the Capacity and Energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall notify the ISO prior to the close of the Real-Time Market, and the ISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and to be delivered.

14.0 Nature of Non-Firm Point-To-Point Transmission Service:

14.1 Term: The minimum term of Non-Firm Point-To-Point Transmission Service shall be one (1) hour and the maximum term shall not exceed the maximum permissible term as specified in ISO Procedures.

14.2 Reservation Priority: Non-Firm Point-to-Point Transmission Service shall be

limitation, providing any information or data required by such other Control Area consistent with Good Utility Practice.

17.0 Procedures for Arranging Firm Point-To-Point Transmission Service

17.1 Application: A request for Firm Point-To-Point Transmission Service must contain a written Application at least sixty (60) days in advance of the calendar month in which service is to commence. The ISO will consider a request for such firm service on shorter notice when feasible.

A Transmission Customer may fix the price of Congestion Costs associated with its service by acquiring sufficient TCCs with the same Point(s) of Receipt and Point(s) of Delivery as its Transmission Service.

17.2 Completed Application: A Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;

fifteen (15) days after it is tendered by the ISO will be deemed a withdrawal and termination of the Application. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

17.7 Extension for Commencement of Service.

[Reserved].

18.0 Procedures for Arranging Non-Firm Point-To-Point Transmission Service

Application: Eligible Customers seeking Non-Firm Point-To-Point Transmission Service must submit a Completed Application to the ISO.

18.2 Completed Application: A Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under this Tariff;
- (iii) The Point(s) of Receipt and the Point(s) of Delivery;

basis for any decision to defer construction and the specific problems which must be resolved before it will initiate or resume construction of new facilities. Within

sixty (60) days of receiving written notification by the Transmission Owner of its intent to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to the Commission for resolution.

22.0 Changes in Service Specifications

22.1 Modifications On a Non-Firm Basis: The Transmission Customer taking Firm Point-To-Point Transmission Service may request the ISO provide Transmission Service on a non-firm basis over Receipt and Delivery Points other than those specified in the Bid, Bilateral Transaction Schedule, or similar entry (“Secondary Receipt and Delivery Points”), in amounts not to exceed the quantities of its Firm Point-to-Point Transmission Service, without incurring an additional Non-Firm Point-To-Point Transmission Service charge or executing a new Service Agreement, subject to the following conditions. While there will be no additional charges for requesting service from a new receipt or to a new delivery point, the Transmission Customer shall be responsible for all charges applicable to the new secondary receipt or delivery

22.2 Modification On a Firm Basis: Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Bid, Bilateral Transaction schedule, or similar entry.

23.0 [Reserved]

Customers submitting Bids in the Day-Ahead Market, other than Pre-scheduled Transaction

Requests, shall provide the ISO, consistent with ISO Procedures:

1. Bids to supply Energy, including Bids to supply Energy in Virtual Transactions;
2. Bids to supply Ancillary Services;
3. Requests for Bilateral Transaction schedules;
4. Bids to purchase Energy, including Bids to purchase Energy in Virtual Transactions; and
5. Demand Reduction Bids.

In general, the information provided to the ISO shall include the following:

B. Load Forecasts

The Load forecast shall indicate the predicted level of Load in MW by Point of

Withdrawal for each hour of the following seven (7) days.

C. Bids by Dispatchable and ISO-Committed Fixed Resources to Supply Energy and/or Ancillary Services

1. General Rules

Day-Ahead Bids by Dispatchable or ISO-Committed Fixed Suppliers shall identify the Capacity, in MW, available for commitment in the Day-Ahead Market (for every hour of the Dispatch Day) and the price(s) at which the Supplier will voluntarily enter into dispatch commitments. Bids to supply Energy at Proxy Generator Buses shall be priced no lower than the Bid that provides the highest scheduling priority for sales to the relevant LBMP Market plus the product of (i) the Scheduling Differential and (ii) three.

Day-Ahead Market and is scheduled in the SCUC to provide Energy through Demand Reduction shall receive a Demand Reduction Incentive Payment from the ISO equal to the product of: (a) the Day-Ahead hourly LBMP at the Demand Reduction bus; and (b) the lesser of the actual hourly Demand Reduction or the scheduled hourly Demand Reduction (in MW). Each Customer that bids into the Day-Ahead Market, including each Customer that submits a Bid for a Virtual Transaction, and has a schedule accepted by the ISO to purchase Energy in the Day-Ahead Market will pay the product of: (a) the Day-Ahead hourly Zonal LBMP at each Point of Withdrawal; and (b) the scheduled Energy at each Point of Withdrawal. Each Customer that submits a Virtual Transaction bid into the ISO Day-Ahead Market and has a schedule accepted by the ISO to sell Energy in a Load Zone in the Day-Ahead Market will receive a payment equal to the product of (a) the Day-Ahead hourly zonal LBMP for that Load Zone; and (b) the hourly scheduled Energy for the Customer in that Load Zone. Each Trading Hub Energy Owner who bids a Bilateral Transaction into the Day-Ahead Market with a Trading Hub as its POI and has its schedule accepted by the ISO will pay the product of: (a) the Day-Ahead hourly zonal LBMP for the Load Zone associated with that Trading Hub; and (b) the Bilateral Transaction scheduled MW. Each Trading Hub Energy Owner who bids a Bilateral Transaction into the Day-Ahead Market with a Trading Hub as its POW and has its schedule accepted by the ISO will be paid the product of: (a) the Day-Ahead hourly zonal LBMP for the Load Zone associated with that Trading Hub; and (b) the Bilateral Transaction scheduled MW.

Attachment II

scheduled ahead of time and can be changed only manually in real-time.

- 1.9b Developer:** An Eligible Customer developing a generation project larger than 20 megawatts, or a merchant transmission project, proposing to interconnect to the New York State Transmission System, in compliance with the NYISO Minimum Interconnection Standard and, depending on the Developer's interconnection service election, also in compliance with the NYISO Deliverability Interconnection Standard.
- 1.10 Direct Assignment Facilities:** Facilities or portions of facilities that are constructed by the Transmission Owner(s) for the sole use/benefit of a particular Transmission Customer requesting service under the ~~Tariff~~[ISO OATT](#). Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to Commission approval.
- 1.10a Direct Sale:** The sale of TCCs directly to a buyer by the Primary Owner through a non-discriminatory auditable sale conducted on the ISO's OASIS, in compliance with the requirements and restrictions set forth in Commission Orders 888 et seq. and 889 et seq.
- 1.10b Dispatchable:** A bidding mode in which Generators or Demand Side Resources indicate that they are willing to respond to real-time control from the ISO. Dispatchable Resources may either be ISO-Committed Flexible or Self Committed Flexible. Dispatchable Demand Side Resources must be ISO Committed Flexible. Dispatchable Resources that are not providing Regulation Service will follow five-minute RTD Base Point Signals. Dispatchable Resources that are providing Regulation Service will follow six-second AGC Base Point Signals.
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- 1.33 Point(s) of Delivery:** Point(s) on the NYS Transmission System where Capacity, ~~and~~ Energy, and Ancillary Services transmitted by the ISO will be made available to the Receiving Party under ~~Part II of the~~ ISO Tariffs. The Point(s) of Delivery shall be specified in the ~~Service Agreement for Firm Point-To-Point Transmission Service~~Bid, Bilateral Transaction schedule, or similar entry. (Same as Point of Withdrawal.)

1.33a Point(s) of Injection (“POP”): The point(s) on the NYS Transmission System where Energy, Capacity and Ancillary Services will be made available to the ISO by the Delivering Party under the ISO ~~OATT or the ISO Services~~ Tariffs. The Point(s) of Injection shall be specified in the ~~Service Agreement~~ Bid, Bilateral Transaction schedule, or similar entry. (Same as Point of Receipt.)

1.34 Point(s) of Receipt: Point(s) of interconnection on the NYS Transmission System where Capacity, ~~and Energy~~, and Ancillary Services will be made available to the ISO by the Delivering Party under ~~Part II of the~~ ISO Tariffs. The Point(s) of Receipt shall be specified in the ~~Service Agreement for Firm Point-To-Point Transmission Service~~ Bid, Bilateral Transaction schedule, or similar entry. (Same as Point of Injection.)

- 1.34a Point(s) of Withdrawal (“POW”):** The point(s) on the NYS Transmission System where Energy, Capacity and Ancillary Services will be made available to the Receiving Party under the ISO ~~OATT or the ISO Services Tariffs~~. The Point(s) of Withdrawal shall be specified in the ~~Service Agreement~~ Bid, Bilateral Transaction Schedule, or other similar entry. (Same as Point of Delivery).
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- 1.35f.1 Pre-Scheduled Transaction Request:** An offer submitted, pursuant to ISO Procedures, for priority scheduling of Transactions between the ISO and neighboring Control Areas to: (i) purchase Energy from the LBMP Market at the LBMP Market Price and deliver it to an External Control Area; (ii) sell Energy delivered from an External Control Area to the LBMP Market at the LBMP Market Price; or (iii) wheel Energy through the New York Control Area from one

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13.0 Nature of Firm Point-To-Point Transmission Service

13.1 Term: The minimum term of Firm Point-To-Point Transmission Service shall be one hour and the maximum term shall not exceed the maximum permissible term as ~~be~~ specified in ISO Procedures ~~the Service Agreement~~.

13.2 Reservation Priority: All requests for Firm Point-to-Point Transmission Service will be deemed to have the same reservation priority. Firm Point-to-Point

accordance with Section 5.2D. Schedules submitted later than ninety (90) minutes prior to the dispatch hour shall not be accepted in the Real-Time schedule. Schedules of any Capacity and Energy that is to be delivered must be stated in increments of 1,000 KWh per hour between each Point of Receipt and corresponding Point of Delivery. The ISO will furnish to the Delivering Party's system operator, if applicable, hour-to-hour schedules equal to those furnished by the Receiving Party and shall deliver the Capacity and Energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall notify the ISO prior to the close of the Real-Time Market, and the ISO shall have the right to adjust accordingly the schedule for Capacity and Energy to be received and to be delivered.

14.0 Nature of Non-Firm Point-To-Point Transmission Service:

14.1 Term: The minimum term of Non-Firm Point-To-Point Transmission Service shall be one (1) hour and the maximum term shall ~~be~~ [not exceed the maximum permissible term as](#) specified in ~~the Service Agreement~~ [ISO Procedures](#).

14.2 Reservation Priority: Non-Firm Point-to-Point Transmission Service shall be

limitation, providing any information or data required by such other Control Area consistent with Good Utility Practice.

17.0 Procedures for Arranging Firm Point-To-Point Transmission Service

17.1 Application: A request for Firm Point-To-Point Transmission Service must contain a written Application at least sixty (60) days in advance of the calendar month in which service is to commence. The ISO will consider a request for such firm service on shorter notice when feasible.

A Transmission Customer may fix the price of Congestion Costs associated with its service by acquiring sufficient TCCs with the same Point(s) of Receipt and Point(s) of Delivery as its Transmission Service. ~~All Firm Point To Point Transmission Service requests should be submitted by entering the information listed below on the ISO's OASIS. Prior to implementation of the ISO's OASIS, a Completed Application may be submitted by (i) transmitting the required information to the ISO by telefax, or (ii) providing the information by telephone over the ISO's time recorded telephone line.~~

17.2 Completed Application: A Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;

fifteen (15) days after it is tendered by the ISO will be deemed a withdrawal and termination of the Application. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

17.7 Extension for Commencement of Service.

[Reserved].

18.0 Procedures for Arranging Non-Firm Point-To-Point Transmission Service

~~18.1~~ Application: Eligible Customers seeking Non-Firm Point-To-Point Transmission

Service must submit a Completed Application to the ISO. ~~Applications should be submitted by entering the information listed below on the OASIS. Prior to implementation of the OASIS, a Completed Application may be submitted by (i) transmitting the required information to the ISO by telefax, or (ii) providing the information by telephone over the ISO's time recorded telephone line.~~

18.2 Completed Application: A Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under this Tariff;
- (iii) The Point(s) of Receipt and the Point(s) of Delivery;

basis for any decision to defer construction and the specific problems which must be resolved before it will initiate or resume construction of new facilities. Within

sixty (60) days of receiving written notification by the Transmission Owner of its intent to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to the Commission for resolution.

22.0 Changes in Service Specifications

22.1 Modifications On a Non-Firm Basis: The Transmission Customer taking Firm Point-To-Point Transmission Service may request the ISO provide Transmission Service on a non-firm basis over Receipt and Delivery Points other than those specified in the ~~Service Agreement~~ [Bid, Bilateral Transaction Schedule, or similar entry](#) (“Secondary Receipt and Delivery Points”), in amounts not to exceed the quantities of ~~f~~ its Firm Point-to-Point Transmission Service, without incurring an additional Non-Firm Point-To-Point Transmission Service charge or executing a new Service Agreement, subject to the following conditions. While there will be no additional charges for requesting service from a new receipt or to a new delivery point, the Transmission Customer shall be responsible for all charges applicable to the new secondary receipt or delivery

22.2 Modification On a Firm Basis: Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its ~~Service Agreement~~Bid, Bilateral Transaction schedule, or similar entry.

23.0 [Reserved]

Customers submitting Bids in the Day-Ahead Market, other than Pre-scheduled Transaction

Requests, shall provide the ISO, ~~as appropriate with~~consistent with ISO Procedures:

1. Bids to supply Energy, including Bids to supply Energy in Virtual Transactions;
2. Bids to supply Ancillary Services;
3. Requests for Bilateral Transaction schedules;
4. Bids to purchase Energy, including Bids to purchase Energy in Virtual Transactions; and
5. Demand Reduction Bids.

In general, the information provided to the ISO shall include the following:

B. Load Forecasts

The Load forecast shall indicate the predicted level of Load in MW by Point of

Withdrawal for each hour of the following seven (7) days.

C. Bids by Dispatchable and ISO-Committed Fixed Resources to Supply Energy and/or Ancillary Services

1. General Rules

Day-Ahead Bids by Dispatchable or ISO-Committed Fixed Suppliers shall identify the Capacity, in MW, available for commitment in the Day-Ahead Market (for every hour of the Dispatch Day) and the price(s) at which the Supplier will voluntarily enter into dispatch commitments. Bids to supply Energy at Proxy Generator Buses shall be priced no lower than the Bid that provides the highest scheduling priority for sales to the relevant LBMP Market plus the product of (i) the Scheduling Differential and (ii) three.

Day-Ahead Market and is scheduled in the SCUC to provide Energy through Demand Reduction shall receive a Demand Reduction Incentive Payment from the ISO equal to the product of: (a) the Day-Ahead hourly LBMP at the Demand Reduction bus; and (b) the lesser of the actual hourly Demand Reduction or the scheduled hourly Demand Reduction (in MW). Each ~~LSE~~ Customer that bids into the Day-Ahead Market, including each Customer that submits a Bid for a Virtual Transaction, and has a schedule accepted by the ISO to purchase Energy in the Day-Ahead Market will pay the product of: (a) the Day-Ahead hourly Zonal LBMP at each Point of Withdrawal; and (b) the scheduled Energy at each Point of Withdrawal. Each Customer that submits a Virtual Transaction bid into the ISO Day-Ahead Market and has a schedule accepted by the ISO to sell Energy in a Load Zone in the Day-Ahead Market will receive a payment equal to the product of (a) the Day-Ahead hourly zonal LBMP for that Load Zone; and (b) the hourly scheduled Energy for the Customer in that Load Zone. Each Trading Hub Energy Owner who bids a Bilateral Transaction into the Day-Ahead Market with a Trading Hub as its POI and has its schedule accepted by the ISO will pay the product of: (a) the Day-Ahead hourly zonal LBMP for the Load Zone associated with that Trading Hub; and (b) the Bilateral Transaction scheduled MW. Each Trading Hub Energy Owner who bids a Bilateral Transaction into the Day-Ahead Market with a Trading Hub as its POW and has its schedule accepted by the ISO will be paid the product of: (a) the Day-Ahead hourly zonal LBMP for the Load Zone associated with that Trading Hub; and (b) the Bilateral Transaction scheduled MW.