

23.5 Other Mitigation Measures

23.5.1 Facilitation of Real-Time Mitigation in Constrained Areas

To facilitate the application of the Real-Time mitigation measures specified in this Attachment H for Constrained Areas, all Generators located in a Constrained Area that are capable of doing so shall respond to RTD Base Point Signals, unless such a Generator is subject to contractual obligations in existence prior to June 1, 2002 that would preclude such operation.

23.5.2 Market Power Mitigation Measures Applicable to In-City Unit Commitments for Local Reliability

23.5.2.1 If an In-City Generator is scheduled in any hour in the Day-Ahead Market to meet the reliability needs of a local system, the ISO will set the In-City Generator's Start-Up Bid to the lower of the Bid or the applicable reference level, which may include a Start-Up reference level calculated in accordance with Section 23.3.1.4.4.3 of these Mitigation Measures. In each hour an In-City Generator is scheduled in the Day-Ahead Market to meet the reliability needs of a local system, the ISO will set the In-City Generator's Minimum Generation Bid to the lower of the Bid or the applicable reference level.

23.5.3 Market Power Mitigation Measures Applicable to Sales of Spinning Reserves

23.5.3.1 Local reliability rules require that specified amounts of Spinning Reserves be provided by In-City Generators. The Spinning Reserve-capable portion of each Generator located in New York City must be made available to the ISO for purposes of meeting the New York City Spinning Reserve requirement.

23.5.3.2 The market power mitigation measures applicable to Spinning Reserves will be implemented when the ISO's least-cost dispatch requires that one or more

of the Generators located in New York City be committed to meet the In-City Spinning Reserve requirement. For any day that an In-City Generator is committed to meet the In-City Spinning Reserve requirement under circumstances where the Generator would not otherwise have been committed under the ISO's least-cost dispatch, the market power mitigation measures applicable to unit commitments, as described in Section 23.5.2, would apply.

23.5.3.3 In addition, In-City generators must bid zero (\$0) for the availability portion of Day-Ahead Spinning Reserves Bids. The implementation of this mitigation measure will have no effect on the ability of a Generator located in New York City to recover the market-clearing price established by the ISO for the sale of Spinning Reserves.

23.5.4 FERC-Ordered Measures

In addition to any mitigation measures specified above, the ISO shall administer, and apply when appropriate in accordance with their terms, such other mitigation measures as it may be directed to implement by order of the FERC.

23.5.5 Redetermination of 10-Minute Non-Synchronized Reserves Prices

The following provisions shall be in effect for a period of twelve months from July 8, 2003: (i) if any 10-Minute Non-Synchronized Reserves prices are determined by the ISO, with the concurrence of the ISO Market Advisor, to reflect a significant abuse of market power, the ISO shall so notify the Market Parties within 24 hours of the initial posting of such prices (such prices being hereinafter referred to as "flagged prices"); (ii) the ISO shall determine, with the concurrence of the Market Advisor, within five business days of such notification whether a filing seeking the reimposition of a bid cap or some other market power mitigation measure for 10-Minute Non-Synchronized Reserves is warranted, and if such a filing is not warranted the

ISO shall notify the Market Parties that the flagged prices are final, subject to price correction procedures for other reasons if applicable; and (iii) if the ISO determines, with the concurrence of the Market Advisor, that a filing seeking reimposition of a bid cap or some other market power mitigation measure for 10-Minute Non-Synchronized Reserves is appropriate, such filing will request authorization from the Commission to redetermine the flagged prices in accordance with such bid cap or other mitigation measure as may be approved by the Commission.