

Attachment II

2.4 Definitions - D

DADRP Component: The credit requirement for a Demand Reduction Provider to bid into the Day-Ahead Market, and a component of the Operating Requirement, calculated in accordance with Section 26.4.2 of Attachment K to this Services Tariff.

Day-Ahead: Nominally, the twenty-four (24) hour period directly preceding the Dispatch Day, except when this period may be extended by the ISO to accommodate weekends and holidays.

Day-Ahead LBMP: The LBMPs calculated based upon the ISO's Day-Ahead Security Constrained Unit Commitment process.

Day-Ahead Margin: That portion of Day-Ahead LBMP, Operating Reserves settlement or Regulation Service settlement for an hour that represents the difference between the Supplier's accepted Day-Ahead offer price and the Day-Ahead LBMP, Operating Reserves settlement or Regulation Service settlement for that hour.

Day-Ahead Margin Assurance Payment: A supplemental payment made to an eligible Supplier that buys out of a Day-Ahead Energy, Regulation Service, or Operating Reserves schedule such that an hourly balancing payment obligation offsets its Day-Ahead Margin. Rules for calculating these payments, and for determining Suppliers' eligibility to receive them, are set forth in Attachment J to this ISO Services Tariff.

Day-Ahead Market: The ISO Administered Market in which Capacity, Energy and/or Ancillary Services are scheduled and sold Day-Ahead consisting of the Day-Ahead scheduling process, price calculations and Settlements.

Day-Ahead Reliability Unit: A Day-Ahead committed Resource which would not have been committed but for a request by a Transmission Owner that the unit be committed in the Day-Ahead Market in order to meet the reliability needs of the Transmission Owner's local system or as the result of the ISO's analysis indicating the unit was needed in order to meet the reliability requirements of the NYCA.

Decremental Bid: A monotonically increasing Bid curve provided by an entity engaged in a Bilateral Import, other than an entity submitting a CTS Interface Bid, or Internal Transaction to indicate the LBMP below which that entity is willing to reduce its Generator's output, and purchase Energy in the LBMP Markets, or by an entity engaged in a Wheel Through Transaction to indicate the Congestion Component cost at or below which that entity is willing to accept Transmission Service.

Demand Reduction: A quantity of reduced electricity demand from a Demand Side Resource that is bid, produced, purchased or sold over a period of time and measured or calculated in Megawatt hours. Demand Reductions offered by a Demand Side Resource as Energy in the LBMP Markets may only be offered in the Day-Ahead Market, and shall be offered only by a Demand Reduction Provider. The same Demand Reduction may not be offered by a Demand Reduction Provider and by a customer as Operating Reserves or Regulation Service.

Demand Reduction Aggregator: A Demand Reduction Provider, qualified pursuant to ISO Procedures, that bids Demand Side Resources of at least 1 MW through contracts with Demand Side Resources and is not a Load Serving Entity.

Demand Reduction Incentive Payment: A payment to Demand Reduction Providers that are scheduled to make Day-Ahead Demand Reductions ~~that are not supplied by a Local Generator~~. The payment shall be equal to the product of: (a) the Day-Ahead hourly LBMP at the applicable Demand Reduction bus; and (b) the lesser of the actual hourly Demand Reduction or the Day-Ahead scheduled hourly Demand Reduction in MW.

Demand Reduction Provider: A Customer that is eligible, pursuant to the relevant ISO Procedures, to bid Demand Side Resources of at least 1 MW as Energy into the Day-Ahead Market. A Demand Reduction Provider can be (i) a Load Serving Entity or (ii) a Demand Reduction Aggregator.

Demand Side Ancillary Service Program (DSASP): An ISO program that allows qualified DSASP Resources to participate in the ISO's Day-Ahead and Real-Time Markets for Operating Reserves and Regulation Service in accordance with the ISO Services Tariff and ISO Procedures.

Demand Side Ancillary Service Program Resource (DSASP Resource): A Demand Side Resource or an aggregation of Demand Side Resources located in the NYCA with at least 1 MW of load reduction that is represented by a point identifier (PTID) and is assigned to a Load Zone or Subzone by the ISO and that is:

- i. Capable of controlling demand in a responsive, measurable and verifiable manner within time limits prescribed by the ISO; and
- ii. Qualified to participate in the ISO's Ancillary Services market as a Supplier of Operating Reserves or Regulation Service pursuant to the ISO Services Tariff and ISO Procedures.

Demand Side Ancillary Service Program Provider (DSASP Provider): A Customer that is eligible, pursuant to the ISO Tariff and ISO Procedures, to offer DSASP Resource(s) as Operating Reserves or Regulation Service in the Day-Ahead or Real-Time Market. A DSASP Provider is responsible for enrolling its DSASP Resource(s), and, when communicating directly with the ISO via telemetry, is responsible for dispatching its DSASP Resource(s).

Demand Side Resource: A Resource located in the NYCA that: (i) is capable of controlling demand by either curtailing its Load or by operating a Local Generator to reduce Load from the NYS Transmission System and/or the distribution system at the direction of the ISO, in a responsive, measurable and verifiable manner within time limits, and ~~that~~ (ii) is qualified to participate in competitive Energy, Capacity, Operating Reserves or Regulation Service markets, or in the Emergency Demand Response Program pursuant to this ISO Services Tariff and the ISO Procedures.

Dennison Scheduled Line: A transmission facility that interconnects the NYCA to the Hydro Quebec Control Area at the Dennison substation, located near Massena, New York and extends

through the province of Ontario, Canada (near the City of Cornwall) to the Cedars substation in Quebec, Canada.

Dependable Maximum Net Capability (“DMNC”): The sustained maximum net output of a Generator, as demonstrated by the performance of a test or through actual operation, averaged over a continuous time period as defined in the ISO Procedures.

Desired Net Interchange (“DNI”): A mechanism used to set and maintain the desired Energy interchange (or transfer) between two Control Areas; it is scheduled ahead of time and can be changed manually in real-time.

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 Order Nos. 888 et seq. and 889 et seq.

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 Generators may be either 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.

Dispatch Day: The twenty-four (24) hour (or, if appropriate, the twenty-three (23) or twenty-five (25) hour) period commencing at the beginning of each day (0000 hour).

Dispute Resolution Administrator (“DRA”): An individual hired by the ISO to administer the Expedited Dispute Resolution Procedures in Section 5.17 of the ISO Services Tariff.

DMNC Test Period: The period within a Capability Period during which a Resource required to do so pursuant to ISO procedures shall conduct a DMNC test if that DMNC test is to be valid for purposes of determining the amount of Installed Capacity used to calculate the Unforced Capacity that this Resource is permitted to supply to the NYCA. Such periods will be established pursuant to the ISO Procedures.

DSASP Baseline MW: The value of the Load level of a DSASP resource in the dispatch interval immediately preceding the interval with a non-zero Base Point Signal, where the status of the regulation flag is set to the off condition for either Operating Reserves or Regulation service.

DSASP Component: The credit requirement for a Demand Side Resource to offer Ancillary Services, and a component of the Operating Requirement, calculated in accordance with Section 26.4.2 of Attachment K to this Services Tariff.

Dynamically Scheduled Proxy Generator Bus: A Proxy Generator Bus for which the ISO may schedule Transactions at 5 minute intervals in real time. Dynamically Scheduled Proxy Generator Buses are identified in Section 4.4.4 of the Services Tariff.