## 19.10 End-State Auctions for TCCs

Upon the completion of more sophisticated auction software, the ISO will perform an End-State Centralized TCC Auction, which will permit the Bids submitted by auction participants to determine the lengths of the TCCs sold in the End-State Centralized TCC Auction. The End-State Centralized TCC Auction will be held annually. The date for the first End-State Centralized TCC Auction shall be determined by the ISO. The period during which each TCC sold in an End-State Centralized TCC Auction is valid shall begin on the beginning date of a Capability Period, and shall conclude on the ending date of a Capability Period.

The ISO will determine the maximum duration and minimum duration of the TCCs available in the End-State Centralized TCC Auctions. The ISO shall have the authority to determine the percentage of the available transmission Capacity that will be sold in each round of the End-State Centralized TCC Auction. The ISO shall announce these percentages before the End-State Centralized TCC Auction. The ISO shall also determine the periods for which TCCs will be sold in End-State Centralized TCC Auctions (*e.g.,* TCCs valid during on-peak and off-peak periods, or TCCs valid during Winter and Summer Capability Periods). The ISO may elect to vary the duration or the periods for which TCCs will be available from one End-State Centralized TCC Auction to the next End-State Centralized TCC Auction.

The End-State Centralized TCC Auction will not include separate Sub-Auctions for TCCs of different durations. Instead, TCCs of each permitted duration will be allocated as the result of the operation of a single auction. If, for example, a Market Participant wishes to purchase a TCC beginning in the Summer Capability Period of 2003, and ending in the Winter Capability Period of 2004-2005, it would submit a single Bid for this TCC. If that Bid is a winning Bid, the bidder would be awarded a TCC valid for the entire two year-long period; if the Bid is a losing Bid, the bidder would not receive the TCC for any portion of this period. The ISO will not specify in advance the portion of system transmission Capacity that will be used to create TCCs of differing durations. Rather, the durations of TCCs awarded will be determined as part of the objective of the End-State Centralized TCC Auction, and will depend on the Bids submitted by participants in the End-State Centralized TCC Auction.

In a given round of the End-State Centralized TCC Auction, the market-clearing price determined for a TCC that is valid for multiple Capability Periods will equal the sum of the market-clearing prices for shorter-term TCCs with the same Point of Injection and Point of Withdrawal, which in aggregate cover the same period for which the longer-term TCC is valid. (For example, the price of a TCC that is valid from May 2001 through April 2003 would equal the sum of the prices in that round for (1) TCCs valid from May 2001 through April 2002 and (2) TCCs valid from May 2002 through April 2003.)

The End-State Centralized TCC Auction will include multiple rounds of bidding, as described elsewhere in this Attachment M.

Transmission Capacity that can be used to support TCCs sold in End-State Centralized TCC Auctions shall include all transmission Capacity except that necessary to support the following: Original Residual TCCs that the Transmission Owners sell directly in advance of the End-State Centralized TCC Auction; any TCCs previously allocated (either in an auction or through other means) that have not been offered for sale in the End-State Centralized TCC Auction; and transmission Capacity needed to support Grandfathered Rights.

The End-State Centralized TCC Auction will allow reconfiguration of the TCCs sold in the previous auctions. An entity holding a five-year TCC, for example, may release a TCC for some or all of the period for which that TCC is valid for sale in the End-State Centralized TCC Auction.

If necessary, the ISO may elect to conduct a semi-annual auction to sell six-month TCCs between annual End-State Centralized TCC Auctions. The transmission Capacity that can be used to support TCCs purchased in this semi-annual auction shall include the portion of the transmission Capacity sold in the previous End-State Centralized TCC Auction as six-month TCCs, as well as any other outstanding TCC whose Primary Holder elects to release it for sale in this semi-annual auction.

| **Table 1 - TCC Reservations Subject to MW Reduction**  |
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|  |  |  |  |  | **Sum** | **Win** | **Interface Allocations \_ Summer Period** |
|  | **Reservation Holder** | **Name** | **From** | **To** | **MW** | **MW** | **DE** | **WC** | **VE** | **MoS** | **TE** | **US** | **UC** | **MS** | **DS** | **CE\_LI** |
| 1 | Con Edison | Bowline | Bowline | Con Edison | 801 | 801 |  |  |  |  |  |  | 801 | 768 | 584 |  |
| 2 | Con Edison | ST4 HQ | –Pleasant Valley | Con Edison | 400 | 208 |  |  |  |  |  |  | 400 | 384 | 292 |  |
| 3 | Con Edison | Gilboa | Pleasant Valley | Con Edison | 125 | 125 |  |  |  |  |  |  | 125 | 120 | 91 |  |
| 4 | Con Edison | Roseton | Roseton\_GN1 | Con Edison | 480 | 480 |  |  |  |  |  |  | 480 | 461 | 351 |  |
| 5 | Con Edison | Corinth | –Pleasant Valley | Con Edison | 134 | 134 |  |  |  |  |  |  | 134 | 129 | 98 |  |
| 6 | Con Edison | Sithe | –Pleasant Valley | Con Edison | 837 | 837 |  |  |  |  |  |  | 837 | 803 | 611 |  |
| 7 | Con Edison | Selkirk | Pleasant Valley | Con Edison | 265 | 265 |  |  |  |  |  |  | 265 | 254 | 193 |  |
| 8 | Con Edison | IP2 | Indian Pt 2 | Con Edison | 893 | 893 |  |  |  |  |  |  |  | 893 | 679 |  |
| 9 | Con Edison | IP3 | Indian Pt 3 | Con Edison | 108 | 108 |  |  |  |  |  |  |  | 108 | 82 |  |
| 10 | Con Edison | IP Gas Turbine | IP GT\_Buchanan | Con Edison | 48 | 48 |  |  |  |  |  |  |  | 48 | 36 |  |
| 11 | NMPC | NMP1 | NMP1 | NMPC \_ East | 610 | 610 |  |  | 610 |  | 610 |  |  |  |  |  |
| 12 | NMPC | NMP2 | NMP2 | NMPC \_ East | 460 | 460 |  |  | 460 |  | 460 |  |  |  |  |  |
| 13 | NMPC | Hydro North | Colton | NMPC \_ East | 110 | 110 |  |  |  |  | 110 |  |  |  |  |  |
| 14 | NYSEG | Homer City | PJM Proxy Generator Bus | NYSEG \_ Cent. | 863 | 863 | 863 | 863 |  |  |  |  |  |  |  |  |
| 15 | NYSEG | Homer City | PJM Proxy Generator Bus | NYSEG \_ West | 100 | 100 |  |  |  |  |  |  |  |  |  |  |
| 16 | NYSEG | Allegheny 8&9 | PJM Proxy Generator Bus | NYSEG \_ Cent. | 37 | 37 | 37 | 37 |  |  |  |  |  |  |  |  |
| 17 | NYSEG | BCLP | PJM Proxy Generator Bus | NYSEG \_ Cent. | 80 | 80 | 80 | 80 |  |  |  |  |  |  |  |  |
| 18 | NYSEG | LEA (Lockport) | Gardenville | NYSEG \_ Cent. | 100 | 100 | 100 | 100 |  |  |  |  |  |  |  |  |
| 19 | NYSEG | Gilboa | Gilboa | NYSEG \_ Mech | 99 | 99 |  |  |  |  |  |  |  |  |  |  |
| 20 | SENY (2) (4) | Niagara OATT Reservation | Niagara | Con Edison | 422 | 422 | 422 (3) | 422 (3) | 422 (3) |  | 422 (3) | 422 (3) | 422 (3) | 422 (3) | 422 (3) |  |
| 21 | SENY (2) (4) | St. Lawrence OATT Reserv. | St. Lawrence | Con Edison | 178 | 178 |  |  |  | 178 (3) | 178 (3) | 178 (3) | 178 (3) | 178 (3) | 178 (3) |  |

Notes: 1. Interface Designations: DE - Dysinger East WC - West Central VE - Volney East

MoS - Moses South TE - Total East US - UPNY/SENY

UC - UPNY/Con Ed MS - Millwood South DS - Dunwoodie South

CE-LI - Con Ed/LILCO

2. Subject to NYPA’s obtaining non-discriminatory long term firm reservation through 2017 under their OATT.

3. NYPA’s TCCs allocated to their SENY Governmental Load Customers, across UPNY/Con Ed, Millwood South and Dunwoodie South will be up to 600 MW, or amounts otherwise available to NYPA pursuant to the grandfathered rights applicable under the Planning & Supply and Delivery Services Agreement between NYPA and Con Edison dated March 1989.

4. NYPA’s TCCs allocated to their SENY Governmental Load Customers will terminate on the earlier of December 31, 2017 or when NYPA no longer has an obligation to serve any SENY Loads or the retirement or sale of both IP#3 and Poletti.

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| **TABLE 2- ETCNL Data for Converting ETCNL to ETCNL TCCs** |
|  | **Holder of ETCNL** | **Name of Set of ETCNL** | **Point of Injection** | **Point of Withdrawal** | **Transmission Capacity (MW)** |
| 1. | Con Edison | Native Load-Bowline | Bowline #1/Bowline #2 | Millwood Zone | 16 (Bowline #1)/17 (Bowline #2) |
| 2. | Con Edison | Native Load-Bowline | Bowline #1/Bowline #2 | Dunwoodie Zone | 92(Bowline #1)/92 (Bowline #2) |
| 3. | Con Edison | Native Load-Bowline | Bowline #1/Bowline #2 | NYC Zone | 292(Bowline #1)/292 (Bowline #2) |
| 4. | Con Edison | Native Load- HQ Capacity Purchase | Pleasant Valley | Millwood Zone | 16 (summer)/8 (winter) |
| 5. | Con Edison | Native Load- HQ Capacity Purchase | Pleasant Valley | Dunwoodie Zone | 92 (summer)/48 (winter) |
| 6. | Con Edison | Native Load- HQ Capacity Purchase | Pleasant Valley | NYCZone | 292 (summer)/152 (winter) |
| 7. | Con Edison | Native Load - Gilboa | Pleasant Valley | Millwood Zone | 5 |
| 8. | Con Edison | Native Load - Gilboa | Pleasant Valley | Dunwoodie Zone | 29 |
| 9. | Con Edison | Native Load - Gilboa | Pleasant Valley | NYC Zone | 91 |
| 10. | Con Edison | Native Load - Roseton | Roseton #1/Roseton #2 | Millwood Zone | 9 (Roseton #1)/10 (Roseton #2) |
| 11. | Con Edison | Native Load - Roseton | Roseton #1/Roseton #2 | Dunwoodie Zone | 55 (Roseton #1)/55 (Roseton #2) |
| 12. | Con Edison | Native Load - Roseton | Roseton #1/Roseton #2 | NYC Zone | 175 (Roseton #1)/176 (Roseton #2) |
| 13. | Con Edison | Native Load - Corinth | Pleasant Valley | Millwood Zone | 5 |
| 14. | Con Edison | Native Load - Corinth | Pleasant Valley | Dunwoodie Zone | 31 |
| 15. | Con Edison | Native Load - Corinth | Pleasant Valley | NYC Zone | 98 |
| 16. | Con Edison | Native Load - Sithe | Pleasant Valley | Millwood Zone | 34 |
| 17. | Con Edison | Native Load - Sithe | Pleasant Valley | Dunwoodie Zone | 192 |
| 18. | Con Edison | Native Load - Sithe | Pleasant Valley | NYC Zone | 611 |
| 19. | Con Edison | Native Load - Selkirk | Pleasant Valley | Millwood Zone | 11 |
| 20. | Con Edison | Native Load - Selkirk | Pleasant Valley | Dunwoodie Zone | 61 |
| 21. | Con Edison | Native Load - Selkirk | Pleasant Valley | NYC Zone | 193 |
| 22. | Con Edison | Native Load - IP2 | Indian Pt 2 | Dunwoodie Zone | 214 |
| 23. | Con Edison | Native Load - IP2 | Indian Pt 2 | NYC Zone | 679 |
| 24. | Con Edison | Native Load - IP3 | Indian Pt 3 | Dunwoodie Zone | 26 |
| 25. | Con Edison | Native Load - IP3 | Indian Pt 3 | NYC Zone | 82 |
| 26. | Con Edison | Native Load - IP Gas Turbine | Indian Pt.-GT Buchanan | Dunwoodie Zone | 12 |
| 27. | Con Edison | Native Load - IP Gas Turbine | Indian Pt.-GT Buchanan | NYC Zone | 36 |
| 28. | NMPC | Native Load - NMP1 | Nine Mile Pt. #1 | Capital Zone | 610 |
| 29. | NMPC | Native Load - NMP2 | Nine Mile Pt. #2 | Capital Zone | 460 |
| 30. | NMPC | Native Load - Hydro North | Colton Hydro | Capital Zone | 110 |
| 31. | NYSEG | Native Load - Homer City | PJM Proxy Bus | Central Zone | 863 |
| 32. | NYSEG | Native Load - Homer City | PJM Proxy Bus | West Zone | 100 |
| 33. | NYSEG | Native Load - Allegheny 8&9 | PJM Proxy Bus | Central Zone | 37 |
| 34. | NYSEG | Native Load - BCLP | PJM Proxy Bus | Central Zone | 80 |
| 35. | NYSEG | Native Load - LEA (Lockport) | Gardenville | Central Zone | 100 |
| 36. | NYSEG | Native Load - Gilboa | Gilboa | Capital Zone | 99 |

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| **TABLE 3- LIST OF ORIGINAL RESIDUAL TCCS** |
| **Primary Holder of Original Residual TCCs** | **Point of Injection**  | **Point of Withdrawal** | **Number of Original Residual TCCs** |
| NYSEG | West | Genesee | 16 |
| NMPC | West | Genesee | 23 |
| NYPA | West | Genesee | 28 |
| RG&E | West | Genesee | 3 |