

ATTACHMENT H

2.5 Ancillary Services.

2.5.3.2 Spinning And Non-~~s~~Spinning Reserves. The ISO shall maintain minimum contingency Operating Reserve made up of Spinning Reserve and Non-Spinning Reserve in accordance with WSCC MORC criteria equal to (a) 5% of the Demand (except the Demand covered by firm purchases from outside the ISO Control Area) to be met by Generation from hydroelectric resources plus 7% of the Demand (except the Demand covered by firm purchases from outside the ISO Control Area) to be met by Generation from other resources, or (b) the single largest Contingency, if this is greater or (c) by reference to such more stringent criteria as the ISO may determine from time to time. In addition, the ISO shall maintain Operating Reserve equal to the total amount of Interruptible Imports scheduled by Scheduling Coordinators for any hour. Such additional Operating Reserve must either be self-provided or purchased from the ISO by Scheduling Coordinators. To the extent such additional Operating Reserve is self-provided by a Scheduling Coordinator, it may consist entirely of Non-Spinning Reserve. To the extent that such additional Operating Reserve is not self-provided by a Scheduling Coordinator, the ISO will procure the necessary amounts of Operating Reserve, but not necessarily entirely from Non-Spinning Reserves.

2.5.20.2 Right to Self Provide.

Each Scheduling Coordinator may choose to self provide all, or a portion, of its Regulation and Reserve obligation in each Zone. The ISO shall schedule self provided Ancillary Services, Day-Ahead and Hour-Ahead, and Dispatch self provided Ancillary Services in real time. To the extent that a Scheduling Coordinator self provides, the ISO

shall correspondingly reduce the quantity of the Ancillary Services concerned, which it procures as described in Sections 2.5.14 to 2.5.17. ~~As of the ISO Operations Date, Scheduling Coordinators must self provide the Operating Reserve required to cover Interruptible Imports and on-demand obligations.~~ Where a Scheduling Coordinator's non-self-provided obligation in the Hour-Ahead Market is less than its non-self-provided obligation in the Day-Ahead Market the Scheduling Coordinator will be deemed to sell back the excess to the ISO in the Hour-Ahead Market pursuant to Section 2.5.21.

ANCILLARY SERVICES REQUIREMENTS PROTOCOL

ASRP 5.2 Standard for Non-Spinning Reserve: Quantity Needed

The required quantity of Non-Spinning Reserve shall be equal to the required quantity of Operating Reserve less the quantity of Spinning Reserve determined in ASRP 5.1 plus;

- (a) an amount of Non-Spinning Reserve equal to Interruptible Imports (which must ~~either~~ be self provided by the Scheduling Coordinators responsible for the Interruptible Imports from resources within the ISO Controlled Grid ~~or purchased from the ISO~~); and
- (b) an amount of Non-Spinning Reserve equal to on-demand obligations to other entities or Control Areas (which must be self provided by the Scheduling Coordinators responsible for the on-demand obligations from resources within the ISO Controlled Grid).

Scheduling Coordinators may self provide their allocated quantity of Non-Spinning Reserve under ASRP 5.2(a) and (b) from Spinning Reserve not already committed to the ISO, if they wish.