

- (i) Spinning Reserve;
 - (ii) Non-Spinning Reserve; and
 - (iii) Replacement Reserve.
- (b) The ISO will reduce the quantity of Ancillary Services it competitively procures by the corresponding amount of the Ancillary Services that SCs self-provide.
- (c) The ISO shall prepare supplier schedules for Ancillary Services (both self-provided and purchased by the ISO) for the Day-Ahead Market and the Hour-Ahead Market.
- (d) The Ancillary Services schedules shall contain the information set out in the SBP for each Settlement Period of the following Trading Day in the case of the Day-Ahead schedules or for a specific Settlement Period in the case of Hour-Ahead schedules.
- (e) Once the ISO has given SCs notice of the Day-Ahead and Hour-Ahead schedules, these schedules represent binding commitments made in the reserve markets between the ISO and the SCs concerned. However, a Scheduling Coordinator who has sold Regulation, Spinning Reserve, Non-Spinning Reserve or Replacement Reserve capacity to the ISO in the Day-Ahead Market may buy back that capacity in whole or in part from the ISO in the Hour-Ahead Market at the Zonal Market Clearing Price for the Ancillary Service for the Settlement Period concerned for the Zone in which the Generating Unit or other resources on behalf of which the Scheduling Coordinator buys back the capacity, are located. The ISO will purchase the Ancillary Service concerned from another Scheduling Coordinator in the Hour-Ahead Market in accordance with the provisions of the ISO Tariff.

- (f) Any minimum Energy output associated with Regulation and Spinning Reserve services shall be the responsibility of the SC, as the ISO's auction does not compensate the SC for the minimum Energy output of its Generating Units or System Unit, if any, bidding to provide these services. Accordingly, the SCs shall adjust their Balanced Schedules to accommodate the minimum Energy outputs required by the Generating Units or System Units, if any, included in the Ancillary Services schedules.
- (g) SCs providing one or more of the Ancillary Services cannot change the identification of the Generating Units System Units or external imports of System Resources, if any, or Curtailable Demands offered in the Day-Ahead Market, in the Hour-Ahead Market, or in the Real Time Market (except with respect to System Units, if any, in which case SCs are required to identify and disclose the resource specific information for all Generating Units and Curtailable Demands constituting the System Unit scheduled or bid into the ISO's Day-Ahead Market and Hour-Ahead Market as required in SP 3.3.2(e)).

SP 9.4 Ancillary Service Bid Evaluation and Pricing Terminology

Unless otherwise specifically described herein, the following terminology will apply:

- $CapRes_{ijt}$ = the Ancillary Service reserve reservation bid price (in \$/MW).
- $Cap_{ijt,max}$ = the maximum amount of reserve that can be scheduled by the ISO with respect to a SC's bid of that resource to supply Ancillary Services (in MW).
- Cap_{ij} = that portion of an Ancillary Services bid (in MW), identified in the ISO's evaluation process, that may be used to meet the ISO's *Requirement* for a particular Ancillary Service ($Cap_{ijt} \leq Cap_{ijt,max}$)

