

**2.2.12.2 Reliability Must Run Information.** By no later than two hours before the close of the PX Day-Ahead Market for the Trading Day, the ISO will notify Scheduling Coordinators for Reliability Must-Run Units of the amount and time of Energy requirements from specific Reliability Must-Run Units that the ISO requires to deliver Energy in the Trading Day to the extent that the ISO is aware of such requirements (the “RMR Dispatch Notice”). The Energy to be delivered for each hour of the Trading Day pursuant to the RMR Dispatch Notice (including Energy the RMR Owner is entitled to substitute for Energy from the Reliability Must-Run Unit pursuant to the RMR Contract) shall be referred to as the “RMR Energy”.

**2.2.12.2.1** No later than one hour before the close of the PX Day-Ahead Market for the Trading Day, any RMR Owner receiving an RMR Dispatch Notice as indicated in this Section 2.2.12.2 (the “Applicable RMR Owner”) must notify the ISO through the RMR Owner’s Scheduling Coordinator (the “Applicable RMR SC”), with regard to each hour of the Trading Day identified in the RMR Dispatch Notice, ~~of, whether it intends to satisfy its obligation to deliver RMR Energy~~ (i) the amount of its obligation to deliver RMR Energy that it intends to satisfy by delivering the RMR Energy pursuant to a market transaction, and receiving only market compensation therefor (the “RMR Market ~~Option~~Energy”), ~~or~~ and (ii) the amount of its obligation to deliver RMR Energy that it intends to satisfy by delivering the RMR Energy as a contract transaction, and accepting payment under the relevant RMR Contract (the “RMR Contract ~~Energy~~Option”). If the

Applicable RMR Owner so notifies the ISO by March 1, 2001, for calendar year 2001, and by January 1 of any subsequent calendar year, the RMR Owner may during that calendar year notify the ISO directly of its choice of payment option, rather than through the Applicable RMR Owner's Scheduling Coordinator. If the Applicable RMR Owner elects to provide notice of its choice of payment option directly, the ISO will not accept notice from the Applicable RMR Owner's Scheduling Coordinator during the relevant calendar year. Notwithstanding anything to the contrary in any RMR Contract, the Applicable RMR Owner may not elect to satisfy its obligation to deliver the RMR Energy specified in the RMR Dispatch Notice by delivering that RMR Energy pursuant to a transaction in the Real Time Market.

**2.2.12.2.2 RMR Contract *EnergyOption*** – For each hour specified in the RMR Dispatch Notice, for which the Applicable RMR Owner elects the RMR Contract Option (“Contract Hour”), it shall bid the entire amount of the RMR Contract Energy for that hour into the PX Day-Ahead Market at zero dollars per MWh. ~~The Applicable RMR SC shall include in its Preferred Day-Ahead Schedule the total amount of the RMR Energy for each Contract Hour, unless the Applicable RMR Owners's total Energy award in PX Day-Ahead Market for that Contract Hour is less than the total amount of RMR Energy for that Contract Hour, in which case the Preferred Day-Ahead Schedule shall include that lesser amount. If the Applicable RMR Owner's total Energy award in the PX Day-Ahead Market for any Contract Hour is less than the full amount of the RMR Energy for that Contract Hour, the Applicable RMR Owner shall bid the remaining RMR Energy for that~~

~~Contract Hour into the next PX Market for such Contract Hour at zero dollars per MWh. The Applicable RMR SC shall include the entire RMR Energy for each Contract Hour in its Preferred Hour-Ahead Schedule for each such hour, unless the Applicable RMR Owner's Energy award in the PX markets for that Contract Hour is less than the total RMR Energy for such hour, in which case the Applicable RMR SC shall include that lesser amount. Whether or not the RMR Energy is in the Final Schedule, the Applicable RMR Owner must deliver the RMR Energy pursuant to the RMR Dispatch Notice. Notwithstanding anything to the contrary in the RMR Contract, neither the Applicable RMR Owner nor the Applicable RMR SC shall be entitled to any payment from any source for RMR Energy that is not bid and scheduled as required by this Section 2.2.12.2.2. All RMR Energy delivered under this option shall be deemed delivered under a Nonmarket Transaction for the purposes of the RMR Contract.~~

~~**2.2.12.2.3 RMR Market EnergyOption** – This Section 2.2.12.2.3 provides how an Applicable RMR Owner electing the RMR Market Option shall satisfy its obligation to deliver RMR Energy.~~

~~**2.2.12.2.3.1** For each hour specified in the RMR Dispatch Notice, for which an Applicable RMR Owner has selected the Market Option (“Market Hour”), the Applicable RMR Owner (i) may bid into the PX Day-Ahead Market any amount of the RMR Market Energy for that hour and (ii) may schedule as a bilateral Day-Ahead transaction any amount of RMR Energy for that hour.~~

~~**2.2.12.2.3.1 [Not Used]**~~

~~**2.2.12.2.3.1.1** The Preferred Day-Ahead Schedule of the Applicable RMR SC shall include as RMR Energy for each hour Market Hour no less than the sum of the RMR Contract Energy for that amount awarded to the Applicable RMR Owner in the PX Day-Ahead Market for that Market Hour~~

and the amount of RMR Market Energy scheduled as a bilateral Day-Ahead transaction for that Market Hhour, unless the amount awarded in the PX Day-Ahead Market is less than the amount of the RMR Contract Energy, in which case the Preferred Day-Ahead Schedule shall include the sum of that lesser amount and the amount of RMR Market Energy scheduled as a bilateral Day-Ahead transaction for that hour. If the Preferred Day-Ahead Schedule of the Applicable RMR SC for any Market Hhour includes Adjustment Bids for the RMR Unit, the Adjustment Bid shall specify the RMR Energy as the minimum MW output to which the Applicable RMR SC will allow the RMR Unit to be redispatched for that Market Hhour.

Notwithstanding anything to the contrary in the RMR Contract, neither the Applicable RMR Owner nor the Applicable RMR SC shall be entitled to any payment from any source for RMR Energy that is not bid and scheduled as required by this Section 2.2.12.2.2. In the event that the RMR Energy is not delivered, (i) if the RMR Energy had been scheduled, the Applicable RMR Owner shall not be entitled to an Availability Payment under the RMR Contract and the Applicable RMR SC shall pay for the Imbalance Energy necessary to replace that RMR Energy, or (ii) if the RMR Energy had not been scheduled, the Applicable RMR Owner shall not be entitled to an Availability Payment under the RMR Contract and, if the variable costs saved by the Owner's failure to deliver the RMR Energy (which shall be equal to the Variable Cost Payment determined pursuant to Schedule C in the RMR Contract) are greater than the foregone Availability Payment under the RMR Contract, the Applicable RMR Owner shall pay the difference between the variable costs saved and the Availability Payment.

**2.2.12.2.3.2** If the Applicable RMR SC's Preferred Day-Ahead Schedule does not include the entire amount of RMR Energy for any **Market Hour**, the Applicable RMR Owner shall bid all remaining RMR Energy for that **Market Hour**, net of any RMR **Market** Energy the Applicable RMR Owner elects to provide through an Hour-Ahead bilateral transaction for that **Market Hour**, into the next available PX Market for such hour at zero dollars per MWh.

**2.2.12.2.3.2.1** \_\_\_\_\_ The Applicable RMR SC's Preferred Hour-Ahead Schedule for each **Market Hour** shall include all RMR Energy specified in the RMR Dispatch Notice for that **Market Hour**, except for the amount of RMR Energy that the Applicable RMR Owner was required to bid into the PX Markets under this Section 2.2.12.2.3.2 but was not awarded in such PX Markets for such hour. If the Preferred Hour-Ahead Schedule of the Applicable RMR SC for any **Market Hour** includes Adjustment Bids for the RMR Unit, the Adjustment Bid shall specify the RMR Energy as the minimum MW output to which the Applicable RMR SC will allow the RMR Unit to be redispached for that **Market Hour**.

**2.2.12.2.3.3** Whether or not the RMR Energy is in ~~the a~~ Final **Preferred** Schedule, the Applicable RMR Owner must deliver the RMR Energy pursuant to the RMR Dispatch Notice. ~~If the RMR Owner has bid and scheduled the RMR Energy as required by this section 2.2.12.2.3, any RMR Energy provided but not included in the Final Schedule will be paid as Uninstructed Imbalance Energy. Notwithstanding anything to the contrary in the RMR Contract, neither the Applicable RMR Owner nor the Applicable RMR SC shall be entitled to any payment from any source for RMR Energy that is not bid and scheduled as required by this Section 2.2.12.2.3. If the amount of RMR Energy for any hour that is delivered is less than the amount specified for that hour in the RMR Dispatch Notice, the RMR~~

Energy delivered shall be deemed RMR Contract Energy in an amount not to exceed the amount that the Applicable RMR Owner elected to deliver as RMR Contract Energy for that hour; the remainder shall be deemed RMR Market Energy. Notwithstanding anything to the contrary in the RMR Contract, neither the Applicable RMR Owner nor the Applicable RMR SC shall be entitled to any payment from any source for RMR Energy that is not bid and scheduled as required by this Section 2.2.12.2. If the amount of RMR Energy for any hour that is bid and scheduled as required by this Section 2.2.12.2 is less than the amount of RMR Energy specified in the RMR Dispatch Notice for that hour, the RMR Energy bid and scheduled as required shall be deemed RMR Contract Energy in an amount not to exceed the amount that the Applicable RMR Owner elected to deliver as RMR Contract Energy; the remainder shall be deemed RMR Market Energy.

**2.2.12.2.4** If, at any time after two hours before the close of the PX Day-Ahead Market for the Trading Day, the ISO determines that it requires additional Energy from specific Reliability Must-Run Units during the Trading Day, the ISO will notify Scheduling Coordinators for such Reliability Must-Run Units of the amount and time of the additional Energy requirements from such Reliability Must-Run Units (the “Supplemental RMR Dispatch Notice”). No later than one hour before the close of the next PX Market for each hour specified in the Supplemental RMR Dispatch Notice, the Applicable RMR Owner must notify the ISO through the the Applicable

RMR SC, with regard to each such hour, of (i) the amount of its obligation to deliver RMR Energy specified in the Supplemental RMR Dispatch Notice that it intends to satisfy by delivering RMR Contract Energy, and (ii) the amount of its obligation to deliver RMR Energy that it intends to satisfy by delivering RMR Market Energy. The Energy specified in the Supplemental Dispatch Notice shall be subject to the same bidding, scheduling, and delivery requirements and pricing provisions specified in this [Section 2.2.12.2](#) as is RMR Energy not included in the Day-Ahead Schedule. If the ISO issues the Supplemental RMR Dispatch Notice less than two hours before the close of the last PX Market for any particular hour of the Trading Day, the Energy specified in the Supplemental Dispatch Notice for such particular hour shall be exempt from the bidding and scheduling requirements and the pricing provisions of this [Section 2.2.12.2](#), ~~except that, if the owner of the RMR Unit has already selected a payment option for any hour, the RMR Owner will be paid for that Energy in that particular hour according to that payment option. If the owner of the RMR Unit specified in the Supplemental RMR Dispatch Notice has not already notified the ISO of a payment option for any hour of the Trading Day included in the Supplemental Dispatch Notice at the time the Supplemental Dispatch Notice is issued, the RMR Owner shall do so no later than one hour before the close of the next PX Market for the Energy specified in the~~

~~Supplemental RMR Dispatch Notice and the elected payment option for such hour shall apply to RMR Energy bid into that and subsequent PX Markets for such hour during the Trading Day.~~