

**ATTACHMENT C**

**EXISTING TRANSMISSION CONTRACT SCHEDULING TEMPLATE**

## **SCHEDULES AND BIDS PROTOCOL (SBP)**

### **SBP 1 OBJECTIVES, DEFINITIONS AND SCOPE**

#### **SBP 1.1 Objectives**

The objectives of this Protocol are:

- (a) to require the provision of scheduling data to enable the ISO to undertake its scheduling process as described in the ISO Tariff and in the Scheduling Protocol (SP) taking into account the exercise of Firm Transmission Rights and rights under Existing Contracts for transmission service;
- (b) to require the provision of Ancillary Services Schedules and bidding data required by the ISO to enable the ISO to conduct its Ancillary Services auction as described in the ISO Tariff and in the SP; and
- (c) to specify the contents of Schedules and to specify in detail the bidding data referred to in the ISO Tariff. The scheduling process and timing of the submission of data referred to are set forth in the SP.

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#### **SBP 2.1 Contents of Schedules and Adjustment Bid Data**

SCs must comply with the ISO Data Templates and Validation Rules document, which contains the format for submission of Schedules and bid. Except as noted, eEach of the following data sections can be submitted up to seven (7) days in advance.

##### **SBP 2.1.1 Generation Section of a Balanced Schedule and Adjustment Bid Data**

The Generation section of a Balanced Schedule will include the following information for each Generating Unit:

- (a) SC's ID code;
- (b) type of market (Day-Ahead or Hour-Ahead) and Trading Day;
- (c) name of Generating Unit scheduled;
- (d) type of Schedule: Preferred or Revised (refer to the SP for details);
- (e) priority type, if applicable, to the Settlement Period (use OTHER if scheduling the use of Existing Contract rights or RLB\_MUST\_RUN) for Reliability Must-Run Generation;
- (f) contract reference number for Reliability Must-Run Generation ~~or Existing Contract (or set of interdependent Existing Contracts)~~;
- (g) Congestion Management flag – “Yes” indicates that any Adjustment Bid submitted under item (k) below should be used;
- (h) publish Adjustment Bid flag, which will not be functional on the ISO Operations Date. In the future, “Yes” will indicate that the SC wishes the ISO to publish its Adjustment Bids;
- (i) Generating Unit ramp rate in MW/minute;

- (j) hourly scheduled Generating Unit output in MWh (the ISO will multiply these values by the hourly Generation Meter Multipliers), including any zero values, for each Settlement Period of the Trading Day (in the case of a Day-Ahead Schedule) and for the relevant Settlement Period (in the case of an Hour-Ahead Schedule); and
- (k) the MW and \$/MWh values for each Generating Unit for which an Adjustment Bid is being submitted consistent with SBP 4.

### **SBP 2.1.2 Demand Section of a Balanced Schedule and Adjustment Bid Data**

The Demand section of a Balanced Schedule will include the following information for each Demand location:

- (a) SC's ID code;
- (b) type of market (Day-Ahead or Hour-Ahead) and Trading Day;
- (c) Demand ID – Demand location (which must be the name of a Demand Zone, Load group or bus);
- (d) type of Schedule: Preferred or Revised (refer to the SP for details);
- ~~(e) contract reference number for Existing Contract (or set of interdependent Existing Contracts);~~
- (fe) hourly scheduled MWh for each Settlement Period of the Trading Day that uses the Existing Contract indicated in (e) above (which values should be less than or equal to the values indicated in (i) below);
- ~~(g) contract reference number for Existing Contracts (or set of interdependent Existing Contracts);~~
- (hf) Congestion Management flag – “Yes” indicates that any Adjustment Bid submitted for a Dispatchable Load under item (i) below should be used;
- (ig) publish Adjustment Bid flag, which will not be functional on the ISO Operations Date. In the future, “Yes” will indicate that the SC wishes the ISO to publish its Adjustment Bids;
- (jh) hourly scheduled MWh, including any zero values, for each Settlement Period of the Trading Day (in the case of a Day-Ahead Schedule) and for the relevant Settlement Period (in the case of an Hour-Ahead Schedule); and
- (ki) the MW and \$/MWh values for each Dispatchable Load for which an Adjustment Bid is being submitted consistent with SBP 4.

### **SBP 2.1.3 External Import/Export Section of a Balanced Schedule and Adjustment Bid Data**

The external import/export section of a Balanced Schedule will include the following information for each import or export:

- (a) SC's ID code;
- (b) type of market (Day-Ahead or Hour-Ahead) and Trading Day;
- (c) Scheduling Point (the name);
- (d) type of Schedule: Preferred or Revised (refer to the SP for details);

- (e) interchange ID (the name of the selling entity, the buying entity, and a numeric identifier);
- (f) Energy type – firm (FIRM), non-firm (NFRM) or dynamic (DYN) or Wheeling (WHEEL);
- (g) \_dynamic-schedule flag—“Yes” indicates the SC will be dynamically scheduling the external import at the Scheduling Point;
- (gh) external Control Area ID;
- (hi) priority type, if applicable, to the Settlement Period (use OTHER if scheduling the use of Existing Contract rights or RLB\_MUST\_RUN for Reliability Must-Run Generation);
- (ij) contract reference number for Reliability Must-Run Generation or Existing Contract (or set of interdependent Existing Contracts);
- (jk) contract type – transmission (TRNS), Energy (ENGY) or both (TR\_EN);
- (kl) Schedule ID (NERC ID number);
- (lm) Congestion Management flag - “Yes” indicates that any Adjustment Bid submitted for an external import/export in item (gf) below should be used;
- (mn) publish Adjustment Bid flag, which will not be functional on the ISO Operations Date. In the future, “Yes” will indicate that the SC wishes the ISO to publish its Adjustment Bids;
- (ne) complete WSCC tag;
- (op) hourly scheduled external imports/exports in MWh (the ISO will multiply these values by the hourly Generation Meter Multipliers), including any zero values, for each Settlement Period of the Trading Day (in the case of a Day-Ahead Schedule) and for the relevant Settlement Period (in the case of an Hour-Ahead Schedule) and with external imports into the ISO Controlled Grid reported as negative quantities and external exports from the ISO Controlled Grid reported as positive quantities; and
- (pq) the MW and \$/MWh values for each external import/export for which an Adjustment Bid is being submitted consistent with SBP 4.

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### **SBP 2.1.5 Inter-Scheduling Coordinator Ancillary Service Trades ("Internal Imports/Exports") Section of a Balanced Schedule**

In the event of an Inter-Scheduling Coordinator Ancillary Service Trade, the SCs who are parties to that trade must agree on a Trading Zone in which the trade is deemed to take place and notify the ISO accordingly. The Ancillary Service obligations in the Trading Zone of each Scheduling Coordinator will be adjusted to reflect the trade. The Inter-Scheduling Coordinator Ancillary Service Trades section of a Schedule will include the following information for each Inter-Scheduling Coordinator Ancillary Service Trade.

- (a) SC's ID code;
- (b) type of market (Day-Ahead or Hour-Ahead) and Trading Day;
- (c) Trading SC (buyer or seller);
- (d) Trading Zone;
- (e) Schedule type-Regulation Up (ARGU), Regulation Down (ARGD), Spinning Reserve (ASPN), Non-Spinning Reserve (ANSP) or Replacement Reserve (AREP); and
- (f) Contracted MW amount of traded Ancillary Service obligation.

**SBP 2.1.6 Contract Usage Template Associated with a Balanced Schedule that Includes the Use of Existing Transmission Contract Rights or Firm Transmission Rights**

The contract usage template can be submitted the day prior to the Trading Day, as set forth in the timing requirements of the SP. The contract usage template can be submitted seven days in advance. However, the contract usage template will not be validated till the trade day. Each contract usage template must include the following information, in compliance with the ISO Data Templates and Validation Rules document which contains the format for submission of contract usage templates:

- (a) SC's ID code:
- (b) Type of market (Day-Ahead or Hour-Ahead) and Trading Day;
- (c) From Zone (must be different than "to Zone"), is the Zone in which all sources specified in the contract usage template must be located;
- (d) To Zone (must be different than "from Zone"), is the Zone in which all sinks specified in the contract usage template must be located;
- (e) Contract reference number for each Inter-Zonal Interface for which transmission capacity has been reserved under Existing Contract or Firm Transmission Right. Up to four contract reference numbers can be specified in this field, delimited by commas, for either Existing Contract usage or Firm Transmission Right usage, but not for both (i.e. Existing Contract rights and Firm Transmission Rights cannot be used together in linking sources and sinks on contract usage template). If the use of multiple Inter-Zonal Interfaces are being scheduled, the contract reference numbers must represent a contiguous string of contracts rights from one Zone to the next (although the contract reference numbers need not be listed in any particular order since they will be arranged by the ISO's scheduling program to connect the "from Zone" to "to Zone");
- (f) Usage ID (a unique identifier that allows a SC to submit multiple usages for a given Inter-Zonal Interface);
- (g) Contract usage, in hourly scheduled MW, for the 24 hours of the Trading Day (for Generators, contract usage can be either positive or negative [i.e., for pumps]; for loads, contract usage must be positive; for external imports and Inter-SC Trade imports, contract usage must be negative; for external exports, contract usage must be positive). Each contract usage amount must

be less than or equal to the amount of Existing Contract rights specified by the relevant Participating Transmission Owner(s) of Firm Transmission Rights, whichever the case may be. Additionally, any Adjustment Bids that may also be submitted for any particular resource (source or sink) that is also identified on a contract usage template must not overlap the contract usages specified for a particular resource in a contract usage template;

- (h) Priority usage, relative to all contract usages specified in a SC's Balanced Schedule, as expressed on a scale of one to ten (with 1 having least priority and 10 having highest priority). For Existing Transmission Contracts, this priority will be used to adjust usage quantities when scheduled usages exceed the reserved existing transmissions reservations; and
- (i) Sources or sinks, of hourly scheduled MWH (in the case of Energy usages) or MW (in the case of Ancillary Services usages), specified on the contract usage template must be balanced (except for Ancillary Services which need not be specified with sinks). Each Energy schedule or Ancillary Service bid or self-provided schedule associated with a particular source or sink must have an hourly usage schedule that is greater than or equal to the amounts specified on contract usage templates. The source/sink section of a contract usage template will include the following information (up to five combinations of sources and sinks can be specified on a single contract usage template if an SC is submitting the templates in accordance with SBP 7.2(a), or up to 20 combinations of sources and sinks if an SC is submitting the templates in accordance with SBP 7.2(b) or SBP 7.2(c)):
  - (1) Type of resource – generation (GEN), load (LOAD), interchange (INTRCHANGE) or Inter-SC Trade (INTER\_SC);
  - (2) Resource ID – generator ID, load ID, tie point or trading SC;
  - (3) Resource ID2 (required only for individual interchange schedules and Inter-SC Trades);
  - (4) Energy type – firm (FIRM), non-firm (NFIRM), wheeling (WHEEL), dynamic (DYN), Energy (ENGY), Spinning Reserve (CSPN), Non-Spinning Reserve (CNSPN) or Replacement Reserve (CRPLC); and
  - (5) Hourly scheduled Energy or Ancillary Service, utilizing the same sign convention as set forth in (g) above.

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### **SBP 2.2.1 Stage One Validation**

During stage one validation, each incoming Schedule will be validated to verify proper content, format and syntax. The ISO will check that the SC had not exceeded its Security Amount and verify that the SC is certified in accordance with the ISO Tariff. The ISO will further verify that the SC has inputted valid Generating Unit and Demand location identification. Scheduled Reliability Must-Run Generation will be verified against the contract reference numbers in the ISO's Scheduling Coordinator database. A technical validation will be performed verifying that a scheduled Generating Unit's output is not beyond it's declared capacity and/or operating limits. If there is an error found during stage one validation, the SC will be notified immediately through WEnet. The SC can then look at the notification messages to review the detailed list of errors, make changes, and resubmit the Schedule if it is still within the timing requirements of the SP. Additionally, if the ISO detects an invalid contract usage (of either Existing Contract rights or Firm Transmission Rights), the ISO will issue an error message in similar manner to the SC and allow the SC to view the message(s).

to make changes, and to resubmit the contract usage template(s) if it is still within the timing requirements of the SP. The SC is also notified of successful validation via WEnet.

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### **SBP 3.3.2 Curtailment under Non-Emergency Conditions**

Unless otherwise specified by the Responsible PTO in the instructions that it submits to the ISO under SBP 3.3.1, the ISO will allocate any necessary curtailments under non-emergency conditions, *pro rata*, among holders of Existing Rights or Non-Converted Rights, at particular Scheduling Points and/or on particular contract paths, in the order of: (1) non-firm, (2) each priority of conditional firm, and (3) each priority of firm rights. Priorities for firm and conditional firm transmission service are indicated using Adjustment Bidscontract usage templates, as described in the SBP 2.1.5 and in the SP.

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### **SBP 3.4 Validation of Existing Contract Schedules**

Each Schedule submitted to the ISO by a SC representing a rights holder to an Existing Contract must include a valid contract reference number in accordance with SBP 3.3. If the Schedule includes an Inter-Scheduling Coordinator Trade, only one of the SCs should submit a contract reference number. If a match of the Schedule's contract reference number is found in the ISO's database and the Schedule is consistent with the instructions submitted previously by the Responsible PTO, the Schedule will be implemented in accordance with the instructions. If a match of the Schedule's contract reference number cannot be found in the ISO's database or if both SCs which are parties to an Inter-Scheduling Coordinator Trade submit contract reference numbers, the ISO will contactissue an error message to the SC via the WEnet (as described in SBP 2.2.1) and indicate the nature of the problem. The ISO will assist the SC, within reason, in resolving the problem so that the SC is able to submit the Schedule successfully as soon as possible within the timing requirements of the SP. If the SC uses a contract reference number for which the responsible PTO has not reserved transmission capacity on a particular path (*i.e.*, the contract reference nNumber(s) included on a contract usage template cannot be found in the ISO's scheduling applications table of contract reference numbers), the scheduled use will be treated as a new firm use with a \$0/MWh Adjustment Bidinvalidated and the SC notified by the ISO's issuance of an invalidated usage information template.

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## **SCHEDULING PROTOCOL (SP)**

### **SP 1 OBJECTIVES, DEFINITIONS AND SCOPE**

#### **SP 1.1 Objectives**

The objectives of this Protocol are:

- (a) to process the scheduling input data (submitted to the ISO under the Ancillary Service Requirements Protocol (ASRP), the Demand Forecasting Protocol (DFP), and the Schedules and Bids Protocol (SBP)) in order to develop Final Schedules for the Day-Ahead and Hour-Ahead Markets (real time management of the ISO Controlled Grid is addressed in the Dispatch Protocol (DP));
- (b) to provide for the scheduling of the use of [Firm Transmission Rights and use of](#) transmission service rights under Existing Contracts;
- (c) to assist the ISO in purchasing Ancillary Services; and
- (d) to manage Congestion.

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**SP 3.2.4**

**[Unused] By 8:00 am, One Day Ahead**

By 8:00 am on the day ahead of the Trading Day (for example, by 8:00 am on Tuesday for the Wednesday Trading Day), and for each Settlement Period of that Trading Day, Firm Transmission Rights owners will notify the ISO, via the Secondary Registration System or other means established by the ISO, of any transaction of Firm Transmission Rights and of any changes in SCs' rights to schedule the use of Firm Transmission Rights at particular Inter-Zonal Interfaces.

**SP 3.2.5**

**[Unused] By 8:30 am, One Day Ahead**

By 8:30 am on the day ahead of the Trading Day (for example, by 8:30 am on Tuesday for the Wednesday Trading Day), and for each Settlement Period of that Trading Day, Participating Transmission Owners will notify the ISO, via e-mail of an electronic spreadsheet or other means established by the ISO, of the amounts of transmission capacity to reserve for its transmission service customers under Existing Contracts at particular Inter-Zonal Interfaces. Upon receiving this information, the ISO will, by 9:00 am, calculate the Firm Transmission Rights available on each Inter-Zonal Interface after taking into account transfer capabilities and Existing Contract transmission capacity reservations, and then publish adjusted scheduling rights for SCs scheduling the use of Firm Transmission Rights and Existing Contract rights. After publishing the adjusted scheduling rights for Existing Contract rights and Firm Transmission Rights, SCs may submit contract usage templates (in accordance with the SBP) for validation by the ISO prior to the ISO's deadline for receiving Preferred Day-Ahead Schedules.

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**SP 3.2.6.1**

**Actions by SCs and the ISO**

By 10:00 am on the day ahead of the Trading Day (for example, by 10:00 am on Tuesday for the Wednesday Trading Day) and for each Settlement Period of that Trading Day (see SP 3.2.6.2 for information on the pre-validation performed at ten (10) minutes prior to the 10:00 am deadline):

- (a) SCs will submit their Preferred Day-Ahead Schedules to the ISO in accordance with the SBP;
- (b) SCs will submit, as part of their Preferred Day-Ahead Schedules, their Adjustment Bids, if any, to the ISO in accordance with the SBP;
- (c) SCs will submit their Ancillary Services bids, if any, to the ISO in accordance with the SBP and SP 9;
- (d) SCs will submit their schedules for self-provided Ancillary Services, if any, to the ISO in accordance with the SBP and SP 9;
- (e) the ISO will validate (in accordance with the SBP) all SC submitted Preferred Day-Ahead Schedules for Energy and Adjustment Bids and may assist SCs to resolve mismatches in scheduled quantities or

locations for Inter-Scheduling Coordinator Energy Trades in accordance with the procedure described in SP 3.2.6.4;

- (f) the ISO will validate (in accordance with the SBP) all SC submitted schedules for self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids which were part of their Preferred Day-Ahead Schedules;
- (g) the ISO will validate (in accordance with the SBP) all contract usage templates received from SCs for scheduled uses of Existing Contract rights and Firm Transmission Rights;
- (hg) the ISO will start the first iteration of Inter-Zonal Congestion Management process as described in SP 10;
- (ih) the ISO will start the Ancillary Services bid evaluation process as described in SP 9; and
- (ji) the ISO will notify SCs of any Reliability Must-Run Units which have not been included in Preferred Day-Ahead Schedules but which the ISO requires to run in the Trading Day, except in those instances where a Reliability Must-Run Unit requires more than one day's notice, in which case the ISO may notify the applicable SC more than one day in advance of the Trading Day and except for those Reliability Must-Run Units that the ISO may subsequently call upon for Ancillary Services capacity pursuant to Section 5.2 of the Tariff.

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### SP 3.2.6.3 Invalidation

Invalidation Except with respect to invalidated contract usage associated with Existing Contract rights or Firm Transmission Rights, invalidation of the submittal for any Settlement Period results in rejection of the submittal for all Settlement Periods of the relevant Trading Day. SCs will be notified of any invalid contract usage via an invalidated contract usage template issued, via the WEnet, by the ISO. Invalidation of contract usage will not cause the rejection of the SC's submittal; instead, invalid contract usage will be treated as new firm uses of ISO transmission service without the priorities and protections afforded the scheduled use of Existing Contract rights and Firm Transmission Rights. During the initial operations of the ISO, the ISO may assist SCs to resolve mismatches in the scheduled quantities or locations for Inter-Scheduling Coordinator Energy Trades contained in their Preferred Schedules in accordance with SP 3.2.6.4. Except with respect to contract usage templates (for which SCs can check whether or not their submittal will pass the ISO's validation checks between 9:00 am and 10:00 am), SCs may check at any time prior to 10:00 am whether or not their submittal will pass the ISO's validation checks at 10:00 am. It is the responsibility of the SCs to perform such checks since Preferred Day-Ahead Schedules, Adjustment Bids, Schedules of self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids which are invalidated cannot be resubmitted after 10:00 am for the Day-Ahead Market, except that, during the initial period of ISO operations, the ISO will allow resubmission of Preferred Schedules which have mismatches in the scheduled quantities or locations for Inter-Scheduling Coordinator Energy Trades. The ISO will immediately communicate the results of each SC's 10:00 am validation to that SC via WEnet.

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### SP 3.2.7

#### By 11:00 am, One Day Ahead

By 11:00 am on the day ahead of the Trading Day (for example, by 11:00 am on Tuesday for the Wednesday Trading Day) and for each Settlement Period of that Trading Day:

- (a) the ISO will complete the first iteration of the Inter-Zonal Congestion Management process described in SP 10 (if Inter-Zonal Congestion does not exist in any Settlement Period of the Trading Day, the scheduling process will continue with the steps at SP 3.2.9);
- (b) the ISO will provide, via WEnet, Suggested Adjusted Day-Ahead Schedules for Energy to all SCs which submitted Preferred Day-Ahead Schedules at 10:00 am, including the SCs which it is proposed should, as a result of Inter-Zonal Congestion Management, have their Preferred Day-Ahead Schedules modified;
- (c) the ISO will publish on WEnet the estimated Day-Ahead Usage Charge rate (in \$/MWh of scheduled flow) for Energy transfers between Zones; **and**
- (d) the ISO will provide, via WEnet, along with the Suggested Adjusted Day-Ahead Schedules, schedules for Ancillary Services to the SCs which either:
  - (i) submitted Ancillary Services bids and which, as a result, are proposed to supply Ancillary Services; or
  - (ii) submitted schedules to self-provide Ancillary Services and which schedules have been accepted by the ISO;
- (e) the ISO will provide, via WEnet, the available contract capacity template associated with the SC's scheduled use of any Existing Contract rights or Firm Transmission Rights. If any derate of an Inter-Zonal Interface has occurred, the ISO will also provide, via WEnet, the invalidated usage information template.

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### SP 3.2.8.1

#### Actions by SCs and the ISO

- (a) SCs will submit Revised Day-Ahead Schedules to the ISO, in response to the ISO's Suggested Adjusted Day-Ahead Schedules, in accordance with the SBP;
- (b) SCs will submit, as part of their Revised Day-Ahead Schedules, revised Adjustment Bids (allowing the range of usage to change, but not the prices), if any, to the ISO in accordance with the SBP;
- (c) SCs will submit revised Ancillary Services bids, if any, to the ISO in accordance with the SBP and SP 9;
- (d) SCs will submit their schedules for self-provided Ancillary Services, if any, to the ISO in accordance with the SBP and SP 9;
- (e) the ISO will validate (in accordance with the SBP) all SC submitted Revised Day-Ahead Schedules for Energy and Adjustment Bids and may assist SCs to resolve mismatches in scheduled quantities or locations for

Inter-Scheduling Coordinator Energy Trades in accordance with the same procedure described in SP 3.2.8.4;

- (f) the ISO will validate (in accordance with the SBP) all SC submitted schedules for self-provided Ancillary Services and Ancillary Services bids which were part of their Revised Day-Ahead Schedules;
- (g) the ISO will validate (in accordance with the SBP) all contract usage templates received from SCs for scheduled uses of Existing Contract rights and Firm Transmission Rights;
- (gh) the ISO will start the second (and final) iteration of the Inter-Zonal Congestion Management process as described in SP 10;
- (hi) the ISO will start the second (and final) iteration of the Ancillary Services bid evaluation process as described in SP 9; and
- (ij) the ISO will use the SC's Preferred Day-Ahead Schedule in the event the SC does not submit a Revised Day-Ahead Schedule. If a SC desires to revise only part of its Preferred Day-Ahead Schedule, those portions of the Revised Day-Ahead Schedule must be submitted, including both the removal of any resources in the Preferred Day-Ahead Schedule which are not to be included in the Revised Day-Ahead Schedule and the addition of any resources that were not included in the Preferred Day-Ahead Schedule but that are to be included in the Revised Day-Ahead Schedule. A SC's failure to remove such resources will cause the Revised Schedule to be unbalanced, and rejected as such in the ISO's validation process.

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### SP 3.2.8.3 Invalidation

Invalidation Except with respect to invalidated contract usage associated with Existing Contract rights or Firm Transmission Rights, invalidation of the submittal for any Settlement Period results in rejection of the submittal for all Settlement Periods of the relevant Trading Day. SCs will be notified of any invalid contract usage via an invalidated contract usage template issued, via the WEnet, by the ISO. Invalidation of contract usage will not cause the rejection of the SC's submittal; instead, invalid contract usage will be treated as new firm uses of ISO transmission service without the priorities and protections afforded the scheduled use of Existing Contract rights and Firm Transmission Rights. During the initial operations of the ISO, the ISO may assist SCs to resolve mismatches in the scheduled quantities or locations for Inter-Scheduling Coordinator Energy Trades in accordance with 3.2.8.4. Except with respect to contract usage templates, SCs may check at any time prior to 12:00 noon whether or not their submittal will pass the ISO's validation checks (which are undertaken at 12:00 noon). It is the responsibility of the SCs to perform such checks since Revised Day-Ahead Schedules, Adjustment Bids, schedules of self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids which are invalidated cannot be resubmitted after 12:00 noon for the Day-Ahead Market, except that during the initial period of operations, the ISO will allow resubmission of Schedules to resolve mismatches in the scheduled quantities and locations for Inter-Scheduling Coordinator Energy Trades. The ISO will immediately communicate the results of each SC's 12:00 noon validation to that SC via WEnet.

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### SP 3.3

#### Hour-Ahead Market

- (a) The Hour-Ahead Market is a “deviations” market in that it represents changes from the Day-Ahead Market commitments already made for each Settlement Period in the Trading Day. The SCs do not schedule these deviations. Instead, these deviations are calculated by the ISO as the difference between the Final Hour-Ahead Schedules (reflecting updated forecasts of Generation, Demand, external imports/exports and Inter-Scheduling Coordinator Energy Trades) and the Final Day-Ahead Schedules. If a SC does not submit a valid Preferred Hour-Ahead Schedule, its Final Day-Ahead Schedule will be deemed to be its Preferred Hour-Ahead Schedule.
- (b) The Hour-Ahead Markets for each Settlement Period of each Trading Day open when the Day-Ahead Market commitments are made for the same Trading Day. Hour-Ahead Market commitments are made one hour ahead of the start of the applicable Settlement Period, at which time the ISO issues the Final Hour-Ahead Schedules. There is an option in the bid submittal process for a SC to submit a Schedule or bid for one Settlement Period of the Trading Day or a set of Schedules and bids for all Settlement Periods of the Trading Day (but only between 1:00 pm and 12:00 midnight the day before).
- (c) For each Hour-Ahead Market of the Trading Day the ISO's validation of SCs' contract usage templates, associated with Existing Contract rights or Firm Transmission Rights, will be performed. If a derate of an Inter-Zonal Interface has occurred which affects an SC's Final Day-Ahead Schedule or Ancillary Service commitments, the ISO will notify the SC, via the WENet, of its available contract capacity. Additionally, the ISO will validate SCs' scheduled usage against SCs' contract usage templates and notify SCs of any invalidated usage. Such validations and notifications associated with contract usage, available contract capacities and invalidated contract usage will occur during the two hours prior to the ISO's deadline for receiving Preferred Hour-Ahead Schedules.

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#### SP 3.3.1.1

##### Actions by SCs and the ISO

- (a) SCs will submit their Preferred Hour-Ahead Schedules to the ISO in accordance with the SBP;
- (b) SCs will submit, as part of their Preferred Hour-Ahead Schedules, their Adjustment Bids, if any, to the ISO in accordance with the SBP;
- (c) SCs will submit their Ancillary Services bids, if any, to the ISO in accordance with the SBP and SP 9;
- (d) SCs will submit their Schedules for self-provided Ancillary Services and Inter-Scheduling Coordinator Ancillary Service Trades, if any, to the ISO in accordance with the SBP and SP 9;
- (e) the ISO will validate (in accordance with the SBP) all SC submitted Preferred Hour-Ahead Schedules for Energy and Adjustment Bids;
- (f) SCs will submit contract usage templates for scheduled uses of Existing Contract Rights and Firm Transmission Rights in accordance with the Hour-Ahead Market schedule, including usage template changes needed in response to line derations;

- (g) the ISO will validate (in accordance with the SBP) all contract usage templates received from SCs for scheduled uses of Existing Contract rights and Firm Transmission Rights;
- (fh) the ISO will validate (in accordance with the SBP) all SC submitted Schedules for self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids which were part of their Preferred Hour-Ahead Schedules;
- (gi) the ISO will start the Inter-Zonal Congestion Management process as described in SP 10; and
- (hj) the ISO will start the Ancillary Services bid evaluation process as described in SP 9.

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### SP 3.3.1.3 Invalidation

~~Invalidation~~Except with respect to invalidated contract usage associated with Existing Contract rights or Firm Transmission Rights, invalidation of the submittal results in rejection of the submittal. SCs will be notified of any invalid contract usage via an invalidated contract usage template issued, via the WEnet, by the ISO. Invalidation of contract usage will not cause the rejection of the SC's submittal; instead, invalid contract usage will be treated as new firm uses of ISO transmission service without the priorities and protections afforded the scheduled use of Existing Contract rights and Firm Transmission Rights. SCs may check at any time prior to two hours ahead of the relevant Settlement Period whether or not their submittals will pass the ISO's validation checks (which are undertaken at two hours ahead of the Settlement Period). It is the responsibility of SCs to perform such checks since Preferred Hour-Ahead Schedules, Adjustment Bids, schedules of self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades and Ancillary Services bids which are invalidated cannot be resubmitted for the Hour-Ahead Market after two hours ahead of the relevant Settlement Period. If the usage or sum of the usages associated with an Existing Transmission Contract results in the contract being over-scheduled, the usages will be adjusted such that a usage in excess of the ETC rights will be considered a New Firm Use (NFU) and will be exposed to Congestion charges.

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### SP 7.2.2 Prioritization of Transmission Uses

The following rules are designed to enable the ISO to honor Existing Contracts in accordance with Sections 2.4.3 and 2.4.4 of the ISO Tariff, except as may be limited by the operation of SP 7.4. Regardless of the success of the application of such rules, it is intended that the rights under Existing Contracts will be honored as contemplated by the ISO Tariff except as may be limited by the operation of SP 7.4. In each of the categories described in SP 7.2.1, the terms and conditions of service may differ among transmission contracts. These differences will be described by each Responsible PTO in the instructions submitted to the ISO in advance of the scheduling process in accordance with the SBP. In addition, Generation, Inter-Scheduling Coordinator Energy Trade imports or external imports in one Zone must be matched by an equal magnitude of Demand, Inter-Scheduling Coordinator Energy Trade exports or external exports in an adjacent Zone (see SP 7.2.3 for a summary of allowable linkages). Scheduling and curtailment priorities associated with each category will be defined by SCs through the use of Adjustment Bidscontract usage templates submitted as part of their Schedules as described in the SBP, following (see the SBP for a more general description of the use of Adjustment Bids to establish

~~priorities within Existing Contracts and to establish priorities for Reliability Must-Run Generation):~~

- (a) Transmission capacity for Schedules will be made available to holders of firm Existing Rights and firm Non-Converted Rights in accordance with this SP and the terms and conditions of their Existing Contracts. In the event that the firm uses of these rights must be curtailed, they will be curtailed on the basis of ~~“high-priced Adjustment Bids”~~priority expressed in contract usage templates. So as not to be curtailed before any other scheduled use of Congested Inter-Zonal Interface capacity, ~~these high priced Adjustment Bids must fall within a range to be specified by the ISO the ISO's Congestion Management software will assign high priced Adjustment Bids to the scheduled uses~~ (for example, a difference of \$~~9130~~130,000/MWh to \$~~140~~140,000/MWh for Demand or external exports and a difference of -\$~~9130~~130,000/MWh to -\$~~140~~140,000/MWh for Generation or external imports). This range will be reserved strictly for use in association with the prioritization of firm Existing Rights and firm Non-Converted Rights to use available Inter-Zonal Interface transmission capacity. These high priced Adjustment Bids are only for the ISO's use, in the context of Congestion Management, in recognizing the various levels of priority that may exist among the scheduled uses of firm transmission service. These high priced Adjustment Bids will not affect any other rights under Existing Contracts. To the extent that the MW amount exceeds the MW amount specified in the Existing Contract, the excess scheduled amount will be treated as a new firm use of ISO transmission services as described in (b) below. Note that, in some instances, for a particular Inter-Zonal Interface, there may be multiple SCs submitting Schedules under several different Existing Contracts on behalf of several Existing Contract rights holders. In these circumstances, and to the extent the rights holders desire to coordinate the prioritization of their firm uses of the Inter-Zonal Interface ~~(i.e., attribute high-priced Adjustment Bids, within the specified range, to each Schedule)~~, their SCs will make the arrangements among themselves ahead of the ISO's scheduling process. In the absence of ~~an Adjustment Bid a valid contract usage template associated with Existing Contract rights~~, the ISO will treat the scheduled use of transmission service as a “price-taker” of ISO transmission service subject to Usage Charges.
- (b) ISO transmission service (i.e., “new firm uses”) will be priced in accordance with the ISO Tariff. Usage Charges associated with the ISO's Congestion Management procedures, as described in SP 10, will be based on Adjustment Bids ~~which do not fall within either of the ranges specified in (a) above or (c) below~~. In the absence of an Adjustment Bid, the ISO will treat the scheduled “new firm use” of ISO transmission service as a price taker paying the Usage Charge established by the highest valued use of transmission capacity between the relevant Zones.
- (c) Transmission capacity will be made available to holders of conditional firm Existing Rights and conditional firm Non-Converted Rights in a manner similar to that done prior to the ISO Operations Date; that is, allocated, as available, based on the agreed priority. The levels of priority will be expressed in the contract usage templates associated with the Schedules, in terms of “near-zero priced Adjustment Bids”. ~~Adjustment Bids with the lowest near-zero price will be treated with the lowest priority. These near-zero priced Adjustment Bids must fall within a range to be specified by the ISO (for example, a difference of \$0.001/MWh to \$0.009/MWh). This range will be reserved strictly for use~~

~~in association with the prioritization of conditional firm Existing Rights and conditional firm Non-Converted Rights to use available Inter-Zonal Interface transmission capacity. These near-zero priced Adjustment Bids are only for the ISO's use, in the context of Congestion Management, in recognizing the various levels of priority that may exist among the scheduled uses of conditional firm transmission service. These near-zero priced Adjustment Bids are not intended to affect any other rights under Existing Contracts, nor are they intended to subordinate the ISO's scheduling of firm uses.~~ To the extent that the MW amount in a schedule exceeds the MW amount specified in the Existing Contract contract usage template, the excess scheduled amount will be treated as a new firm use of ISO transmission services as described in (b) above. Note that, in some instances, for a particular Inter-Zonal Interface, there may be multiple SCs submitting Schedules under several different Existing Contracts on behalf of several Existing Contract rights holders. In these circumstances, and to the extent the rights holders desire to coordinate the prioritization of their conditional firm uses of the Inter-Zonal Interface ~~(i.e., attribute near-zero priced Adjustment Bids, within the specified range, to each Schedule)~~, their SCs will make the arrangements among themselves ahead of the ISO's scheduling process. In the absence of an Adjustment Bid a valid contract usage template associated with Existing Contract rights, the ISO will treat the scheduled use of transmission service as a "price-taker" of ISO transmission services subject to Usage Charges.

- (d) Transmission capacity will be made available to holders of non-firm Existing Rights and non-firm Non-Converted Rights in a manner similar to that done prior to the ISO Operations Date; that is, treated as the lowest valued use of available transmission capacity. Non-firm uses of transmission capacity under Existing Contracts will be indicated in Schedules submitted by SCs as \$0.00/MWh Adjustment Bids. Therefore, there will be no contract reference number associated with non-firm Existing Contract rights.

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#### SP 7.3.4 Allocation of Inter-Zonal Interface Capacities

In the ISO's Congestion Management analysis of the Day-Ahead Market, for each Inter-Zonal Interface:

- (a) if all scheduled uses of transmission service fit within the adjusted total transfer capability, all are accepted (in other words, there is no Congestion);
- (b) if all scheduled uses of transmission service do not fit within the adjusted total transfer capability, scheduled uses of non-firm Existing Rights and non-firm Non-Converted Rights will be curtailed, pro rata, to the extent necessary. If the remaining scheduled uses of transmission service still do not fit within the adjusted total transfer capability, uses of conditional firm Existing Rights and conditional firm Non-Converted Rights will be curtailed (based upon the levels of priority expressed in the contract usage templates for Schedules in terms of near-zero priced Adjustment Bids as described in SP 7.2.2 (c)) to the extent necessary;
- (c) if Congestion still exists after curtailing all lower priority schedules (e.g. requesting non-firm and conditional firm uses of transmission service under Existing Contracts), the remaining transmission capacity (that is not already reserved as firm Existing Rights and firm Non-Converted



Rights) is priced based upon Adjustment Bids. To the extent there are insufficient Adjustment Bids to fully mitigate the remaining Congestion, the default Usage Charge will apply and the ISO will curtail ISO transmission service (in other words, new firm uses other than Firm Transmission Rights uses evaluated in the Day-Ahead process), pro rata, to the extent necessary; and

(d) If Congestion still exists after curtailing all new firm uses (other than Firm Transmission Rights uses) in the Day-Ahead scheduling process, scheduled uses of Firm Transmission Rights are then curtailed, pro rata, to the extent necessary; and

~~(d)~~ if Congestion still exists after curtailing ISO new firm uses and uses of Firm Transmission Rights, scheduled uses of firm Existing Rights and firm Non-Converted Rights are then curtailed (based upon the priorities expressed in the contract usage templates associated with the Schedules in terms of high-priced Adjustment Bids as described in SP 7.2.2 (a)) to the extent necessary.

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#### **SP 7.4.5 Allocation of Inter-Zonal Interface Capacities**

In the ISO's Congestion Management analysis of the Hour-Ahead Market, for each Inter-Zonal Interface:

- (a) if all scheduled uses of transmission service fit within the total transfer capability, all are accepted (in other words, there is no Congestion);
- (b) if all scheduled uses of transmission service do not fit within the total transfer capability, scheduled uses of non-firm Existing Rights and non-firm Non-Converted Rights will be curtailed, pro rata, to the extent necessary. If the remaining scheduled uses of transmission service still do not fit within the total transfer capability, scheduled uses of conditional firm Existing Rights and conditional firm Non-Converted Rights will be curtailed (based upon the levels of priority expressed in the contract usage templates for the Schedules in terms of near-zero priced Adjustment Bids as described in SP 7.2.2 (c)) to the extent necessary;
- (c) if Congestion still exists after curtailing all lower priority schedules (e.g. representing non-firm and conditional firm uses of transmission service under Existing Contracts), the remaining transmission capacity (the subject of firm Existing Rights and firm Non-Converted Rights) is priced based upon Adjustment Bids. To the extent there are insufficient Adjustment Bids to fully mitigate the remaining Congestion, the default Usage Charge will apply and the ISO will curtail ISO transmission service (in other words, new firm uses including new firm uses of Firm Transmission Rights), pro rata, to the extent necessary; and
- (d) if Congestion still exists after curtailing ISO new firm uses, scheduled uses of firm Existing Rights and firm Non-Converted Rights will be curtailed (based upon the priorities expressed in the contract usage templates associated with the Schedules in terms of high-priced Adjustment Bids as described in SP 7.2.2 (a)) to the extent necessary.