

**2.2.4.6 Notification of Termination.** The ISO shall, ~~as soon as reasonably practicable following the occurrence of any of the events promptly after providing written notice of default to a Scheduling Coordinator~~ as specified in Section 2.2.4.5(a), notify the Scheduling Coordinators that could be required to represent End Use Eligible Customers of the Scheduling Coordinator under Section 2.2.4.7.2 if the default is not cured. The ISO shall, as soon as reasonably practicable following the occurrence of any of the events specified in Section 2.2.4.5, notify the Scheduling Coordinator and the Scheduling Coordinators that could be required to represent End Use Eligible Customers of the defaulting Scheduling Coordinator, and the UDCs, and shall as soon as reasonably practicable after the issuance of ~~the such~~ notice of termination post such notice on the ISO Home Page. Termination of the SC Agreement will automatically remove the Scheduling Coordinator's certification under Section 2.2.4 and Section 2.5.6.

\* \* \* \* \*

**7.2.6.2 Intra-Zonal Congestion During Initial Period.** Except as provided in Sections 5.2 and 11.2.4.2, ~~during the initial period of operation,~~ the ISO will perform Intra-Zonal Congestion Management in real time using available Adjustment Bids and Imbalance Energy bids, based on their effectiveness and in merit order, to minimize the cost of alleviating Congestion. In the event no Adjustment Bids or Imbalance Energy bids are available, the ISO will exercise its authority to direct the redispatch of resources ~~as allowed under the Tariff, including Section 2.4.2 and 2.4.4.~~

\* \* \* \* \*

### **11.2.9 Neutrality Adjustments**

The ISO shall be authorized to levy additional charges or payments as special adjustments in regard to:

- (a) amounts required to round up any invoice amount expressed in dollars and cents to the nearest whole dollar amount in order to clear the ISO Clearing Account. These charges will be allocated amongst Scheduling Coordinators over an interval determined by the ISO and pro rata based on metered Demand (including exports) during that interval;

- (b) amounts in regard to penalties which may be levied by the ISO in accordance with the ISO Tariff. These charges will be levied on the Market Participants liable for payment of the penalty;
- (c) amounts required to reach an accounting trial balance of zero in the course of the Settlement process in the event that the charges calculated as due from ISO Debtors are lower than payments calculated as due to the ISO Creditors for the same Trading Day. These charges will be allocated amongst the Scheduling Coordinators who traded on that Trading Day pro rata to their metered Demand (including exports) in MWh of Energy for that Trading Day. In the event that the charges due from ISO Debtors are higher than the payments due to ISO Creditors, the ISO shall allocate a payment to the Scheduling Coordinators who traded on that Trading Day pro rata to their metered Demand (including exports) in MWh of Energy for that Trading Day;
- (d) amounts required with respect to payment adjustments for regulating Energy as calculated in accordance with Section 2.5.27.1. These charges will be allocated amongst the Scheduling Coordinators who traded on that Trading Day pro rata to their metered Demand (~~including~~ excluding exports) in MWh for that Trading Day; and
- (e) awards payable by or to the ISO pursuant to good faith negotiations or ISO ADR Procedures that the ISO is not able to allocate to or to collect from a Market Participant or Market Participants in accordance with Section 13.5.3. These charges will be allocated amongst Scheduling Coordinators over an interval determined by the ISO and pro rata based on metered Demand (including exports) during that interval.

\* \* \* \* \*

#### **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) 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);

(f) Congestion Management flag – “Yes” indicates that any Adjustment Bid submitted for a Dispatchable Load under item (i) below should be used;

(g) 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;

(h) 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**

(i) the MW and \$/MWh values for each Dispatchable Load for which an Adjustment Bid is being submitted consistent with SBP 4.; **and**

(j) **requisite NERC tagging data.**

\* \* \* \* \*

#### **SBP 5.1.1 Regulation**

##### **SBP 5.1.1.1 Regulation: Generating Units or System Units**

Each SC desiring to self-provide Regulation or to participate in the ISO’s Regulation auction will submit the following information for each relevant Generating Unit or System Unit for each Settlement Period of the relevant Trading Day:

(a) type of schedule: Regulation Ancillary Service (ANC\_SRVC) or Revised Regulation Ancillary Service (REVISED\_ANC\_SRVC);

(b) SC’s ID code;

(c) type of market (Day-Ahead or Hour-Ahead) and Trading Day;

(d) Generating Unit or System Unit ID code;

(e) preferred bid flag, a “YES” indicates a bid and a “NO” indicates a self-provided schedule;

(f) upward and downward range of Generating Unit or System Unit capacity over which the Generating Unit or System Unit is offering to provide Regulation;

(g) Generating Unit or System Unit operating limits (high and low MW);

(h) Generating Unit or System Unit ramp rate (MW/minute);

(i) bid price for Regulation capacity (\$/MW); and

(j) bid price for **Regulationregulating** Energy if called upon (\$/MWh) **(required for validation of bid only).**

\* \* \* \* \*

**SP 3.2.9 By 1:00 pm, Day Ahead**

By 1:00 pm on the day ahead of the Trading Day (for example, by 1:00 pm on Tuesday for the Wednesday Trading Day) and for each Settlement Period of that Trading Day:

- (a) the ISO will complete the second iteration, if necessary, of the Inter-Zonal Congestion Management process described in SP 10;
- (b) the ISO will provide, via WEnet, Final Day-Ahead Schedules to all SCs which, depending on the existence of Inter-Zonal Congestion, could be:
  - (i) the Preferred Day-Ahead Schedules (when no Congestion was found at 11:00 am and no mismatched Inter-Scheduling Coordinator Energy Trades);
  - (ii) the Revised Day-Ahead Schedules (when no Congestion was found at 1:00 pm and no mismatched Inter-Scheduling Coordinator Energy Trades);
  - (iii) modified Revised Day-Ahead Schedules for those SCs which had their Revised Day-Ahead Schedules for Energy modified for Inter-Zonal Congestion or mismatches in Inter-Scheduling Coordinator Energy Trades; or
  - (iv) modified Preferred Day-Ahead Schedules for those SCs which had their Preferred Schedule for Energy modified for Inter-Scheduling Coordinator Energy Trade mismatches;
- (c) the ISO will publish on WEnet the Day-Ahead Usage Charge rate (in \$/MWh of scheduled flow) for Energy transfer between Zones, if any;
- (d) the ISO will provide, via WEnet, as part of the Final Day-Ahead Schedules, schedules for Ancillary Services to the SCs which either:
  - (i) submitted Ancillary Services bids and which, as a result, have been selected to supply Ancillary Services; or
  - (ii) submitted schedules to self-provide Ancillary Services and which schedules have been validated by the ISO; and
  - (iii) specified Inter-Scheduling Coordinator Ancillary Service Trades which have been validated by the ISO; and
- (e) the ISO will coordinate with adjacent Control Areas on the net schedules between the ISO Control Area and such other Control Areas. If the ISO and the operator of an adjacent Control Area have different records with respect to the net schedules, individual SC intertie schedules will be examined. If the other Control Area's records are determined to be correct, the ISO will notify the affected SC. **If the other Control Area Operator's records are in error, no changes will be required by the ISO or**

affected SCs. The affected SC is required to correct its schedule in the Hour-Ahead Market.

\* \* \* \* \*

## 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 contract usage templates submitted as part of their Schedules as described in the SBP.

(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 priority expressed in contract usage templates. So as not to be curtailed before any other scheduled use of Congested Inter-Zonal Interface capacity, the ISO's Congestion Management software will assign high priced Adjustment Bids to the scheduled uses (for example, a difference of \$130,000/MWh to \$140,000/MWh for Demand or external exports and a difference of -\$130,000/MWh to -\$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, their SCs will make the arrangements among themselves ahead of the ISO's scheduling process. In the absence of 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. 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. To the extent that the MW amount in a schedule exceeds the MW amount specified in the 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, their SCs will make the arrangements among themselves ahead of the ISO’s scheduling process. In the absence of 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.