ATTACHMENT I

2.5.27.1 Regulation.

Quantities. The following quantity definitions shall be used for each Scheduling Coordinator in the settlement process:

$AGCQDA_{xt}$ = the Scheduling Coordinator's total quantity of Regulation capacity in Zone X sold through the ISO auction, and scheduled Day-Ahead j for Settlement Period t.

$EnQUInst_{xt}$ = Uninstructed Imbalance Energy increase or decrease in Zone X in real time Dispatch for Settlement Period t, determined in accordance with the ISO Protocols.

Prices. The prices in the Settlement process for Regulation shall be those determined in Section 2.5.14.

Penalty: penalty described in Section 2.5.26.

$PAGCDA_{xt}$ = the market clearing price, PAGC, in Zone X for Regulation capacity in the Day-Ahead market for Settlement Period t.

Payments. Scheduling Coordinators for Generating Units providing Regulation capacity through the ISO auction shall receive the following payments for Regulation:

$AGCPay_{xt} = AGCQDA_{xt} * PAGCDA_{xt} - Penalty$

Scheduling Coordinators for Generating Units shall receive the following payment for Energy output from Regulation:

$EnQUInst_{xt} * Hourly\ Ex\ Post\ Price\ in\ Zone\ X$

2.5.27.2 Spinning Reserve.

Quantities. The following quantity definitions shall be used for each Scheduling Coordinator in the Settlement process:

$SpinQDA_{xt}$ = the Scheduling Coordinator's total quantity of Spinning Reserve capacity in Zone X sold through the ISO auction, and scheduled Day-Ahead for Settlement Period t.

$EnQInst_{xt}$ = Instructed Imbalance Energy output in Zone X in real time Dispatch for Settlement Period t, determined in accordance with the ISO protocols.

Prices. The prices in the Settlement process for Spinning Reserve shall be those determined in Section 2.5.15.

Penalty = penalty described in Section 2.5.26.

$PspDA_{xt}$ = market clearing price, Psp, in Zone X for Spinning Reserve capacity in the Day-Ahead Market for Settlement Period t.

Payments. Scheduling Coordinators for Generating Units, System Units, or System Resources providing Spinning Reserve capacity through the ISO auction shall receive the following payments for Spinning Reserve capacity:

$SpinPay_{xt} = SpinQDA_{xt} * PspDA_{xt}$

Scheduling Coordinators for Generating Units, System Units, or System Resources shall receive the following payments for Energy output from Spinning Reserve capacity:

$EnQInst_{xt} * Beep\ Interval$~~$Hourly$~~ $Ex\ Post\ Price_{xt}$

2.5.27.3 Non-Sspinning Reserve.

Quantities. The following quantity definitions shall be used for each Scheduling Coordinator in the settlement process:

$NonSpinQDA_{xt}$ = the Scheduling Coordinator's total Quantity of Non-Spinning Reserve capacity in Zone X sold through the ISO's auction and scheduled Day-Ahead for Settlement Period t.

$EnQInst_{xt}$ = Instructed Imbalance Energy output or Demand reduction in Zone X in real time Dispatch for Settlement Period t, determined in accordance with the ISO protocols.

Prices. The prices in the Settlement process for Non-Spinning Reserve shall be those determined in Section 2.5.16.

Penalty = penalty described in section 2.5.26.

$PnonspDA_{xt}$ = market clearing price, Pnonsp, in Zone X for Non-Spinning Reserve capacity in the Day-Ahead Market for Settlement Period t.

Payments. Scheduling Coordinators for Generating Units, System Units, System Resources, or Loads supplying Non-Spinning Reserve capacity through the ISO auction shall be paid the following for the Non-Spinning Reserve capacity:

$NonspPay_{xt} = NonSpinQDA_{xt} * PnonspDAxt - penalty$

Scheduling Coordinators for Generating Units, System Unts, System Resources, or Loads shall receive the following payments for Energy output from Non-Spinning Reserve capacity:

$EnQInst_{xt} *$ *Beep Interval ~~Hourly~~* $Ex\ Post\ Price_{xt}$

2.5.27.4 Replacement Reserve.

Quantities. The following quantity definitions shall be used for each Scheduling Coordinator in the settlement process:

$RepResQDA_{xt}$ = the Scheduling Coordinator's total quantity of Replacement Reserve capacity in Zone X sold through the ISO auction, and scheduled Day-Ahead for Settlement Period t.

$EnQInst_{xt}$ = Instructed Imbalance Energy output or Demand reduction in Zone X in real time Dispatch for Settlement Period t, determined in accordance with the ISO protocols.

Prices. The prices in the settlement process for Replacement Reserve shall be those determined in section 2.5.17.

Penalty = penalty described in section 2.5.26.

$PRepResDA_{xt}$ = market clearing price, PRepRes, in Zone X for Replacement Reserve capacity in the Day-Ahead Market for Settlement Period t.

Payments. Scheduling Coordinators for Generating Units, System Units, System Resources, or Loads providing Replacement Reserve capacity through the ISO auction shall receive the following payments for the Replacement Reserve capacity:

$RepResPay_{ijt} = (RepResQDA_{xt} -) * PRepResDA_{xt}$

The payments for Energy output from Replacement Reserve capacity are calculated as follows:

$EnQInst_{ijt} *$ *BEEP Interval ~~Hourly~~* $Ex\ Post\ Price_{xt}$