

- (a) adjust interchange transaction schedules (ITSs) as required under Existing Contracts in accordance with the procedures in the SBP and the SP for the management of Existing Contracts;
- (b) adjust ITSs as required by changes in transfer capability of transmission paths occurring after close of the Hour-Ahead Market; and
- (c) agree on ITS changes with adjacent Control Area Operators.

DP 7.3 Supplemental Energy Bids

Supplemental Energy bids may be submitted to the ISO no later than thirty (30) minutes prior to the beginning of the Settlement Period in accordance with the format and content requirements of the SBP. These Supplemental Energy bids cannot be withdrawn after thirty (30) minutes prior to the beginning of the Settlement Period. The ISO may Dispatch the associated resource at any time during the Settlement Period.

DP 7.4 Intra-Zonal Congestion Management

In the hour prior to the beginning of the Settlement Period the ISO may adjust SCs' Final Schedules to alleviate Intra-Zonal Congestion. Except in those instances where the ISO calls Reliability Must-Run Units as provided in Section 5.2 of the ISO Tariff, the ISO will increment those Generating Units which have the lowest incremental Adjustment Bids, decrement the Curtailable Demand which has the lowest decremental Adjustment Bids, and decrement those Generating Units which have the highest decremental Adjustment Bids. To the extent that insufficient Adjustment Bids are available, the ISO will use incremental and decremental bids from available sources of Imbalance Energy in the Zone. In the event of no incremental or decremental bids being available, the ISO will exercise its authority to direct the redispatch of resources within the Zone.

(\$/MWh) or the Curtailable Demand located within the Zone (or the Interconnection schedule in a Control Area adjacent to the Zone) with a non-zero capacity remaining to reduce which has the lowest Demand reduction bid price.

DP 8.3.3 Selection of Generating Unit to Reduce Generation

Where the ISO determines that it is necessary to reduce Generation in a Zone in order to relieve Inter-Zonal Congestion, the ISO shall select from the merit order stack the Generating Unit within the Zone with a non-zero capacity remaining to decrement which has the highest decremental bid price.

DP 8.4 Intra-Zonal Congestion

Except as provided in Section 5.2 of the ISO Tariff, in the event of Intra-Zonal Congestion in real time, the ISO shall adjust Generating Units and Curtailable Demands within the Zone (or Interconnection schedules in the Control Areas adjacent to the Zone) to alleviate the constraints, based on any Adjustment Bids which have been carried forward from the Day-Ahead and Hour-Ahead Markets as described in SBP 4 and on the incremental and decremental prices of resources within the Zone (or in the Control Areas adjacent to the Zone) taken from the merit order stack.

DP 8.5 Additional Congestion Relief

In the event that there are insufficient resources which provide financial bids to mitigate Inter-Zonal and Intra-Zonal Congestion, Final Schedules which do not rely on Existing Contracts will be adjusted in real time by allocating transmission capacity on a pro rata basis. Final Schedules which rely on Existing Contracts will be adjusted in real time by allocating transmission capacity in accordance with the operating instructions submitted under SBP 3.3. With respect to facilities financed with Local Furnishing Bonds the ISO shall adjust Final Schedules in real time in a fashion consistent with Section 2.1.3 and 7.1.6.3 of the ISO Tariff, Appendix B of the TCA, and Operating Procedures governing the use of such facilities.

DP 8.6 Real Time Dispatch Application

DP 8.6.1 Real Time Dispatch

During real time, the ISO shall dispatch Generating Units, Curtailable Demands and Interconnection schedules to meet imbalances between actual and scheduled Demand and Generation.

- (c) ISO may Dispatch each Generating Unit to increase or decrease MVar output outside of established power factor limits, but within the range of the Generating Unit's capability curve, at a price calculated in accordance with ISO Tariff;
- (d) If Voltage Support is required in addition to that provided pursuant to DP 8.7.5 (b) and (c), the ISO will reduce output of Participating Generators certified in accordance with the ASRP based on the merit order stack as determined by BEEP. The ISO will select Participating Generators in the vicinity where such additional Voltage Support is required; and
- (e) the ISO will monitor voltage levels at Interconnections to maintain them in accordance with the applicable Inter-Control Area Agreements.

DP 8.7.6 Black Start

- (a) Black Start shall meet the standards specified for Black Start in the ASRP; and
- (a) the ISO will dispatch Black Start as required in accordance with the applicable Black Start Agreement.

DP 8.8 Real Time Management of Overgeneration Conditions

In the event that Overgeneration conditions occur during real time, the ISO will direct the SCs to take the steps described in Section 2.3.4 of the ISO Tariff and SCs shall implement ISO directions without delay.

DP 9 DISPATCH INSTRUCTIONS

DP 9.1 ISO Dispatch Authority

DP 9.1.1 Range of ISO Authority

The ISO has full authority to:

- (a) direct the physical operation of the ISO Controlled Grid, including (without limitation) circuit breakers, switches, voltage control equipment, protective relays, metering and Load Shedding equipment;
- (b) commit Reliability Must-Run Generation, except that the ISO shall only commit Reliability Must-Run Generation for Ancillary Services capacity according to Section 5.2 of the Tariff;
- (c) order a change in operating status of voltage control equipment;

- (d) take required action to prevent against uncontrolled losses of load or Generation;
- (e) control the output of Generating Units and Interconnection schedules scheduled to provide Ancillary Services or offering Supplemental Energy;
- (f) dispatch Curtailable Demand which has been scheduled to provide Non-Spinning Reserve or Replacement Reserve; and
- (g) require the operation of resources which are at the ISO's disposal in a System Emergency, as described in DP 10.

DP 9.1.2 Exercise of the ISO's Authority

The ISO will exercise its authority under DP 9.1.1 by issuing Dispatch Instructions to the relevant Participants using the relevant communications method described in DP 4.

DP 9.2 Participant Responsibilities

DP 9.2.1 Compliance with Dispatch Instructions

All Participants within the ISO Control Area shall comply fully and promptly with the ISO's Dispatch Instructions unless such operation would impair public health or safety. Shedding Load for a System Emergency does not constitute impairment to public health or safety.

DP 9.2.2 Notification of Non-Compliance with a Dispatch Instruction

In the event that, in carrying out the Dispatch Instruction, an unforeseen problem arises (relating to plant operations or equipment, personnel or the public safety), the recipient of the Dispatch Instruction must notify the ISO or, in the case of a Generator, the relevant SC immediately. The relevant SC shall notify the ISO of the problem immediately.

DP 9.3 Dispatch Instructions for Generating Units and Curtailable Demand

The ISO may issue Dispatch Instructions covering:

- (a) Ancillary Services;
- (b) Supplemental Energy, which may be used for:

