

Service Energy bids, issue Dispatch instructions to Scheduling Coordinators to reduce Generation and imports for the next operating hour.

2.3.4.2 To the extent that there are insufficient decremental Energy bids available for the operating hour to fully mitigate the Overgeneration condition, the ISO will notify Scheduling Coordinators of the projected amount of Overgeneration to be mitigated in that hour.

2.3.4.3 In addition to the action taken under 2.3.4.2, the ISO will, if it considers it necessary to maintain the reliable operation of the ISO Control Area, offer Energy for sale on behalf of Scheduling Coordinators to adjacent Control Area operators at the estimated Hourly Ex Post Price or, if the ISO considers it necessary, at a price established by the ISO on behalf of Scheduling Coordinators, to be paid to adjacent Control Area operators.

2.3.4.4 To the extent that the steps described in Sections 2.3.4.1 through 2.3.4.3 fail to mitigate Overgeneration, the ISO will instruct Scheduling Coordinators to reduce either Generation, or imports, or both. The amount of the reduction for each Scheduling Coordinator will be calculated pro rata based on the product of the total required reduction in Generation and imports (or increase in exports) and the ratio of its Demand to the total Demand in the ISO Control Area.

2.3.4.5 To the extent that the above steps fail to fully mitigate the Overgeneration, the ISO will issue mandatory Dispatch instructions for specific reductions in

Generating Unit output and external imports and all relevant Scheduling Coordinators shall be obligated to comply with such Dispatch instructions.

2.3.4.6 Any costs incurred by the ISO in implementing Section 2.3.4.3 shall be reimbursed to the ISO by Scheduling Coordinators based upon the extent to which they supplied Energy, in metered amounts, greater than the Generation and imports scheduled in their Final Schedules and consumed Energy, in metered amounts, less than the Demand scheduled in their Final Schedules, as a proportion of the total amount of such excess or shortfall among all Scheduling Coordinators.

2.3.5 Assurance of Adequate Generation and Transmission to meet Applicable Operating and Planning Reserve.

2.3.5.1 Generation Planning Reserve Criteria. Generation planning reserve criteria shall be met as follows:

2.3.5.1.1 On an annual basis, the ISO shall prepare a forecast of weekly Generation capacity and weekly peak Demand on the ISO Controlled Grid. This forecast shall cover a period of twelve months and be posted on the WEnet and the ISO may make the forecast available in other forms at the ISO's option.

2.3.5.1.2 If the forecast shows that the applicable WSCC/NERC Reliability Criteria can be met during peak Load periods, then the ISO shall take no further action.

2.3.5.1.3 If the forecast shows that the applicable WSCC/NERC Reliability Criteria cannot be met during peak Load periods, then the ISO shall facilitate the development

