

become Final Hour-Ahead Schedules and the ISO shall notify Scheduling Coordinators accordingly.

2.2.13.2.2 Congestion Management Provisions for Final Hour Ahead

Schedules. If the ISO identifies Congestion, it shall use the Congestion Management provisions of Section 7.2 of this ISO Tariff and the ISO Scheduling Protocol to develop the Final Hour-Ahead Schedules.

2.2.13.2.3 Unscheduled Demand.

2.2.13.2.3.1 Penalty on Unscheduled Demand. Beginning June 1, 2001, any Scheduling Coordinator whose total metered Demand in a Zone in a Settlement Period exceeds the total Demand reflected in its Final Hour-Ahead Schedule by more than five (5) percent of such metered Demand shall pay the penalty set forth in Section 2.2.13.2.3.2 for each MWh of the excess, unless the Scheduling Coordinator's metered Demand is less than 200 MW, in which case the Scheduling Coordinator shall pay the penalty to the extent its metered Demand exceeds the Demand in its Final Hour-Ahead Schedule by more than ten (10) MWh.

2.2.13.2.3.2 Amount of Penalty. For each MW of unscheduled Demand subject to penalty as determined in accordance with Section 2.2.13.2.3.1, a Scheduling Coordinator shall pay a penalty equal to the lesser of: (a) two times the Market Clearing Price of Imbalance Energy; and (b) \$100; but no less than \$0. This penalty shall be payable in addition to any amounts payable for the purchase of Imbalance Energy.

2.2.13.2.3.3 Allocation of Penalty Revenues. The revenues received by the ISO through the payment of the penalties described in Section 2.2.13.2.3.2 will be allocated in

