

- (a) an estimate of the Ancillary Services requirements for the ISO Control Area (see the ASRP for the details on these requirements);
- (b) a forecast of Loop Flows over interfaces with other Control Areas;
- (c) a forecast of the potential for Congestion conditions;
- (d) a forecast of total and Available Transfer Capacity over certain rated transmission paths and Inter-Zonal Interfaces.

SP 3.2.1.1 By Two Hours Before Close of the PX Day-Ahead Market, One Day Ahead

By two hours before the close of the PX Day-Ahead Market on the day ahead of the Trading Day, the ISO will notify SCs of the Energy Requirements from any Reliability Must-Run Units which the ISO requires to run in the Trading Day, except in those instances where a Reliability Must-Run Unit requires more than one day's notice, in which case the ISO may notify the applicable SC more than one day in advance of the Trading Day;

SP 3.2.1.2 By One Hour Before Close of the PX Day-Ahead Market, One Day Ahead

By one hour before the close of the PX Day-Ahead Market on the day prior to the Trading Day, SCs that have been notified that a Reliability Must-Run Unit is required to run in the Trading Day will inform the ISO whether the RMR Owner will take payment from the market or under the RMR Contract.

SP 1.1.2 By 6:00 am, One Day Ahead

By 6:00 am on the day ahead of the Trading Day (for example, by 6:00 am on Tuesday for the Wednesday Trading Day), the following information flows for each Settlement Period of the Trading Day will be required to take place:

- (a) SCs will provide, via WEnet, the ISO with forecasts of their Direct Access Demand by UDC Service Area ;
- (b) the ISO will publish, via WEnet, an updated forecast of system Demands and of the Ancillary Services requirements; and
- (c) the ISO will validate (in accordance with the SBP) the information submitted above by SCs and UDCs.

SP 1.1.3 By 6:30 am, One Day Ahead

By 6:30 am on the day ahead of the Trading Day (for example, by 6:30 am on Tuesday for the Wednesday Trading Day) and for each Settlement Period of the Trading Day: the ISO will provide to UDCs, via WEnet, the sum of the SCs' Direct Access Demand forecasts by UDC Service Area; and

SP 1.1.4 By 8:00 am, One Day Ahead

By 8:00 am on the day ahead of the Trading Day (for example, by 8:00 am on Tuesday for the Wednesday Trading Day), and for each Settlement Period of that Trading Day, Firm Transmission Rights owners will notify the ISO, via the Secondary Registration System or other means established by the ISO, of any transaction of Firm Transmission Rights and of any changes in SCs' rights to schedule the use of Firm Transmission Rights at particular Inter-Zonal Interfaces.

SP 1.1.5 By 8:30 am, One Day Ahead

By 8:30 am on the day ahead of the Trading Day (for example, by 8:30 am on Tuesday for the Wednesday Trading Day), and for each Settlement Period of that Trading Day, Participating Transmission Owners will notify the ISO, via e-mail of an electronic spreadsheet or other means established by the ISO, of the amounts of transmission capacity to reserve for its transmission service customers under Existing Contracts at particular Inter-Zonal Interfaces. Upon receiving this information, the ISO will, by 9:00 am, calculate the Firm Transmission Rights available on each Inter-Zonal Interface after taking into account transfer capabilities and Existing Contract transmission capacity reservations, and then publish adjusted scheduling rights for SCs scheduling the use of Firm Transmission Rights and Existing Contract rights. After publishing the adjusted scheduling rights for Existing Contract rights and Firm Transmission Rights, SCs may submit contract usage templates (in accordance with the SBP) for validation by the ISO prior to the ISO's deadline for receiving Preferred Day-Ahead Schedules.

SP 1.1.6 By 10:00 am, One Day Ahead

SP 1.1.6.1 Actions by SCs and the ISO

By 10:00 am on the day ahead of the Trading Day (for example, by 10:00 am on Tuesday for the Wednesday Trading Day) and for each Settlement Period of that Trading Day (see SP 3.2.6.2 for information on the pre-validation performed at ten (10) minutes prior to the 10:00 am deadline):

- (a) SCs will submit their Preferred Day-Ahead Schedules to the ISO in accordance with the SBP;
- (b) SCs will submit, as part of their Preferred Day-Ahead Schedules, their Adjustment Bids, if any, to the ISO in accordance with the SBP;
- (c) SCs will submit their Ancillary Services bids, if any, to the ISO in accordance with the SBP and SP 9;
- (d) SCs will submit their schedules for self-provided Ancillary Services, if any, to the ISO in accordance with the SBP and SP 9;
- (e) the ISO will validate (in accordance with the SBP) all SC submitted Preferred Day-Ahead Schedules for Energy and Adjustment Bids and may assist SCs to resolve mismatches in scheduled quantities or locations for Inter-Scheduling Coordinator Energy Trades in accordance with the procedure described in SP 3.2.6.4;
- (f) the ISO will validate (in accordance with the SBP) all SC submitted schedules for self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids which were part of their Preferred Day-Ahead Schedules;
- (g) **the ISO will validate (in accordance with the SBP) all contract usage templates received from SCs for scheduled uses of Existing Contract rights and Firm Transmission Rights;**
- (h) the ISO will validate that all SC submitted Preferred Day Ahead Schedules are compatible with the RMR requirements of which SCs were notified for that Trading Day and with the SCs' elected option for delivering the required Energy;
- (i) the ISO will start the first iteration of Inter-Zonal Congestion Management process as described in SP 10; and
- (j) the ISO will start the Ancillary Services bid evaluation process as described in SP 9.

- (c) SCs will submit their Ancillary Services bids, if any, to the ISO in accordance with the SBP and SP 9;
- (d) SCs will submit their Schedules for self-provided Ancillary Services and Inter-Scheduling Coordinator Ancillary Service Trades, if any, to the ISO in accordance with the SBP and SP 9;
- (e) the ISO will validate (in accordance with the SBP) all SC submitted Preferred Hour-Ahead Schedules for Energy and Adjustment Bids;
- (f) SCs will submit contract usage templates for scheduled uses of Existing Contract Rights and Firm Transmission Rights in accordance with the Hour-Ahead Market schedule, including usage template changes needed in response to line derations;
- (g) the ISO will validate (in accordance with the SBP) all contract usage templates received from SCs for scheduled uses of Existing Contract rights and Firm Transmission Rights;
- (h) the ISO will validate (in accordance with the SBP) all SC submitted Schedules for self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids which were part of their Preferred Hour-Ahead Schedules;
- (i) the ISO will start the Inter-Zonal Congestion Management process as described in SP 10;
- (j) the ISO will start the Ancillary Services bid evaluation process as described in SP 9; and
- (k) the ISO will validate that all SC submitted Preferred Hour-Ahead Schedules are compatible with the RMR requirements of which SCs were notified for that Trading Day and with the SCs' elected option for delivering the required Energy.

SP 3.3.1.1 Pre-validation

At 10 minutes prior to the deadline for submittal of the Preferred Hour-Ahead Schedules, Adjustment Bids, schedules for self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades, and Ancillary Services bids (the " submittal"), the ISO shall conduct a pre-validation of the stage two validation described in the SBP. The purpose of this is to allow the SCs, particularly those involved in the Inter-Scheduling Coordinator Energy Trades, to identify and resolve any validation problems. The ISO will

immediately communicate the results of the pre-validation of each SC's submittal to that SC via WEnet.

SP 3.3.1.2 Invalidation

Except with respect to invalidated contract usage associated with Existing Contract rights or Firm Transmission Rights, invalidation of the submittal results in rejection of the submittal. SCs will be notified of any invalid contract usage via an invalidated contract usage template issued, via the WEnet, by the ISO. Invalidation of contract usage will not cause the rejection of the SC's submittal; instead, invalid contract usage will be treated as new firm uses of ISO transmission service without the priorities and protections afforded the scheduled use of Existing Contract rights and Firm Transmission Rights. SCs may check at any time prior to two hours ahead of the relevant Settlement Period whether or not their submittals will pass the ISO's validation checks (which are undertaken at two hours ahead of the Settlement Period). It is the responsibility of SCs to perform such checks since Preferred Hour-Ahead Schedules, Adjustment Bids, schedules of self-provided Ancillary Services, Inter-Scheduling Coordinator Ancillary Service Trades and Ancillary Services bids which are invalidated cannot be resubmitted for the Hour-Ahead Market after two hours ahead of the relevant Settlement Period. The ISO will immediately communicate the results of each SC's two hour ahead validation to that SC via WEnet. If the usage or sum of the usages associated with an Existing Transmission Contract results in the contract being over-scheduled, the usages will be adjusted such that a usage in excess of the ETC rights will be considered a New Firm Use (NFU) and will be exposed to Congestion charges.

Units it requires to become the subject of a Reliability Must-Run Contract which had not previously been so contracted to the ISO. None of the Generating Units owned by Local Publicly Owned Electric Utilities are planned to be designated as Reliability Must-Run Units by the ISO as of the ISO Operations Date but are expected to be operated in such a way as to maintain the safe and reliable operation of the interconnected transmission system comprising the ISO Control Area. However, in the future, Local Publicly Owned Electric Utilities may contract with the ISO to provide Reliability Must-Run Generation.

SP 1.1.7 Annual Reliability Must-Run Forecast - Technical Studies

The ISO will perform off-line technical studies, adopt existing procedures developed by PTOs and/or develop new operating procedures to identify the Reliability Must-Run requirements for various levels of system Demand.

SP 1.2 Designation of Generating Unit as Reliability Must-Run

The ISO will have the right at any time based upon ISO Controlled Grid technical analyses and studies to designate or disqualify a Generating Unit as a Reliability Must-Run Unit.

SP 1.3 Scheduling of Reliability Must-Run Generation

The ISO will notify SCs of any Reliability Must-Run Units which the ISO requires to run during a Trading Day no later than two hours before the close of the PX Day-Ahead Market for that Trading Day, as described in SP 3.2.1.1

SP 1.4 [Unused]

