

5.1.3 Actions for Maintaining Reliability of ISO Controlled Grid.

The ISO plans to obtain the control over Generating Units that it needs to control the ISO Controlled Grid and maintain reliability by purchasing Ancillary Services from the market auction for these services. When the ISO responds to events or circumstances, it shall first use the generation control it is able to obtain from the Ancillary Services bids it has received to respond to the operating event and maintain reliability. Only when the ISO has used the Ancillary Services that are available to it under such Ancillary Services bids which prove to be effective in responding to the problem and the ISO is still in need of additional control over Generating Units, shall the ISO assume supervisory control over other Generating Units. It is expected that at this point, the operational circumstances will be so severe that a real-time system problem or emergency condition could be in existence or imminent.

Each Participating Generator shall take, at the direction of the ISO, such actions affecting such Generator as the ISO determines to be necessary to maintain the reliability of the ISO Controlled Grid. Such actions shall include (but are not limited to):

- (a) compliance with the ISO's Dispatch instructions including instructions to deliver Ancillary Services in real time pursuant to the Final Day-Ahead Schedules and Final Hour-Ahead Schedules;
- (b) compliance with the system operation requirements set out in Section 2.3 of this ISO Tariff;
- (c) notification to the ISO of the persons to whom an instruction of the ISO should be directed on a 24-hour basis, including their telephone and facsimile numbers; and
- (d) the provision of communications, telemetry and direct control requirements, including the establishment of a direct communication link from the control room of the Generator to the ISO in a manner that ensures that the ISO will have the ability, consistent with this ISO Tariff and the ISO Protocols, to direct the operations of the Generator as necessary to maintain the reliability of the ISO Controlled Grid, except that a Participating Generator will be exempt from ISO requirements imposed in accordance with this subsection (d)

with regard to any Generating Unit with a rated capacity of less than 10 MW, unless that Generating Unit is certified by the ISO to participate in the ISO's Ancillary Services and/or Imbalance Energy markets.

5.1.4 Generators Connected to UDC Systems.

A Participating Generator with a Generating Unit directly connected to a UDC system will be exempt from compliance with this Section 5 in relation to that Generating Unit, other than Section 5.6 (System Emergencies) provided that (i) the output of the Generating Unit is less than 10 MW, and (ii) the total output is sold to the interconnecting UDC or to customers connected to the UDC's system. With regard to aAny such Participating Generatoring Unit directly connected to a UDC system, a Participating Generator shall comply with applicable UDC tariffs, interconnection requirements and generation agreements. With regard to a Participating Generator's Generating Units directly connected to a UDC system, the ISO and the UDC will coordinate to develop procedures to avoid conflicting ISO and UDC operational directives. This exemption in no way affects any obligation to pay the appropriate Access Charges or to comply with all the other applicable Sections of this ISO Tariff.

5.1.4.1 Exemption for Generating Units Less Than 1 MW

A Generator with a Generating Unit directly connected to a UDC system will be exempt from compliance with this Section 5 and with Section MP 2.3.5 of the Metering Protocol in relation to that Generating Unit provided that (i) the rated capacity of the Generating Unit is less than 1 MW, and (ii) the Generator does not use the Generating Unit to participate in the ISO's Ancillary Services and/or Imbalance Energy markets. This exemption in no way affects the calculation of or any obligation to pay the appropriate charges or to comply with all the other applicable Sections of this ISO Tariff.

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**Participating Seller or
Participating Generator**

A Generator or other seller of Energy or Ancillary Services through a Scheduling Coordinator over the ISO Controlled Grid from a Generating Unit with a rated capacity of 1 MW or greater, or from a Generating Unit providing Ancillary Services and/or Imbalance Energy through an aggregation arrangement approved by the ISO, which has undertaken to be bound by the terms of the ISO Tariff, in the case of a Generator through a Participating Generator Agreement.

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ANCILLARY SERVICES REQUIREMENTS PROTOCOL APPENDICES A-F

A 1.1 **Operating Characteristics**

A 1.1.1 the rated capacity of the Generating Unit must be 1 MW or greater unless the Generating Unit is participating in an aggregation arrangement approved by the ISO than 10 MW;

A 1.1.2 the maximum amount of Regulation to be offered must be reached within a period that may range from a minimum of 10 minutes to a maximum of 30 minutes, as such period may be specified by the ISO and published on the ISO's internet "Home Page;"

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B 1.1 the rated capacity of the Generating Unit must be 1 MW or greater unless the Generating Unit is participating in an aggregation arrangement approved by the ISO than 10 MW;

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C 1.1 the rated capacity of the Generating Unit or System Resource must be 1 MW or greater unless the Generating Unit is participating in an aggregation arrangement approved by the ISO than 10 MW;

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D 1.1 the rated capacity of the Generating Unit or System Resource must be 1 MW or greater unless the Generating Unit is participating in an aggregation arrangement approved by the ISO than 10 MW;

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E 1.1 the rated capacity of the Generating Unit must be 1 MW or greater unless the Generating Unit is participating in an aggregation arrangement approved by the ISO~~than 10MW~~;

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F 1 A Generator wishing to provide Black Start capacity from a Generating Unit as an Ancillary Service must meet the requirements stated in Appendix D of the ISO Tariff in order to be certified by the ISO to provide Black Start capacity. In addition, the Generating Unit must have a rated capacity 1 MW or greater unless the Generating Unit is participating in an aggregation arrangement approved by the ISO~~than 10 MW~~.