

ISO New England Manual for
Market Operations
Manual M-11

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Prepared by
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ISO New England Manual for

Market Operations

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About This Manual

This is the ISO New England Manual for Market Operations. The reader is referred first to Market Rule 1 for an explanation and information regarding the operation of the markets. Terms that are capitalized in this manual generally are defined in Section I.2.2 of the Tariff or the *ISO New England Manual for Definitions and Abbreviations, M-35*.

This manual provides additional implementation or other detail for those provisions of Market Rule 1 that require the Market Participant to take an action.

Section 1: Overview of Energy and Reserve Markets Operations

1.1 Scope & Purpose of Scheduling and Dispatching

Operation of the New England Control Area involves many activities that are performed by different operating and technical personnel. These activities occur in parallel on a continuous basis, 24 hours a day and can be grouped into three overlapping time frames:

- Pre-scheduling operations
- Scheduling operations and the Day-Ahead Market
- Scheduling and dispatching operations and the Real-Time Energy Market

In this manual we focus on the scheduling activities associated with the Day-Ahead Market, scheduling activities that take place in the Real-Time Energy Market throughout the Operating Day, and Real-Time Energy Market dispatching activities that take place within the operating hour.

1.2 ISO Responsibilities

1.2.1 Day-Ahead Market

In the Day-Ahead Market, the ISO determines the least-cost means of satisfying the cleared Demand Bids, cleared Decrement Bids, the forecast energy requirement, Operating Reserve, Replacement Reserve, Local Second Contingency Protection Resource requirements and other applicable Ancillary Services requirements of Market Participants, including the reliability requirements of the New England Control Area.

1.2.2 Real-Time Energy Market

Following the Day-Ahead Market scheduling process, after the Re-Offer Period and, as needed, throughout the Operating Day, the ISO will commit and de-commit Resources through the Reserve Adequacy Analysis, based upon the ISO's forecast of actual loads (including some External Transactions), resource availability and Self-Scheduled Resources for the next Operating Day, to:

- (1) Satisfy Operating Reserve and Replacement Reserve requirements of the New England Control Area by minimizing the cost to provide additional Operating Reserve, Replacement Reserve and additional Local Second Contingency Protection Resources above what was scheduled in the Day-Ahead Market, if required;
- (2) Provide other Ancillary Services requirements, as required; and
- (3) Satisfy all other reliability requirements of the New England Control Area.

When additional capacity must be committed through the Reserve Adequacy Analyses to meet New England Control Area requirements, the commitment objective is to minimize the

total cost to commit the Resource and operate it at its Economic Minimum Limit, Minimum Consumption Limit, or Minimum Reduction for the greater of the Resource's Minimum Run Time, Minimum Reduction Time or the duration of the capacity requirement.

- (a) In making this determination, the ISO identifies available Resources that can be released for dispatch during or before the hours of need based on their state (Hot Intermediate, or Cold), Notification Times and Start-Up Times or Demand Response Resource Notification Times and Demand Response Resource Start-Up Times;
- (b) The identified Resources are ranked in ascending order based on the sum of the applicable Start-Up Fee, No-Load Fee, Interruption Cost, and the cost to operate at their Economic Minimum Limits, Minimum Consumption Limits, or Minimum Reduction for the longer of their Minimum Run Times, Minimum Reduction Time, or the duration of the capacity requirement;
- (c) The set of Resources that meets the capacity requirement at the least cost are committed.

If a Market Participant has procured gas for a gas-fired Generator Asset that is ordered to come on-line after the close of the Day-Ahead Market, the start-up will not be cancelled unless there is a reliability concern that needs to be addressed. When a gas-fired Generator Asset is given an hourly commitment schedule in the Reserve Adequacy Analysis, the ISO will honor the hourly commitment schedule at the Generator Asset's Economic Minimum Limit for the commitment, unless there is a reliability concern that needs to be addressed.

In Real-Time, the ISO monitors and controls the New England Control Area such that the least-cost means of satisfying the projected Energy, Regulation, Operating Reserve, Replacement Reserve and other Ancillary Services requirements, including the reliability requirements of the New England Control Area, are met.

1.3 Market Participant Responsibilities

Market Participants can submit Supply Offers, Increment Offers, Demand Reduction Offers, Demand Bids, Day-Ahead Ancillary Services Offers, External Transactions (other than Through Service External Transactions), Decrement Bids and purchase Energy or related services in the Day-Ahead Market and in the Real-Time Energy Market. All Market Participants and Non-Market Participant Transmission Customers may submit “Through Service” External Transactions in the Real-Time Energy Market. The major responsibilities of Market Participants are as follows:

1.3.1 Market Participants Buying from Energy and Reserve Markets

Market Participants may submit hourly Demand Bids for the amount of demand that they want to participate in the Day-Ahead Market as described in Market Rule 1 Section III.1.10.1A.

The key scheduling responsibilities of a Market Participant purchasing Energy from the Day-Ahead Market or Real-Time Energy Market for consumption by end-users that are located inside the New England Control Area or that is selling to buyers external to the New England Control Area include but are not limited to:

- (1) Submitting hourly schedules for Self-Scheduled Dispatchable Asset Related Demand;
- (2) Submitting Demand Bids including modifications to Demand Bids submitted by Dispatchable Asset Related Demand as described in Market Rule 1 Section III.1.10.9;
- (3) Submitting Decrement Bids for use in the Day-Ahead Market;
- (4) Submitting External Transaction sales to entities outside the New England Control Area as described in Market Rule 1 Sections III.1.10.7, III.1.10.7.A and III.1.10.9(b).

1.3.2 Market Participants Selling into Energy and Reserve Markets

The key scheduling responsibilities of a Market Participant that is selling Energy, demand reductions, or reserves into the Day-Ahead Market or Real-Time Energy Market include but are not limited to:

- (1) Submitting hourly schedules for Self-Scheduled Resources as provided for in Market Rule 1 Sections III.1.10.3 and III.1.10.9;
- (2) Submitting External Transactions purchases for delivery as described in Market Rule 1 Sections III.1.10.7, III.1.10.7.A and III.1.10.9(b);

- (3) Submitting Supply Offers for Dispatchable Resources for supply of Energy to the Day-Ahead Energy Market and Real-Time Energy Market as described in Market Rule 1;
- (4) Submitting Supply Offers for DNE Dispatchable Resources as described in Market Rule 1 Sections III.1.11.3, III.13.6.1.3.1 and III.13.6.2.3.1;
- (5) Submitting Demand Reduction Offers for Demand Response Resources for supply of energy in the form of demand reductions to the Day-Ahead Market and Real-Time Energy Market as described in Market Rule 1;
- (6) Submitting External Transactions associated with an Import Capacity Resource with a Capacity Supply Obligation in the Day-Ahead Market and Real-Time Energy Market as described in Market Rule 1 Section III.13.6.1.2;
- (7) Submitting Increment Offers for use in the Day-Ahead Market; and
- (8) Submitting Day-Ahead Ancillary Services Offers for use in the Day-Ahead Market.

1.3.3 Market Participants wheeling Energy through the New England Control Area

Market Participants purchasing Energy from outside the Energy Market and wheeling the Energy through the New England Control Area must submit External Transactions.

1.4 Non-Market Participant Transmission Customer Responsibilities

Non-Market Participant Transmission Customers purchasing Energy from outside the New England Control Area and wheeling the Energy through the New England Control Area for use outside the New England Control Area must submit External Transactions to the Real-Time Energy Market.

Section 2: Energy and Reserve Markets

2.1 Reserved

2.2 Energy and Reserve Markets Business Rules

2.2.1 Bidding & Operations Time Line

10:30 a.m. — Day-Ahead Market submission period closes for Supply Offers, Demand Reduction Offers, Increment Offers, Demand Bids, Decrement Bids, External Transactions, and Day-Ahead Ancillary Services Offers.

Upon Completion of the Day-Ahead Market — The Day-Ahead Market hourly schedules and Day-Ahead Prices are posted and the Re-Offer Period begins. During this time, changes to Supply Offers, Demand Reduction Offers, and Demand Bids (for Dispatchable Asset Related Demand only) may be made in accordance with Market Rule 1 Section III.1.10.9.

Close of the Real-Time Energy Market Re-Offer Period — The ISO performs a Reserve Adequacy Analysis that includes the updated Supply Offers, updated Demand Reduction Offers, updated External Transactions, updated Demand Bids for Dispatchable Asset Related Demands, updated generating Resource availability information, updated Demand Response Resource availability, and updated ISO load forecast information including deviation between the ISO load forecast and the sum of cleared Demand Bids and Decrement Bids utilized in the Day-Ahead Market.

When insufficient supply side capacity is available to meet the New England Control Area or zonal capacity requirements, the Reserve Adequacy Analysis identifies the ISO New England Operating Procedure No. 4 Actions needed to resolve the deficiency.

This analysis could also result in the release of Resources that were committed in the Day-Ahead Energy Market in order to avoid a projected Minimum Generation Emergency.

5:00 p.m. — The ISO provides individual Resource schedules developed during the initial Reserve Adequacy Analysis for non-Fast Start Generators, non-Fast Start Demand Response Resources, and for External Transactions submitted under Market Rule 1 Section III.1.10.7 to affected Lead Market Participants by posting on a secure site.

Throughout the Operating Day — The ISO may also perform additional Reserve Adequacy Analyses, as necessary, based on updated ISO load forecasts and updated Resource availability information.

The ISO sends out individual Resource schedule updates developed during the additional Reserve Adequacy Analyses to affected Lead Market Participants by posting on a secure site.

2.2.2 Market Participants Buying from Energy and Reserve Markets

The following business rules apply to Market Participants purchasing from the Day-Ahead Market and Real-Time Energy Market

2.2.2.1 DEMAND BIDS

- (1) Submittal of Demand Bids must be associated with a physical load that has been registered as a Load Asset.
- (2) A Demand Bid not associated with a Dispatchable Asset Related Demand must have a MW quantity for each hour of the Operating Day and Location specified. Price sensitive Demand Bids also must have a price specified above which the demand should not be scheduled.
- (3) Market Participants should not include the impact of PTF losses as part of their Demand Bids as PTF losses are accounted for on a financial basis through the Loss Component of the LMP.
- (4) Price sensitive Demand Bids for use in the Day-Ahead Market are accepted in single bid Blocks only. Up to ten bid Blocks applicable to each hour of the day may be submitted per Market Participant at a specific Location.
- (5) Price sensitive Demand Bids must be less than or equal to the Demand Bid Cap and equal to or above the Energy Offer Floor.
- (6) If a Market Participant submits no Demand Bid into the Day-Ahead Market for load not associated with an Asset Related Demand, then a zero MW quantity is assumed in the Day-Ahead Market. (i.e., these Demand Bids do not carry forward on a day-to-day basis).
- (7) Demand Bids associated with Asset Related Demands carry forward on a day-to-day basis. The default Demand Bid MW quantity for an Asset Related Demand is zero.
- (8) Market Participants with Dispatchable Asset Related Demands may submit Demand Bids into the Day-Ahead Market for such Resources. Market Participants may submit up to ten bid Blocks per hour for each Dispatchable Asset Related Demand. A Demand Bid from a DARD other than a Storage DARD must include a Minimum Consumption Limit that is less than or equal to the Nominated Consumption Limit specified during the Asset Registration Process.
- (9) During and after the Re-Offer Period, a Market Participant may revise the Demand Bid of a Dispatchable Asset Related Demand or request to Self-Schedule as described in Market Rule 1 Section III.1.10.9.
- (10) A DARD Demand Bid must specify changes to any physical parameter, including the Maximum Consumption Limit and Minimum Consumption Limit, from those submitted as part of the DARD'S Offer Data to reflect the physical operating characteristics

and/or availability of the DARD, except that, for a Self-Scheduled DARD other than a Continuous Storage DARD, the Minimum Consumption Limit may be revised to reflect the Self-Scheduled consumption level of the Resource. If any physical parameter submitted as part of a DARD's Demand Bid changes at any time after the close of the Re-Offer Period, the Designated Entity must re-declare the data values as follows:

- (a) Re-declarations made on the day prior to the Operating Day must be called into the *Forecaster Desk*.
- (b) Re-declarations made during the Operating Day must be called into the *Control Room Generation Desk*, except as follows:
 - (i) For Continuous Storage DARDs, re-declarations of the Maximum Consumption Limit are performed automatically by the ISO based on telemetry supplied by the Market Participant.
 - (c) If the automatic re-declaration process provided for above is not resulting in limits that accurately reflect the availability of the DARD or is otherwise not performing correctly, a Designated Entity may perform re-declarations manually by calling into the *Control Room Generation Desk* during the Operating Day.
- (11) In order to participate in the Day-Ahead Market or Real-Time Energy Market, a Continuous Storage DARD must be Self-Scheduled. A Dispatchable Asset Related Demand that is Self-Scheduled must submit Demand Bids for the entire operating range of the Resource between its Nominated Consumption Limit (if it has one) and its Maximum Consumption Limit.
- (12) For modeling purposes, the load distribution to Nodes within a Load Zone for the Day-Ahead Energy Market is based on a rolling seven-day average of historical State Estimator distribution for that Load Zone. The list of Load Zones at which Demand Bids are accepted is posted on the ISO's website.
- (13) For modeling purposes, the load distribution to Nodes within a Load Zone for the Real-Time Energy Market is the actual State Estimator distribution of loads.

2.2.2.2 DECREMENT BIDS

- (1) Market Participants may submit up to 50 Decrement Bid Blocks per hour for use in the Day-Ahead Market at any Location for which an LMP is calculated.
- (2) It is not required that physical load exists at the Location that is specified in the Decrement Bid.
- (3) Decrement Bids must be less than or equal to the Virtual Cap and be equal to or above the Energy Offer Floor.

2.2.2.3 EXTERNAL TRANSACTIONS (EXPORTS)

- (1) External Transactions not properly submitted are rejected. The Market Participant is notified of the reason for rejection and the Market Participant may then take action to submit a new External Transaction.
- (2) External Transaction data applicable to the Day-Ahead Market does not carry forward for use in the Real-Time Energy Market.
- (3) Market Participants should not include the impact of PTF losses as part of their External Transactions as PTF losses are accounted for on a financial basis through the Loss Component of the LMPs.
- (4) Up-to Congestion External Transactions are supported in the Day-Ahead Market only and may not be submitted at less than \$0.01/MWh or more than \$25/MWh.
- (5) Priced External Transaction sales for the Day-Ahead Markets must be offered at less than or equal to the External Transaction Cap and equal to or above the External Transaction Floor.
- (6) Priced External Transaction sales for the Real-Time Energy Markets submitted under Market Rule 1 Section III.1.10.7 must be offered at less than or equal to the External Transaction Cap and equal to or above the External Transaction Floor.
- (7) External Transaction sales for the Real-Time Energy Markets submitted under Market Rule 1 Section III.1.10.7.A must be offered at less than or equal to the External Transaction Cap and equal to or above the External Transaction Floor.
- (8) A Market Participant may revise the price component of its priced External Transaction submitted under Market Rule 1 Section III.1.10.7 for the Real-Time Energy Market during the Re-Offer Period.
- (9) External Transactions submitted under Market Rule 1 Section III.1.10.7 for more than 999 MW are prohibited.

2.2.3 Market Participants Selling into Energy and Reserve Markets

The following business rules apply to Market Participants selling into the Day-Ahead Market and Real-Time Energy Market:

2.2.3.1 GENERATOR ASSETS

- (1) Supply Offers must be associated with a Generator Asset.
- (2) Supply Offers must be less than or equal to the offer cap as noted in Market Rule 1 Section III.1.9.1.2 and equal to or above the Energy Offer Floor.
- (3) The set of Supply Offers last submitted for each Generator Asset shall remain in effect for each day until specifically superseded by subsequent Supply Offers except as provided in Market Rule 1 Section III.1.10.1A.
- (4) During and after the Re-Offer Period, a Market Participant may revise the Supply Offer of a Generator Asset or request to Self-Schedule the Generator Asset as described in Market Rule 1 Section III.1.10.9.
- (5) Supply Offers and Day-Ahead Ancillary Services Offers for Self-Scheduled Generator Asset will be used by the ISO for scheduling available Generator Assets in the Day-Ahead Market for the energy between their Economic Minimum Limits and their Economic Maximum Limits.
- (6) Fast Start Generators may be scheduled in the Day-Ahead Market. However, the decisions concerning actual operation of Fast Start Generators by the ISO during the Operating Day are made based upon economic dispatch in the Real-Time Energy Market.
- (7) In order to participate in the Day-Ahead Market or Real-Time Energy Market, a Continuous Storage Generator Asset must be Self-Scheduled.
- (8) DNE Dispatchable Generators are scheduled in the Day-Ahead Market and dispatched in Real-Time in the same manner as generating Resources that are not Fast Start Generators.
- (9) Intermittent Power Resources are scheduled in the Day-Ahead Market and dispatched in Real-Time as described in Market Rule 1 Sections III.1.11.3 and III.1.11.5.
- (10) Generator Assets must specify a Minimum Run Time to be used for scheduling purposes that does not exceed 24 hours. Generator Assets with Minimum Run Times that require that they run for more than 24 hours may Self-Schedule to remain on-line.
- (11) Generator Asset may specify Offered CLAIM10 and Offered CLAIM30.

- (12) Except as otherwise provided in Market Rule 1 Section III.1.11.5, a Supply Offer for a Generator Asset that is not cleared for the Day-Ahead Market automatically carries over for use in the Real-Time Energy Market unless modified pursuant to Market Rule 1 Section III.1.10.9.
- (13) Only one Supply Offer for each Generator Asset is in effect at any given time during an Operating Day.
- (14) A Supply Offer must include operating limits including, but not limited to, the following:
 - (a) Emergency Minimum Limit, defined in Section I.2.2 of the Tariff.
 - (b) Economic Minimum Limit, defined in Section I.2.2 of the Tariff.
 - (c) Economic Maximum Limit, defined in Section I.2.2 of the Tariff.
 - (d) Real-Time High Operating Limit, defined in Section I.2.2 of the Tariff. For Market Participants submitting an Economic Maximum Limit for a Generator Asset as part of a Day-Ahead Market offer, the Real-Time High Operating Limit is provided to ISO through each Generator Asset's Day-Ahead Supply Offer data.
- (15) If any physical parameter submitted as part of a Generator Asset's Supply Offer changes at any time after the close of the Re-Offer Period, the Designated Entity or the ISO, as applicable, must re-declare the data values as follows:
 - (a) Re-declarations made on the day prior to the Operating Day must be called into the *Forecaster Desk*.
 - (b) Re-declarations made during the Operating Day shall be performed as described below.
 - (i) Re-declarations of Generator Asset physical parameters other than those described in (ii) below must be called into the *Control Room Generation Desk*.
 - (ii) Re-declarations of the following parameters for the following Generator Assets are performed automatically by the ISO based on the indicated data: for wind and solar DNE Dispatchable Generators, the Real Time High Operating Limit and the Economic Maximum Limit, based on wind and solar forecast data and telemetry supplied by the Market Participant; for intermittent hydro DNE Dispatchable Generators and Continuous Storage Generator Assets, the Economic Maximum Limit, based on telemetry supplied by the Market Participant.

- (iii) By default, re-declarations of the Economic Maximum Limit for an Electric Storage Facility shall reflect an energy output that can be sustained for one hour and the Electric Storage Facility's Generator Asset and DARD shall receive Real-Time Reserve Designations. However, re-declarations of the Economic Maximum Limit for Binary Storage Facilities reasonably expected to have less than one hour of Available Energy may, by request of the Designated Entity called into the Control Room Generation Desk, instead reflect an energy output that can be sustained for 15 minutes. Once such a request is approved, the Binary Storage Facility's Generator Asset and DARD will not receive Real-Time Reserve Designations. For Continuous Storage Facilities, the Designated Entity may request, by call into the Control Room Generation Desk, that re-declarations of the Economic Maximum Limit automatically reflect an energy output that can be sustained for 15 minutes whenever the Continuous Storage Facility's Available Energy is less than one hour (in which case the Continuous Storage Generator Asset and Continuous Storage DARD will not receive Real-Time Reserve Designations) and that, whenever Available Energy is one hour or more, re-declarations of the Economic Maximum Limit automatically reflect the energy output that can be sustained for one hour (in which case the Continuous Storage Generator Asset and Continuous Storage DARD will receive Real-Time Reserve Designations). An approved request will remain in effect until the Designated Entity of the Binary Storage Facility or Continuous Storage Facility calls to cancel the request; up to one call to initiate a request and one call to cancel a request are permitted each Operating Day.
 - (c) If an automatic re-declaration process provided for above is not resulting in limits that accurately reflect the availability of the Generator Asset or is otherwise not performing correctly, a Designated Entity may perform re-declarations manually by calling into the Control Room Generation Desk during the Operating Day.
- (16) For Limited Energy Resources, a Market Participant shall submit into the Day-Ahead Market, as part of the normal Supply Offer for the Generator Asset, an estimate of the total Energy that unit is capable of producing for the Operating Day. In Real-Time, the Market Participant can manage the use of energy from any portion of a Limited Energy Resource through the use of limited energy hourly maximum levels for the associated Limited Energy Resource.
- (17) Generators may submit Day-Ahead Ancillary Services Offers for use in the Day-Ahead Market in accordance with Market Rule 1 Section III.1.8.1.

2.2.3.2 INCREMENT OFFERS

- (1) A Market Participant may submit on an Increment Offer up to 50 Blocks per hour for use in the Day-Ahead Market at any Location for which an LMP is calculated.
- (2) It is not required that physical generation or load exists at the Location that is specified in the Increment Offer.

2.2.3.3 EXTERNAL TRANSACTIONS (IMPORTS)

- (1) A Market Participant with an Import Capacity Resource must meet the requirements of Market Rule 1 Section III.13.6.1.2.
- (2) External Transactions not properly submitted are rejected. The Market Participant is notified of the reason for rejection and the Market Participant may then take action to submit a new External Transaction.
- (3) External Transaction data applicable to the Day-Ahead Market does not carry forward for use in the Real-Time Energy Market.
- (4) Market Participants should not include the impact of PTF losses as part of their External Transactions as PTF losses are accounted for on a financial basis through the Loss Component of the LMPs.
- (5) Priced External Transaction purchases for the Day-Ahead Market must be less than or equal to the External Transaction Cap and equal to or above the External Transaction Floor.
- (6) Priced External Transaction purchases for the Real-Time Energy Market submitted under Market Rule 1 Section III.1.10.7 must be less than or equal to the External Transaction Cap and equal to or above the External Transaction Floor.
- (7) Up-to Congestion External Transactions are supported in the Day-Ahead Market only and may not be offered or bid at less than \$0.01/MWh or more than \$25.00/MWh.
- (8) A Market Participant may revise the price component of its priced External Transaction submitted under Market Rule 1 Section III.1.10.7 for the Real-Time Energy Market during the Re-Offer Period.
- (9) External Transaction purchases for the Real-Time Energy Markets submitted under Market Rule 1 Section III.1.10.7.A must be offered at less than or equal to the External Transaction Cap and equal to or above the External Transaction Floor.
- (10) External Transactions submitted under Market Rule 1 Section III.1.10.7 for more than 999 MW are prohibited.

2.2.3.4 DEMAND RESPONSE RESOURCES

- (1) Demand Reduction Offers must be associated with a Demand Response Resource.
- (2) Demand Reduction Offers must be less than or equal to the offer cap as noted in Market Rule 1 Section III.1.9.1.2 and equal to or above the Demand Reduction Threshold Price in effect for the day the offer is submitted.
- (3) The set of Demand Reduction Offers last submitted for each Demand Response Resource shall remain in effect for each day until specifically superseded by subsequent Demand Reduction Offers except as provided in Market Rule 1 Section III.1.10.1A.
- (4) During the Re-Offer Period, a Market Participant may revise the Demand Reduction Offer of a Demand Response Resource as described in Market Rule 1 Section III.1.10.9 through eMKT.

After the close of the Re-Offer Period the following Demand Reduction Offer parameters may not be changed:

- Price and demand reduction quantity pairs,
- Interruption Cost,
- Demand Response Resource Start-Up Time,
- Demand Response Resource Notification Time,
- Minimum Reduction Time, and
- Minimum Time Between Reductions.

After the close of the Re-Offer Period, the following Demand Reduction Offer parameters may be changed through a Redeclaration submitted through eMKT:

- Availability flag (available/unavailable)
- Minimum Reduction
- Maximum Reduction
- Demand Response Resource Ramp Rate
- Offered CLAIM10, and
- Offered CLAIM30.

- (5) Demand Response Resources may not be Self-Scheduled.
- (6) Fast Start Demand Response Resources may be scheduled in the Day-Ahead Market. However, the decisions concerning actual operation of Fast Start Demand Response Resources by the ISO during the Operating Day are made based upon economic dispatch in the Real-Time Energy Market.
- (7) Demand Response Resources must specify a Minimum Reduction Time to be used for scheduling purposes that does not exceed 24 hours.
- (8) Demand Response Resources may specify an Offered CLAIM10 and Offered CLAIM30.

- (9) A Demand Reduction Offer for a Demand Response Resource that is not cleared for the Day-Ahead Market automatically carries over for use in the Real-Time Energy Market unless modified pursuant to Market Rule 1 Section III.1.10.9.
- (10) Only one Demand Reduction Offer for each Demand Response Resource is in effect at any given time during an Operating Day.
- (11) Demand Response Resources may submit Day-Ahead Ancillary Services Offers for use in the Day-Ahead Market in accordance with Market Rule 1 Section III.1.8.1.

2.2.3.5 Dispatchable Asset Related Demands (DARDs)

- (1) A Storage DARD may submit Day-Ahead Ancillary Services Offers for use in the Day-Ahead Market in accordance with Market Rule 1 Section III.1.8.1.

2.2.4 Non-Market Participant Transmission Customers

The following business rules apply to Transmission Customers wheeling energy through the ISO:

- (1) Non-Market Participant Transmission Customers may only submit Through External Transactions into the Real-Time Energy Market.
- (2) A Transmission Customer should not include the impact of transmission losses as part of its Through External Transaction submitted for use in the Real-Time Energy Market as transmission losses are accounted for on a financial basis through the Loss Component of the LMP.
- (3) Through External Transactions must be submitted to the Real-Time Energy Market as fixed, they may not be priced.

2.2.5 Declaration of Limited Energy Resource Status

For Limited Energy Resources, the Lead Market Participant may declare an hourly profile of economic dispatch maximums that can be below the hourly Economic Maximum Limits specified in the Offer Data. These hourly limits can be set to a Day-Ahead hourly schedule or be redeclared subject to Market Rule 1 and ISO business procedures restrictions. The Lead Market Participant can request that the Real-Time dispatch limit hourly scheduling to the lower dispatch maximum for the purpose of preserving a limited supply of Energy for future hours of the Operating Day. The ISO will continue to designate the Operating Reserve available above the lower limit up to the Economic Maximum Limit requested by the Market Participant and may activate that Operating Reserve as it deems appropriate to maintain reliability. Market Participants may request a change in the hourly energy schedule of a Limited Energy Resource by calling the ISO system operators at least 30 minutes prior to the time of the desired change. If the ISO can accommodate the schedule change in less than the 30-minute notification period, the change may be granted earlier.

2.2.6 Technical Rules

- (1) A valid Supply Offer for a Generator Asset includes the following items. If an input value is not provided, the default values provided below shall be used:
 - Day-Ahead switch is “check” or yes (“1”).
 - Real-Time switch is “check” or yes (“1”).
 - Availability. Default is unavailable.
 - Use offer slope switch is “square box” or no (“0”).
 - Condense available switch is blank or no (“0”).
 - Hourly Start-Up Fee and No-Load Fee. Default is zero cost value.
 - Fuel type default is lower priced fuel for dual fuel Generator Asset.
 - Must contain an Emergency Minimum Limit; and an Economic Maximum Limit of at least one tenth of a MW.
 - Hourly Economic Max/Min and Emergency Min are the asset level economic and emergency MW limits.
 - Minimum Down Time, Minimum Run Time, Start-Up Times, and Notification Times. Default is zero time value.
 - Blocks (price and quantity of energy) for each hour of the Operating Day.
 - The default for incremental offer curve data is \$0. The curve is extended up using zero slope from the last incremental point on the curve if the offer curve is of inadequate length to dispatch and/or price operating capability.
 - Offered CLAIM10. Default value is zero MW.
 - Offered CLAIM30. Default value is zero MW.
 - Manual Response Rates for associated MW ranges.
- (2) Valid Demand Bids for Load Assets other than Asset Related Demand include the following items:
 - MW, with a default value of zero MW.
 - Location (Load Zone).
 - Price above which demand should not be scheduled (for price-sensitive Demand Bids).
- (3) Valid Demand Bids for Asset Related Demand include the following items:
 - Hourly Maximum Consumption Limit and hourly Minimum Consumption Limit (for non-dispatchable Asset Related Demand, Minimum Consumption Limit is equal to Maximum Consumption Limit).
 - Monotonically decreasing bid curve for Blocks between Minimum Consumption Limit and Maximum Consumption Limit for Dispatchable Asset Related Demand (non-dispatchable Asset Related Demand is considered fixed demand at the Node).
 - Ramp rate for associated MW ranges for Dispatchable Asset Related Demand.
- (4) Valid Demand Bids for Storage DARDs include (3) above plus the following items:
 - Availability. Default is unavailable.
 - For Continuous Storage DARDs, Minimum Run Time of zero. For Binary Storage DARDs, Minimum Run Time not to exceed one hour; default is one hour.

- For Continuous Storage DARDs, Minimum Down Time of zero. For Binary Storage DARDs, Minimum Down Time not to exceed one hour; default is one hour.
 - Maximum Daily Consumption. Default is unlimited.
 - For Binary Storage DARDs, Maximum Number of Daily Starts. Default is 12.
- (5) Valid Demand Reduction Offer for Demand Response Resources shall include the following inputs. If an input is not provided, the default values provided below shall be used:
- Day-Ahead switch is “check” or yes (“1”).
 - Real-Time switch is “check” or yes (“1”).
 - Available switch is “check” or yes (“1”).
 - Interruption Cost. Default is zero cost value.
 - Must contain a Minimum Reduction; and a Maximum Reduction of at least one tenth of a MW.
 - Minimum Time Between Reductions, Minimum Reduction Time, Demand Response Resource Start-Up Time, and Demand Response Resource Notification Time. Default is zero time value.
 - Blocks (price and quantity of reduction) for each hour of the Operating Day.
 - Offered CLAIM10. Default value is zero MW.
 - Offered CLAIM30. Default value is zero MW.
 - Demand Response Resource Ramp Rates for the associated MW range.
- (6) Valid Day-Ahead Ancillary Services Offers for Generators, DARDs, and Demand Response Resources shall include the following inputs:
- One of the following valid offers from above: (1) Supply Offer for a Generator Asset, (4) Demand Bids for Storage DARDs, or (5) Demand Reduction Offer for Demand Response Resources.
 - Blocks (quantity and price for Day-Ahead Ten-Minute Spinning Reserve, Day-Ahead Ten-Minute Non-Spinning Reserve, Day-Ahead Thirty-Minute Operating Reserve, and Day-Ahead Energy Imbalance Reserve (if applicable)) for each hour of the Operating Day.

2.2.7 Major Modeling Assumptions

External Transactions, Supply Offers, Increment Offers, Decrement Bids, Demand Bids, Demand Reduction Offers, and Day-Ahead Ancillary Services Offers are modeled in the Day-Ahead Market. Up-to Congestion External Transactions are not modeled in the Day-Ahead Market commitment, but are handled in the Day-Ahead Market dispatch. The ISO does not commit additional Generator Assets or Demand Response Resources in the Day-Ahead Market to support Up-to Congestion External Transaction sales and does not reduce Generator Asset or Demand Response Resource commitment in the Day-Ahead Market to account for Up-to Congestion External Transaction purchases.

3.1 Treatment of Certain Resources

3.1.1 Local Second Contingency Protection Resources

When establishing operating schedules, the ISO chooses (or “flags”) which Resources must be operated for local second contingency protection. The ISO will also indicate, in an auditable log, why each Resource was chosen. See the *ISO New England Manual for Market Rule 1 Accounting, M-28* and Market Rule 1 Appendix III.F for a description of the settlement treatment associated with Local Second Contingency Protection Resources.

3.1.2 Special Constraint Resources

In order to maintain area reliability, Transmission Owners or Distribution Companies may request the ISO to change the commitment of a Resource or the incremental loading on a previously committed Resource to provide relief for constraints not reflected in the ISO’s systems for operating the New England Transmission System or its operating procedures. Requests will normally be made to the ISO via the appropriate Local Control Center unless Emergency Conditions justify immediate communications with the Resources. Resources designated as a Special Constraint Resource are eligible for Net Commitment Period Compensation pursuant to Market Rule 1 Appendix III.F.

3.2 External Transactions

3.2.1 External Transaction Submittal Software

External Transactions are submitted through either the ISO-NE External Transaction Tool (NEXTT) and/or the NYISO Joint Energy Scheduling System (JESS), depending on the energy market and interface as defined in the table below. This includes the requirement to submit certain transactions into both the NEXTT and JESS applications.

	DAM, ISO-NE NEXTT	RTM, ISO-NE NEXTT	RTM, NYISO JESS
Submitted under III.1.10.7	ALL	ALL	not applicable
Submitted under III.1.10.7A	ALL	Wheeling through ISO-NE	ALL

3.2.2 External Transaction Submission Timelines

External Transactions can be submitted at various times, depending on the type of transaction and the energy market as described below.

	ISO-NE NEXTT		NYISO JESS
	All DAM RTM priced	RTM not priced	RTM
Earliest submittal	10 days prior to start of transaction	10 days prior to start of transaction	60 days prior to start of transaction
Maximum duration	one calendar month	one calendar month	N/A
Latest submittal	Market Rule 1 Section III.1.10.7	Market Rule 1 Section III.1.10.9	Market Rule 1 Section III.1.10.7A

The following additional changes can be made to a priced Real-Time External Transaction:

- (1) During the Re-Offer Period, the price can be modified, resulting in the treatment described in Market Rule 1 Section III.1.10.7(b).
- (2) Prior to the deadline in Market Rule 1 Section III.1.10.9 (c) for notifying the ISO of a request to Self-Schedule an External Transaction, the MW value on the priced Real-Time External Transaction can be reduced and the e-Tag ID, OASIS reservation and market options may be modified.

3.2.3 External Transaction Submission Rules

- (1) Advance purchase of transmission service on the ISO New England OASIS is not required for purchase, sale, or Through External Transactions.
- (2) Advance purchase of transmission service on non-PTF interfaces is required and will be subject to transmission charges whether or not they are used to support Real-Time External Transactions.
- (3) The MW value submitted on the External Transaction must be expressed in whole megawatts (MW) and must be stated in terms of the MW quantity to be received at or delivered to the balancing area boundary.
- (4) For a Real-Time External Transaction that requires a transmission reservation, the Market Participant submitting the Real-Time External Transaction must also be the owner of the referenced transmission reservation unless other arrangements are made with ISO-NE.
- (5) The ISO will confirm that the total hourly amount of a Real-Time External Transaction referencing an Import Capacity Resource is less than or equal to the Capacity Supply Obligation of the Import Capacity Resource.

3.2.4 Additional Treatment for External Transactions

Sections II.44 of the Tariff and Market Rule 1 Section III.1.10.7 contain rules regarding certain types of External Transactions and their treatment in real-time scheduling. Table 3.1 describes certain treatment options that can be associated with a transaction, the conditions under which each can or should be selected, and any additional information that is required.

These options are applicable to transactions submitted to the ISO-NE NEXTT application. The only option for a transaction submitted to the NYISO JESS application is the *Generation Information System*.

Option	Description	Comment
Import Resource	<p>Market Participants with an Import Capacity Resource with a Capacity Supply Obligation must use this option to notify ISO that the transaction is backing an Import Capacity Resource.</p> <p>For transactions submitted under Section III.1.10.7A, this information must be included on Day-Ahead Market External Transaction.</p>	Must provide the Import Capacity Resource ID
Export without a Capacity Supply Obligation	Market Participants must select this option for transactions to be considered under Section III.1.10.7(i) during system-wide capacity deficient conditions.	Must reference the numerical Asset ID
LSCC Export (Capacity Export Through Import Constrained Zone or FCA Cleared Export Transaction)	<p>When this is selected by Market Participants that have bid and cleared appropriately in the FCA and submitted the transaction in accordance with Section III.1.10.7(f) i or ii, Market Participant is requesting that the transaction be considered in local second contingency commitment and will be allocated a share of certain costs as defined in Section III.1.10.7(h). Transactions with this option are considered supported in Real-Time scheduling as defined in Section II.44.</p> <p>Note: Market Participant must also select Non-Capacity Supply Obligation Export to be considered under Section III.1.10.7(i).</p>	Must provide the numerical Asset ID backing the FCA de-list bid
Unconstrained Export (Same Reserve Zone or Unconstrained Export Transaction)	<p>When this option is selected and the referenced generating Resource meets criteria in Section III.1.10.7(f) iii or iv, the transaction is considered supported in Real-Time scheduling as defined in Section II.44.</p> <p>Note: Market Participant must also select Non-Capacity Supply Obligation Export to be considered under Section III.1.10.7(i).</p>	Must provide the numerical Asset ID
Excepted Transaction	When this is selected by Market Participants with active items in Section II Attachment G-3 and submitted in accordance with Section II.44(a), special priority is assigned in real-time scheduling. There are currently no active items in Attachment G-3.	Does not require a comment
Generation Information System	Used to indicate transaction is associated with Generation Information System.	Must provide an alphanumeric string
EET Emergency	When emergency transactions are requested by ISO-NE, allows user to submit priced transactions within the	No additional information required

Option	Description	Comment
	operating day.	
New Brunswick Security Energy Transactions	When New Brunswick Security Energy Transactions are requested by ISO-NE, allows user to submit priced transactions within the operating day.	No additional information required
Grandfathered	When this is selected by Market Participants with active items in Attachment H of the Open Access Transmission Tariff and submitted in accordance with Section II.44(a), special priority is assigned in Real-Time scheduling.	Must provide MEPCO Grandfathered OASIS reservation

Table 3.1: Available Options Associated with External Transactions

3.2.5 Status of External Transactions Submitted to NEXTT

Upon submittal of an External Transaction in NEXTT to the Real-Time Energy Market, the ISO performs automated validation of e-Tag ID data, OASIS data, and any referenced market options for each separate interval. Only Real-Time External Transactions with a status of *APPROVED* will be considered in the scheduling process.

If a Real-Time External Transaction passes the automated validation process, each interval is assigned a status of *APPROVED*. However, if a Real-Time External Transaction with the Unconstrained Export option selected passes the automated validation process, each interval is assigned a status of *ISO REVIEW*. The ISO will perform additional validation of transactions with *ISO REVIEW* status and set the status of each interval to *APPROVED* or *DENIED*.

If a Real-Time External Transaction does not pass the automated validation process, the relevant intervals are assigned a status of *PENDING ACTION*. It is the responsibility of the customer submitting the External Transaction to correct any issues identified. Any interval of a Real-Time External Transaction that is not *APPROVED* by the deadline specified in Section III.1.10.9(c) is assigned a status of *DENIED*.

3.2.6 Status of External Transactions Submitted to JESS

Information regarding the process of submitting and monitoring External Transactions to the NYISO JESS application can be found on the NYISO website in their JESS user guide.

Revision History

Approval

Approval Date: November 1, 2002

Effective Date: March 1, 2003

Revision History

Revision: 1 - Approval Date: February 5, 2003

Section No. Revision Summary

1.2.2 (4).....Deletes the forecast of Day-Ahead LMPs from the posted pre-dispatch schedule report.

2.5.2 (1),

2.5.3 (1) &

2.5.6 (3)..... Corrects problems discovered during Market Trials by adding language to the data verification section to have the ISO review Demand Bids, Supply Offers, Increment Offers and Decrement Bids in the Day-Ahead Energy Market for errors and to provide for ISO revision of certain Demand Bids and Supply Offers after discussion with the submitting Participant.

2.5.2 (14).....Clarifies that the Hub is not a valid Location for Demand Bids.

2.5.9.....Adds a better explanation of the calculation of the three components of the LMPs.

3.2.1 (10) &

3.2.7 (4)..... Clarifies the calculation of Opportunity Costs in the Regulation Market.

Revision: 2 - Approval Date: April 4, 2003

Section No. Revision Summary

1.1.....Adds language stating that Resources without Electronic Dispatch Capability (EDC) must Self-Schedule in the Day-Ahead Energy Market.

2.2.....Clarifies that ICAP Resources without EDC must meet the requirement to offer in the Day-Ahead Energy Market through a Self -Schedule.

2.5.3 (3).....Adds language stating that ICAP Resources without EDC must Self-Schedule in the Day-Ahead Energy Market.

2.5.3 (9)..... Replaces the word “in” with the word “for” in the description of Supply Offers for Generators with minimum run times in excess of 24 hours.

2.5.9.2 (2)(b)..Clarifies that Generators on Regulation are excluded from the calculation for flagging units for failure to follow Dispatch Instructions.

6.3.4.....Clarifies that only Resources with EDC may submit Supply Offers in the Day-Ahead Energy Market.

Revision: 3 - Approval Date: May 2, 2003

Section No. Revision Summary

2.5.10(1)(a)...Revise treatment of stale data or program failure to apply to cases where 11 intervals or less are affected and to explain when the next successful interval will be used in lieu of the last successful interval.

Revision: 4 - Approval Date: June 26, 2003

<u>Section No.</u>	<u>Revision Summary</u>
2.5.9...	.....Adds a description of a mathematical condition encountered by the software in the calculation of Real-Time Nodal Prices in rare instances known as “dual degeneracy” to the description of the calculation of Real-Time Nodal Price.
<i>The addition of Section 2.5.16.3 is contingent upon FERC acceptance of corresponding revisions to Market Rule 1 filed by the ISO on May 15, 2003.</i>	
2.5.16.3.....	.....Adds a new subsection that adds Reserve Shortage Condition provisions to the Manual, including: when a Reserve Shortage Condition will be declared, notification to the market by the ISO, pricing implications, and the calculation of Reserve Shortage Opportunity Costs to be recovered pursuant to ISO New England Manual for Market Rule 1 Accounting, M-28.

Revision: 5 - Approval Date: October 3, 2003

<u>Section No.</u>	<u>Revision Summary</u>
8.1.....	.....Language is added to conform Manual 11 to the recent change in notice requirements announced pursuant to Market Rule 1 for changes to Self-Schedules for certain internal generating Resources to 30 minutes.

Revision: 6 - Approval Date: February 20, 2004

<u>Section No.</u>	<u>Revision Summary</u>
3.2.1(3).....	.....Adds language clarifying that the information must be supplied prior to the close of the Regulation Market.
3.2.1(4).....	.....Revises the section to state that unit regulating status for units available for Energy in the Day-Ahead Energy Market may be changed from available to unavailable after the Regulation Market closes.
3.2.1(7).....	.....Revises the treatment of units that were unavailable in the Day-Ahead Energy Market and become available later so that they may Self-Schedule for Regulation only if they are available and submit the Self-Schedule prior to the close of the Regulation Market.
3.2.1(10).....	.....Limits requests by Limited Energy Generators to Self-Schedule for Regulation (and the associated Redeclaration of Regulation Limits and Regulation Capacity to be consistent with the LEG MWh limit) to those submitted prior to the close of the Regulation Market.

Revision: 7 - Approval Date: March 12, 2004

<u>Section No.</u>	<u>Revision Summary</u>
1.2.2(2)(b) & 2.1...	.....Adds language indicating that all offers and bids and External Transactions may clear in the Day-Ahead Market in partial MW quantities.

2.3.....Adds language indicating that External Transactions are scheduled and settled in whole MW quantities in the Real-Time Energy Market.

Revision: 8 - Approval Date: May 7, 2004

Section No. Revision Summary

3.2.1(3)(b).....Clarifies that Regulation Capability represents the amount of movement that can be achieved within 5 minutes while providing Regulation.

3.2.1(9) This subsection is deleted.

Revision: 9 - Approval Date: November 5, 2004

Section No. Revision Summary

These revisions shall cease to be in effect after April 15, 2006 (Sunset Provision).

1.1.....Clarifies that the timeline for scheduling activities in Exhibit 1.1 applies under normal conditions and adds Exhibit 1.1.A to describe the scheduling timeline when a Cold Weather Event is declared pursuant to OP-20.

1.2.2(5).....Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.

2.3.....Replaces “noon” with “the close of the Day-Ahead Energy Market bid/offer period”.

2.5.1.....Divides the last sentence of the paragraph into two sentences for clarity.

2.5.7(2).....Replaces “12:00 deadline” with “the close of the Day-Ahead Energy Market bid/offer period”.

3.1.....Adds “under normal conditions” to the description of the Regulation Market Timeline. Adds a new Exhibit 3.1.A to illustrate the Regulation Market Timeline when a Cold Weather Event is declared pursuant to OP-20.

3.2.4.....Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.

6.4.1(2)&(3)...Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.

6.4.7.....Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.

Revision: 10 - Approval Date: June 28, 2004

Section No. Revision Summary

Entire Manual revised to reflect RTO terminology and to reflect the Market Rule 1 and Transmission Markets and Service Tariff provisions filed with the FERC (e.g., the elimination of Internal Point-to-Point Transmission Service).

Revision: 11 - Approval Date: May 6, 2005

Section No. Revision Summary

2.5.16.3.....Renumbers the subsections.

2.5.16.3(3)(vi)
.....Replaces the terms “Market Monitoring Unit” and “Independent Market Advisor” with “Internal Market Monitoring Unit” and “Independent Market Monitoring Unit”.

Revision: 12 - Approval Date: May 27, 2005

Section No. Revision Summary

The following revision is contingent upon FERC acceptance of corresponding revisions to Market Rule 1 to be filed by the ISO. The ISO will request a waiver of the 60-day notice requirement so that the Market Rule 1 revisions may become effective on June 7, 2005.

6.4.10... Adds new subsection titled “ISO Purchases of New Brunswick Security Energy”.

Revision: 13 - Approval Date: September 9, 2005

Section No. Revision Summary

1.1, 2.5.2 &

3.1.....Replace references to OP-20 with references to Appendix H to Market Rule 1.

2.5.8(2),

2.5.9.3(b),

2.5.16.3(4),

5.1, 6.3.2, 6.3.3

& 6.36..... Replace references to Section 5 of ISO New England Manual M-28 with references to Appendix F to Market Rule 1.

Revision: 14 - Approval Date: March 11, 2005

Section No. Revision Summary

1.2.2.....Adds a reference to Regulation.

1.2.3.....Adds a new subsection title.

1.2.3(5).....Revises the subsection to provide for hourly posting of preliminary Real-Time Regulation Clearing Prices.

1.2.3(14)&(15)

.....Adds language providing for the posting of preliminary and Real-Time LMPs and RCPs.

2.3.....Revises the subsection to allow Resources selected in the Day-Ahead Market to participate in the Re-Offer Period.

2.5.1.....Revises the subsection to allow Resources selected in the Day-Ahead Market to participate in the Re-Offer Period.

2.5.3(8).....Revises the subsection to allow Resources selected in the Day-Ahead Market to participate in the Re-Offer Period.

2.5.5(7) Adds the final RCP to the data to be posted.

2.5.6.....Deletes “Mechanical” from the subsection title.

2.5.9.2(c)..... Revises the section to make Real-Time Dispatchable External Transactions eligible to set the Dispatch Rate.

- 2.5.10.....Adds RCP to verification procedure and to title of subsection.
- 3.1.....Completely revises the subsection to describe the new Regulation Market.
- 3.2.1(2).....Revises the criteria for units participating in the Regulation Market.
- 3.2.1(3).....Revises the information requirements and redefines Regulation Capability. Also revises the description of the manner in which the software treats Regulation High and Low Limits when they are not the most restrictive limits submitted.
- 3.2.1(4)–(8)....These subsections are deleted and replaced with new subsections (4) through (10).
- 3.2.1(4) Adds a new subsection describing Minimum Regulation Range.
- 3.2.1(5) Adds a new subsection on changing the unit’s Regulation status from available to unavailable.
- 3.2.1(6).....Adds a new subsection (revised former Section 3.2.1(9)) to describe the treatment of Limited Energy Generators.
- 3.2.1(7).....Adds a new subsection describing Self-Scheduling for Regulation.
- 3.2.1(8).....Adds a new subsection setting forth limitations on the submission of Self-Schedule requests.
- 3.2.1(9).....Adds a new subsection describing the treatment of Opportunity Cost in Self-Scheduled hours.
- 3.2.1(10).....Adds a new subsection describing unit eligibility for Regulation assignment.
- 3.2.2.....Revises the subsection to describe the method for setting Regulation Requirements.
- 3.2.4.....Deletes the words “necessary data”. Revises language describing the use of default offer values when no offer is submitted.
- 3.2.5.....Adds this new subsection to describe the process of assigning Regulation.
- 3.2.6.....Re-writes the subsection to describe the new Regulation Clearing Price calculation.
- 3.2.7.....Revises the subsection to describe the new Regulation assignment process.
- 3.2.8.....Adds language to provide for Regulation Service Credits and Time-On-Regulation Credits.
- 3.2.9.....Revises subsection to provide for monitoring of Automatic Response Rates.
- 3.2.10.....Revises the subsection to use new terminology, delete subsection (2) and re-define the qualifying measurement interval.
- 3.2.11.....Revises the performance calculation to reflect new Regulation Market.
- 3.2.12.....Revises list of existing performance records and adds several items for monitoring of ARR.
- 3.2.14.....Revises subsection to use Regulation Capability Compliance Rating, change rounding to nearest 0.1 MW and add a paragraph dealing with ARR.
- 5.2.3.....Eliminates the limitation on Resources that cleared Day-Ahead Market submitting offers in the Re-Offer Period.
- 5.2.5.....Revises and re-titles subsection to describe Regulation Assignment and Clearing software.
- 6.2.....Replaces “ISO Regulation Requirement” with “Regulation Requirement” here and throughout the document.
- 6.2.1(3).....Deletes subsection providing for the notification of Regulation Requirement by 16:00.
- 6.2.1(4).....Replaces clearing price at 22:00 with hourly clearing of the Regulation Market.

- 6.2.3... ..Deletes the reference to a 22:00 posting of the Regulation Clearing Price.
- 6.3.....Eliminates the limitation on Resources that cleared in the Day-Ahead Market submitting offers in the Re-Offer Period.
- 6.3.1.....Adds references to OP-8 and OP-19.
- 6.3.4.....Eliminates the limitation on Resources that cleared in the Day-Ahead Market submitting offers in the Re-Offer Period.
- 6.3.6... ..Replaces “pool-scheduled” with “Pool-Scheduled”.

Revision: 15 - Approval Date: December 2, 2005

Section No. Revision Summary

The following revisions are part of the Winter 2005/2006 Action Plan and will expire (along with their associated Market Rule 1 provisions) on March 31, 2006.

- 2.5.1.....Adds references to Start-Up and No-Load Fees in the timeline to reflect daily submission of these values.
- 2.5.3(12)..... Replaces the two eligibility periods twice a month to change Start-Up and No- Load Fees to once per day by noon of the day prior to the Operating Day for which the Start-Up and/or No-Load Fee is to be effective.
- 6.3.....Inserts “(excluding Start-Up and No-Load Fees)”.
- 6.3.4.....Inserts “(excluding Start-Up and No-Load Fees)”.

The following revisions are conforming changes to reflect Appendix H to Market Rule 1 and will expire with that Market Rule 1 provision on April 15, 2006.

- Table 1.1.....Replaces reference to OP20 with a reference to OP21.
- 1.1.....Adds “Except as otherwise provided in Appendix H to Market Rule 1,” before the statement describing when the Re-Offer Period begins and ends.
- 1.1.....Adds the revised times for close of the Day-Ahead Energy Market, posting of DAM schedules and the close of the Re-Offer Period.
- Exhibit 1.1A ...Revises the timeline to conform to Appendix H to Market Rule 1.
- 1.2.3(2).....Deletes “at 16:00”.
- 2.3.....Deletes “at 18:00” in the first paragraph and “from 16:00 to 18:00” in the second paragraph.
- 2.5.1.....Adds Cold Weather Events to the list of items that may result in changes to the Supply Offer timeline.
- 2.5.3(25).....Revises section to reflect Appendix H to Market Rule 1 process related to Supply Offer caps for internal Resources.
- Exhibit 3.1.A..Revises Exhibit 3.1.A to reflect revised Supply Offer deadlines, Re-Offer Period, etc. as detailed in Appendix H to Market Rule 1.
- 3.2.1(3).....Deletes reference to 18:00 Day-Ahead.
- 5.1(1).....Deletes “prior to 12:00”.
- 5.2.3.....Revises last paragraph to reflect potential for changed deadlines pursuant to Appendix H to Market Rule 1.
- 6.2.....Adds language to the last sentence indicating the timeline could be adjusted pursuant to Appendix H to Market Rule 1 or for technical reasons.

6.2.1(3).....Deletes a reference to 18:00.
6.3.7... ..Replaces “12:00 noon of the day before” with “the applicable deadline on the day before”.
6.4.8... ..Adds a reference to the Appendix H to Market Rule 1 process.
8.1.....Adds “under normal conditions” to the last sentence.

Revision: 16 - Approval Date: October 14, 2005

Section No. Revision Summary

1.2.1, 1.2.1(1),
1.2.3.(3), 5.1(2),
6.1 & 6.3.2.... Replaces the terms “Daily RMR Resource” and “RMR Resource” with “Local Second Contingency Protection Resource”.
2.5.3(7)(b),
2.5.3(9),
2.5.9.2(2)(b),
2.5.11(3),
2.5.12(3),
2.5.13(2)(d), (e) & (f),
2.5.14(3),
3.2.7(5), 6.3.1,
6.3.3 & 6.3.5...Replaces the term “Operating Reserve” with “NCPC”.
6.3.2.....Replaces the term “RMR Agreement” with “Reliability Agreement”.

Revision: 17 - Approval Date: December 2, 2005

Section No. Revision Summary

The following Winter 2005/2006 Action Plan revisions (see Revision 15) have expired (along with their associated Market Rule 1 provisions) on March 31, 2006 and the previous Manual language has been reinstated.

2.5.1.....Adds references to Start-Up and No-Load Fees in the timeline to reflect daily submission of these values.
2.5.3(12)..... Replaces the two eligibility periods twice a month to change Start-Up and No- Load Fees to once per day by noon of the day prior to the Operating Day for which the Start-Up and/or No-Load Fee is to be effective.
6.3.....Inserts “(excluding Start-Up and No-Load Fees)”.
6.3.4.....Inserts “(excluding Start-Up and No-Load Fees)”.

Revision: 18 - Approval Date: April 7, 2006

Section No. Revision Summary

5.2.2(2)..... Replace the term “holidays” with “NERC Holidays and non-NERC Holidays for which the load forecast for the New England Control Area is likely to deviate from the load forecast that would otherwise be expected on a non-holiday”.

Revision: 19 - Approval Date: December 2, 2005

Section No. Revision Summary

The following conforming changes to reflect Appendix H to Market Rule 1 have expired (along with Appendix H to Market Rule 1) on April 15, 2006 and the previous Manual language has been reinstated.

(see Revision 9)

- 1.1.....Clarifies that the timeline for scheduling activities in Exhibit 1.1 applies under normal conditions and adds Exhibit 1.1.A to describe the scheduling timeline when a Cold Weather Event is declared pursuant to OP-20.
- 1.2.3(5).....Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.
- 2.3.....Replaces “noon” with “the close of the Day-Ahead Energy Market bid/offer period”.
- 2.5.1.....Divides the last sentence of the paragraph into two sentences for clarity.
- 2.5.7(2).....Replaces “12:00 deadline” with “the close of the Day-Ahead Energy Market bid/offer period”.
- 3.1.....Adds “under normal conditions” to the description of the Regulation Market Timeline. Adds a new Exhibit 3.1.A to illustrate the Regulation Market Timeline when a Cold Weather Event is declared pursuant to OP-20.
- 3.2.4.....Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.
- 6.4.1(2)&(3)...Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.
- 6.4.7.....Replaces “12:00” with “the close of the Day-Ahead Energy Market bid/offer period”.

(see Revision 15)

- Table 1.1.....Replaces reference to OP20 with a reference to OP21.
- 1.1.....Adds “Except as otherwise provided in Appendix H to Market Rule 1,” before the statement describing when the Re-Offer Period begins and ends.
- 1.1.....Adds the revised times for close of the Day-Ahead Energy Market, posting of DAM schedules and the close of the Re-Offer Period.
- Exhibit 1.1A ...Revises the timeline to conform to Appendix H to Market Rule 1.
- 1.2.3(2)Deletes “at 16:00”.
- 2.3.....Deletes “at 18:00” in the first paragraph and “from 16:00 to 18:00” in the second paragraph.
- 2.5.1.....Adds Cold Weather Events to the list of items that may result in changes to the Supply Offer timeline.
- 2.5.3(25)Revises section to reflect Appendix H to Market Rule 1 process related to Supply Offer caps for internal Resources.
- Exhibit 3.1.A...Revises Exhibit 3.1.A to reflect revised Supply Offer deadlines, Re-Offer Period, etc. as detailed in Appendix H to Market Rule 1.
- 3.2.1(3)Deletes reference to 18:00 Day-Ahead.
- 5.1(1).....Deletes “prior to 12:00”.

- 5.2.3.....Revises last paragraph to reflect potential for changed deadlines pursuant to Appendix H to Market Rule 1.
- 6.2.....Adds language to the last sentence indicating the timeline could be adjusted pursuant to Appendix H to Market Rule 1 or for technical reasons.
- 6.2.1(3).....Deletes a reference to 18:00.
- 6.3.7... ..Replaces “12:00 noon of the day before” with “the applicable deadline on the day before”.
- 6.4.8... ..Adds a reference to the Appendix H to Market Rule 1 process.
- 8.1.....Adds “under normal conditions” to the last sentence.

Revision: 20 - Approval Date: August 11, 2006

Section No. Revision Summary

- 8.1.....Adds language to the end of this section requiring LEG units to notify the ISO at least 30 minutes prior to a change in LEG status.

Revision: 21 - Approval Date: June 2, 2006

Section No. Revision Summary

Entire Manual revised to reflect ASM Phase II subjects which include the Locational Forward Reserve Market, Real-Time Reserve Clearing Prices, and Asset Related Demands.

Revision: 22 - Approval Date: November 3, 2006

Section No. Revision Summary

These FCM Transition Period revisions shall become effective December 1, 2006 and shall be replaced by provisions implementing the Forward Capacity Market on or about June 10, 2010 as provided in the FERC approved Settlement Agreement in Docket No. ER03-563.

- 1.1.....Revises the third paragraph to add references to Non-Dispatchable QFs, Other Demand Resources and Settlement Only Generators. Revises section reference to Market Rule 1.
- 1.3.1(3) Adds “(External sales are treated as Day-Ahead or Real-Time Load Obligations at the applicable External Node.)”.
- 1.3.2(2).....Adds “(External purchases are treated as Day-Ahead or Real-Time Generation Obligations at the applicable External Node.)”.
- 1.3.2(6)Deletes a Section reference to Market Rule 1.
- 2.2.....Corrects a Section reference in the last line of the third paragraph.
- 2.5.3(3)&
- 2.5.5(8)Corrects Section references to Market Rule 1.

Revision: 23 - Approval Date: May 5, 2006 and August 11, 2006

Section No. Revision Summary

This set of revisions was approved on May 5, 2006:

- 2.5.1..... Adds references to Start-Up and No-Load Fees in the timeline to reflect daily submission of these values.
- 2.5.3(12)..... Replaces the two eligibility periods twice a month to change Start-Up and No- Load Fees to once per day by noon of the day prior to the Operating Day for which the Start-Up Fee and/or No-Load Fee is to be effective.
- 2.5.9.2(3)(b)... The word “postured” is replaced by “Postured” to reflect the newly defined term added to Market Rule 1 and ISO New England Manual M-35.
- 5.1.....The word “postured” is replaced by “Postured” to reflect the newly defined term added to Market Rule 1 and ISO New England Manual M-35.
- 6.3 & 6.3.4... Inserts “(excluding Start-Up and No-Load Fees)”.

This set of revisions was approved on August 11, 2006

- 1.1Adds a reference to the new Exhibit 1.3 which describes the scheduling timeline when a Cold Weather Event is declared pursuant to Market Rule 1.
- 1.1.1Adds a new Exhibit 1.3 to describe the scheduling timeline when a Cold Weather Event is declared pursuant to Appendix H to Market Rule 1.
- 2.5.1...Revises the second sentence to add Cold Weather Events as an event which could cause the listed times to be adjusted.
- 3.1.....Adds a new Exhibit 3.1.A to illustrate the Regulation Market Timeline when a Cold Weather Event is declared pursuant to Appendix H to Market Rule 1.
- 5.2.3.....Adds “(see Appendix H to Market Rule 1 for deadlines during Cold Weather Events)” to the first sentence of the fourth paragraph.

Revision: 24 - Approval Date: November 3, 2006

Section No. Revision Summary

- 3.2.5(1)(d)..... Deletes the previous subsection (d) language.
- 3.2.5(1)(d).....Adds to the new subsection (d) the phrase “0.17 multiplied by” to the third sentence to now read “It is calculated as 0.17 multiplied by the greater of:”.
- 3.2.5(2)Revises the section reference 3.2.5(1)(c,d,e,f) to now read “3.2.5(1)(c,d,e)”.

Revision: 25 - Approval Date: October 12, 2007

Section No. Revision Summary

List of Figures

- and Tables..... Adds “ISO New England Business Procedures” to the Table 1.1 title.
- Introduction...Adds “ISO New England Business Procedures” to this section.
- Table 1.1..... Adds “ISO New England Business Procedures” to the title and adds “Ancillary Service Schedule No. 2 Business Procedure” to the Transmission column.
- Table 2.2..... Revises the table by deleting the 1385 Line as part of the Roseton External Node definition and adding a new External Node (.INRTHPORT1385) for the 1385 Line (FERC acceptance of corresponding changes to Appendix F to Market Rule 1 was issued by FERC on June 19, 2007 in Docket No. ER07-767-000). Deletes the footnotes (a), (b), (c) and (d) in the table.

Revision: 26 - Approval Date: October 12, 2007

Section No. Revision Summary

Table 2.2..... Revises the table by replacing external node “.I.KESWICK 345 1” with “.I.SALBRYNB345 1” and adding “Lepreau – Orrington (390 Line)” as an associated transmission facility. Revises the table by deleting “HQ - Comerford 451+452 Lines (Phase 1)” as an associated facility for the .I.HQ_P1_P2345 5 external node.

Revision: 27 - Approval Date: December 7, 2007

Section No. Revision Summary

2.6Replaces the terms “Claim 10” and “Claim 30” with “CLAIM10” and “CLAIM30”.
2.6.1Deletes the phrase “such authority as granted” in the second paragraph, deletes the third paragraph and deletes the third and fourth sentences in the fourth paragraph. Replaces the term “Dispatch” with “dispatch” in the last paragraph.
2.6.2Revises the title to state “2.6.2 Designated Entity/Lead Market Participant Responsibilities”.
2.6.2(3)..... Replaces “Designated Entity” with “Lead Market Participant” in the first sentence.
2.6.3Deletes the opening paragraph which duplicated the language contained in Section III.1.11.3(c) of Market Rule 1.
2.6.3(1)..... Revises this subsection to describe only the ISO’s performance audit and testing process of CLAIM10 and CLAIM30 capability.
2.6.3(2)..... Revises this subsection to describe the ISO’s performance audits of parameters other than CLAIM10 and CLAIM30 capability.
2.6.3(2)(g).... Adds a new subsection detailing the ability of the Designated Entity to request an audit of a Resource to demonstrate that a deficiency identified in an audit has been corrected.
2.6.4, 2.6.5,
2.6.6 & 2.6.7...Deletes these sections in their entirety.

Revision: 28 - Approval Date: May 9, 2008

Section No. Revision Summary

2.5.2(3), (7) &
(14)Revises the sections to remove the capability of Fixed and Dispatchable External Transactions to have different Source and Sink Locations in the Day-Ahead Energy Market.
2.5.3(19), (21)
& (23)Revises the sections to remove the capability of Fixed and Dispatchable External Transactions to have different Source and Sink Locations in the Day-Ahead Energy Market.
Table 2.3..... Revises the table to remove the capability of Fixed and Dispatchable External Transactions to have different Source and Sink Locations in the Day-Ahead Energy Market.

6.5.4.1(2).....Deletes “(s), and internal Node, if required”.

Revision: 29 - Approval Date: June 6, 2008

Section No. Revision Summary

Entire Manual revised to reflect Market Rule 1 and Transmission, Markets and Services Tariff provisions filed with the FERC (i.e., provisions making External Transactions comparable to internal generation pursuant to FCM Settlement Agreement).

Revision: 30 - Approval Date: June 23, 2008

Section No. Revision Summary

2.3.....Revises the third paragraph to clarify a scheduling and delivery practice for priced External Transactions as it may relate to Imports supporting a Capacity Supply Obligation.

2.5.13.1.....Deletes “Abnormal Conditions Alert” in the first and third paragraphs.

Revision: 31 - Approval Date: August 1, 2008

Section No. Revision Summary

1.1.....Revises this subsection to reflect the prospect of the ISO being able to schedule External Transactions more than once an hour.

1.1(3).....Revises this subsection to reflect the ISO’s performance of hourly scheduling to cover the entirety of each hour throughout the Operating Day.

2.5.7(5).....Deletes “hourly” in the phrase “hourly transfer limit” in the third sentence.

Table 2.3..... Revises the table by deleting “Internal Location not applicable in Real-Time” in the Self-Scheduled/priced Real-Time column.

2.5.9.2(1).....Revises this subsection to reflect the prospect of the ISO being able to schedule External Transactions more than once an hour.

2.5.13.1 Revises the second paragraph by adding the phrase “scheduling interval of an” and replacing the term “next-hour” with “upcoming”.

2.5.13.2Revises the second paragraph by replacing “upcoming” with “the next scheduling interval within an”, replacing “next-hour” with “upcoming”, and replacing “in-hour” with “within a scheduling interval”.

6.5.1(1).....Revises the footnote to state that any scheduling interval based on a thirty minute period will be begin at the top of the hour or thirty minutes after the top of the hour.

6.5.3.....Revises the section by deleting “hourly” in the phrase “hourly ramp constraints” and replacing “hour” with “scheduling interval”.

6.5.4.1(2).....Revises the phrase “External Node” to “External Node(s), and internal Node, if required”.

6.5.7.....Revises the section by replacing “Next Hour” with “for Next Scheduling Interval” in the title and within the paragraph. Replaces “hour” with “interval” in the second sentence.

Revision: 32 - Approval Date: June 6, 2008 and June 22, 2009

Section No. Revision Summary

This set of revisions was approved on June 6, 2008

- 6.5.4.2(7-10)...Revises the subsections to address the submittal timing of External Transaction information for the Real-Time Energy Market.
- 6.5.5.....Revises the ISO review process for specific priced Real-Time External Transactions that have been submitted in support of an ICAP Import Contract which have a *Pending Action* status.
- 6.5.7... ..Revises the “Real-Time Energy Market Next Hour Check-Out” process for Real-Time priced External Transactions.

This set of revisions was approved on June 22, 2009

Sections 1, 2

and 6.....Revises these three sections to reflect competitive offer requirements for ICAP Import Contracts.

Revision: 33 - Approval Date: May 7, 2010

Section No. Revision Summary

Entire Manual revised to reflect the Forward Capacity Market as contained in Section III.13 of Market Rule 1.

Revision: 34 - Approval Date: November 18, 2010

Section No. Revision Summary

Throughout the

manual.....Replaces “business days” with the defined term “Business Days”, utilizes military time (without colons), utilizes “manual” rather than “Manual” when not naming the manual (e.g., Manual M-11), and, with several exceptions, expressing numbers 1-9 by utilizing the words one through nine and expressing all higher numbers as numerals.

Introduction...Incorporates standardized description of the content and purpose of ISO New England Manuals and deleted Section listing.

Opening

Introduction for

each Section....Deletes the opening introduction for each Section.

2.5.3(19).....Revises the subsection to refer to the Market Rule 1 offer requirements for External Transactions associated with Import Capacity Resources.

6.5.....Revises the section to reference the competitive offer requirement in Section III.13.6.1.2.1 of Market Rule 1 for priced External Transactions.

6.5.2.....Revises the section to delete obsolete reference to ISO New England Manual M-20, and revises a subsection that might imply rejection of External Transactions where the aggregate amount of such transactions is less than an associated Capacity Import Contract’s Capacity Supply Obligation.

- | | |
|-------------|--|
| 6.5.3..... | Revises the section to eliminate reference to warnings (ramp constraint status is routinely posted, there is no explicit warning) and to clarify the section. |
| 6.5.6 | Revises the section to refer to Market Rule 1 and OATT provisions that provide detailed scheduling information for various types of External Transactions and to refer to the adjustments and penalties that may apply to Import Capacity Resources. |

Revision: 35 - Approval Date: October 15, 2010

Section No. Revision Summary

Table 2.2..... Replaces “Keswick – Orrington (396 Line)” with “Keene Road – Keswick (3001)”.

Revision: 36 - Approval Date: January 7, 2011

Section No. Revision Summary

- | | |
|-----------------|--|
| 1.1..... | Adds the phrase “, or are not otherwise required to submit a Supply Offer under the ISO Tariff,” to the second sentence within the fourth paragraph. |
| 1.3.2(5)(a).... | Adds the phrase “, or are not otherwise required to submit a Supply Offer under the ISO Tariff,” to the first sentence. |
| 1.3.2(5)(b).... | Creates a new subsection (b) from the second sentence previously contained in Section 1.3.2(5)(a). |
| 2.2..... | Adds the phrase “, or are not otherwise required to submit a Supply Offer under the ISO Tariff,” to the fourth sentence within the fourth paragraph. |
| 2.5.3(3)..... | Adds the phrase “, or are not otherwise required to submit a Supply Offer under the ISO Tariff,” to the second sentence. |
| 2.5.3(14)(a)... | Adds the phrase “, or are not otherwise required to submit a Supply Offer under the ISO Tariff,” to the first sentence. |

Revision: 37 - Approval Date: December 10, 2010

Section No. Revision Summary

6.3.2..... Deletes the third and fourth sentences in the second paragraph which conforms this Manual to the Appendix A to Market Rule 1 sunset of provision Section III.A.6 Reliability Agreements.

Revision: 38 - Approval Date: April 1, 2011

Section No. Revision Summary

2.5.2..... Adds citation to access details on requesting the demand response enrollment information contained in ISO New England Manual M-RPA.

Revision: 39 - Approval Date: January 20, 2012

Section No. Revision Summary

2.5.6(3).....Deletes the sentence “Hourly Maximum Consumption Limit must be greater than or equal to five MW.”

Revision: 40 - Approval Date: May 6, 2011

Section No. Revision Summary

2.5.1,

2.5.3(7)&(11),

6.3 & 6.3.4.... Removes language that prohibited updates to the Start-Up and No-Load parameters of the Supply Offer during the Re-Offer Period.

2.5.2(2)Clarifies that only one hourly fixed Demand Bid quantity can be submitted for the next Operating Day.

2.5.2(9)Clarifies that up to ten price sensitive Demand Bid blocks can be submitted.

2.5.2(16)Clarifies that up to fifty Decrement Bid blocks per hour can be submitted.

2.5.2(18)..... Adds the sentence “Market Participants may submit up to ten Demand Bid blocks per day for each Dispatchable Asset Related Demand Bids the Day-Ahead Energy Market.”

2.5.3(10)Clarifies that a Supply Offer for a Generator may consist of up to ten incremental Energy offer blocks.

2.5.3(17)Clarifies that up to fifty Increment Offer blocks per hour can be submitted.

Revision: 41 - Approval Date: June 1, 2012

Section No. Revision Summary

1.3.....Revises the section to add Demand Reduction Offers.

1.3.4.2.....Adds Day-Ahead Demand Reduction Offer of Real-Time Demand Response Asset. Changes OP-4 dispatch trigger to declaration from forecast OP-4. Deletes third paragraph and adds a new paragraph to describe capacity and energy dispatch of Real-Time Demand Response Resources, Real-Time Emergency Generation Resources (OP-4 dispatch) and energy dispatch under Appendix III.E of Real-Time Demand Response Assets.

2.3..... Revises dispatch language to eliminate advance notice and deletes the word “increase”.

5.1(5).....Adds language on OP-4 dispatch of Real-Time Demand Response Resources.

Revision: 42 - Approval Date: October 3, 2012

Section No. Revision Summary

6.5.7.....Deletes the phrase “that were submitted by 1200 on the day before the Operating Day” within the Real-Time Energy Market Day Before Checkout subsection.

Revision: 43 - Approval Date: January 4, 2013

Section No. Revision Summary

3.2.4(3)Deletes this subsection in its entirety.

5.2.3(2)Deletes the phrase “for Regulation” within this subsection.

6.2.2..... Deletes the third sentence “Market Participants use the MUI to submit Internal Bilateral Transactions for Regulation that must be submitted prior to the Real- Time Internal Bilateral Transaction Trading Deadline.” in this section.
Exhibit 6.3.....Deletes the “Internal Bilateral Trans.” phrase which was contained in the “Other ISO Systems” flow chart box.

Revision: 44 - Approval Date: May 3, 2013

<u>Section No.</u>	<u>Revision Summary</u>
1.1, 1.2.1(2), 1.2.3, 1.2.3(2), (4), (5) and (7), 1.3.4.1(1), 1.3.4.2, 2.3, Table 2.2, 2.5.1, 2.5.3(7), (11), (14), (16)(e), (27), (27)(a) and (b), 2.5.5(4), 2.5.6(4) bullets 3 and 4, 2.5.10(1)(a), 2.5.13.1, 2.5.13.2, 3.1, 3.2.1(3), 3.2.2(2), 3.2.3(1)(b), 3.2.4(1), 5.1 bullet 4, 5.2 bullet 7, 5.2.2(1), 5.2.3, 5.2.5, 6.2, 6.2.1(3), 6.2.2, 6.2.3, 6.3.8, 6.5.1(2), (3) and (4), 6.5.9, 8.1.....	.....These Sections were revised to reflect the earlier clearing of the Day-Ahead Energy Market and earlier completion of the initial Reserve Adequacy Analysis process.
Exhibits 1.1, 1.2, 1.3, 3.1, 3.1.A, 6.2, 6.3, 8.1.....	.....These Exhibits were deleted to reflect the earlier clearing of the Day-Ahead Energy Market and earlier completion of the initial Reserve Adequacy Analysis process.

Revision: 45 - Approval Date: June 7, 2013

<u>Section No.</u>	<u>Revision Summary</u>
2.5.3(12), 2.5.5(6), 2.5.6(1)&(3), & 2.5.9.3.....	Replaces “Claim 10” and “Claim 30” terminology with the defined terms “CLAIM10” and “CLAIM30”.

Revision: 46 - Approval Date: June 27, 2013

<u>Section No.</u>	<u>Revision Summary</u>
2.5.9.2(2)(b)...	Updates cross reference to point to ISO New England Manual for the Regulation Market (M-REG).
3.....	Deletes this section and relocates the information to ISO New England Manual for the Regulation Market (M-REG).
5.2.6.....	Updates cross reference to point to ISO New England Manual for the Regulation Market (M-REG).
6.2.1, 6.2.2, 6.2.3 and Exhibit 6.2...	Deletes these subsections and exhibit, and relocates this information to ISO New England Manual for the Regulation Market (M-REG).

Revision: 47 - Approval Date: August 2, 2013

<u>Section No.</u>	<u>Revision Summary</u>
2.4(4).....	Replaces reference to Table 2.2 with a reference to Section III.F.3.2.16 of Market Rule 1.
Table 2.2... ..	Deletes Table 2.2.

Revision: 48 - Approval Date: November 7, 2014

<u>Section No.</u>	<u>Revision Summary</u>
Entire Manual revised to reflect Market Rule 1 language implementing the energy market offer flexibility rules and Net Commitment Period Compensation payment rules; clean-up changes and updates; and the current structure and purpose of ISO-NE Manuals.	

Revision: 49 - Approval Date: March 6, 2015

<u>Section No.</u>	<u>Revision Summary</u>
2.2.8	Deletes this section and reserves the section number.
2.2.9	Deletes this section and reserves the section number.

Revision: 50 - Approval Date: December 4, 2015

<u>Section No.</u>	<u>Revision Summary</u>
1.2.2.....	Deletes the second sentence in the fourth paragraph.
1.3.1(4) and 1.3.2 (2)	Adds "III.1.10.7.A" to the sentence.
1.3.2(4)	Replaces the previous sentence with "Submitting External Transactions associated with an Import Capacity Resource Capacity Supply Obligation in the Day-Ahead and Real-Time Energy Markets as described in Section III.13.6.1.2.".
1.3.2(7) through (11)	Deletes these subsections.
2.2.1.....	Deletes the second paragraph under the Upon Completion of the Day-Ahead Energy Market section.
2.2.1.....	Adds "submitted under Section III.1.10.7" to the sentence under the 5:00 p.m. section.
2.2.2.3.....	Deletes "via EES" in the first sentence.
2.2.2.3(1)(a) through (c)	Deletes these subsections.
2.2.2.3(5).....	Deletes "and Real-Time".
2.2.2.3(6), (7) and (9)	Adds these new subsections.
2.2.2.3(8).....	Adds "submitted under III.1.10.7".
2.2.3.3(1).....	Revises the sentence to read "A Market Participant with an Import Capacity Resource must meet the requirements of Market Rule 1 Section III.13.6.1.2.".
2.2.3.3(2).....	Deletes "via EES" in the first sentence.
2.2.3.3(3)(a) through (c)	Deletes these subsections.

2.2.3.3(5).....	Revises the sentence to read “Priced External Transaction purchases for the Day-Ahead Energy Market must be less than or equal to the Energy Offer Cap and equal to or above the Energy Offer Floor.”.
2.2.3.3(6).....	Revises the sentence to read “Priced External Transaction purchases for the Real-Time Energy Market submitted under III.1.10.7 must be less than or equal to the Energy Offer Cap and equal to or above the Energy Offer Floor.”.
2.2.3.3(8).....	Adds “submitted under III.1.10.7”.
2.2.3.3(9).....	Revises the sentence to read “External Transaction purchases for the Real-Time Energy Markets submitted under III.1.10.7.A must be offered at less than or equal to the Energy Offer Cap and equal to or above -\$1000.00.”.
2.2.3.3(10).....	Revises the sentence to read “External Transactions submitted under III.1.10.7 for more than 999 MW are prohibited.”.
2.2.8, 2.2.9, 2.2.10	Deletes these subsections.
3.2.....	This section has been completely revised.

Revision: 51 - Approval Date: September 11, 2015

Section No. Revision Summary

1.3.2(3).....Deletes footnote 1.

Revision: 52 - Approval Date: March 4, 2016

Section No. Revision Summary

1.3.2(3).....Replaces “Intermittent Generating Capacity Resource” with “Intermittent Power Resources”.

1.3.2(4).....Adds a new subsection (4).

2.2.3.1(8)..... Adds a new subsection (8).

2.2.3.1(12)(a). Combines subsections (a) and (b) into a new (a) which identifies the Market Rule 1 Sections regarding Self-Schedule requests for Non-CSO Generating Resources.

2.2.3.1(16).....Adds a new subsection (16) which includes a new footnote 1.

2.2.5(2).....Adds a new bullet in the second position which states “The Resource must meet the eligibility conditions to provide Real-Time Operating Reserve as specified in ISO New England Operating Procedures No. 8 and No.14.

Revision: 53 - Approval Date: December 4, 2015

Section No. Revision Summary

1.2.2.....Adds “or Minimum Consumption Limit” to the second paragraph.

1.2.2(1).....Deletes “generating”.

1.2.2(2).....Adds “or Minimum Consumption Limit”.

2.2.2.1(8)..... Replaces “Bid Data” with “Offer Data” in the second sentence.

2.2.2.1(8)..... Adds the sentence “Demand Bids from DARD Pumps must also specify changes to their Minimum Run Times, Minimum Down Times, Maximum Daily Consumption Limit, Maximum Number of Daily Starts from those submitted as part of their Offer Data to reflect their physical operating characteristics.”

2.2.5(2).....	Revises the fourth bullet to read “A generating Resource must have excess capacity not being utilized to meet the energy needs of the system (i.e. be operating below its Economic Maximum Limit);”
2.2.5(2)	Adds a new fifth bullet to read “A DARD Pump must be online and the ISO must be able to reduce or curtail its load to maintain reliability;”
2.2.6(4)	Adds a new subsection.

Revision: 54 - Approval Date: April 7, 2017

<u>Section No.</u>	<u>Revision Summary</u>
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1.1.....	Deletes the third paragraph.
1.3.2(3)	Replaces “generating CSO Resources, other than Intermittent Power Resources or Settlement Only Resources,” with “Dispatchable Resources” and deletes “Section III.1.10.9”.
1.3.2(4).....	Replaces “III.1.11.5” with “III.1.11.3”.
1.3.2(5), 2.2.1 (5:00 p.m.), 2.2.2.3(6), (7) and (9), 3.2.2 (1)	Adds “Market Rule 1” prior to the Section number.
1.3.2(6)	Deletes this subsection.
2.2.1 (Throughout the Operating Day)	Deletes the third paragraph.
2.2.2.3(8), 2.2.3.3(6), (8), (9) and (10), 3.2.2(2)	Adds “Market Rule 1 Section” prior to the Section number.
2.2.3.1(5).....	Replaces “Sections III.1.10.9 and III.1.11.5” with “Section III.1.10.9”.
2.2.3.1(9).....	Adds a new subsection (9).
2.2.3.1(13).....	Revises the subsection to state “Except as otherwise provided in Market Rule 1 Section III.1.11.5, a Supply Offer for a generating Resource that is not cleared for the Day-Ahead Energy Market automatically carries over for use in the Real- Time Energy Market unless modified pursuant to Market Rule 1 Section III.1.10.9.” and deletes subsection (a).
2.2.3.1(15)(c).	Revises the subsection to state “Economic Maximum Limit is defined in Section I.2.2 of the Tariff.”
2.2.3.3(9).....	Replaces “-\$1000.00” with “-\$1,000.00”.
2.2.5(2) (sixth bullet) ...	Revises the bullet to state “The applicable MW of the Resource are available for Real-Time dispatch; and”.
3.2.2 (chart)...	Adds “Section” prior to the Section number for the three Latest submittal entries.
3.2.4.....	Adds “of the Tariff” in the first sentence within the first paragraph.
Table 3.1.....	Replaces Option “Non-Capacity Supply Obligation Export” with “Export without a Capacity Supply Obligation”.
Table 3.1.....	Replaces “Non-Capacity Supply Obligation Export” with “Export without a Capacity Supply Obligation” in the Note located within the Description sections for the LSCC Export and Unconstrained Export Options.
Table 3.1.....	Adds “There are currently no active items in Attachment G-3” within the Description section for the Excepted Transaction Option and replaces “There are currently no active items in Attachment G-3” with “Does not require a comment” in the Comment section for the Excepted Transaction Option.

Revision: 55 - Approval Date: October 4, 2018

Section No. Revision Summary

- Globally.....Corrects grammar, improves phrasing, updates Tariff and Manual section references and corrects capitalization of defined terms.
- 1.2.2.....Adds “or Minimum Reduction” and “Minimum Reduction Time” to subsection (3). Adds interruption cost, Minimum Reduction and Minimum Reduction time to subsection (b). Corrects section numbers.
- 1.3.1Corrects Tariff section references.
- 1.3.2 Adds demand reductions, adds subsection (5) on the submission of Demand Reduction Offers.
- 1.3.4.....Removes obsolete references to Real-Time Emergency Generators (RTEG) and Real-Time Demand Response (RTDR).
- 2.1.....Reserves section previously titled “Pricing Locations”
- 2.2.1.....Adds “demand reduction offers” where applicable, adds “updated Demand Response Resource availability” and adds “non-Fast Start Demand Response Resources”.
- 2.2.2.1.....Corrects capitalization for defined terms, removes unnecessary sentence on settlement locations for ARDs and Demand Bids, removes “load associated with” from subsection (7) to be concise.
- 2.2.3.1.....Deletes subsection (3) because Participants may not have enough information to carry out this requirement. Renumbers subsections. Specifies “Fast Start *Generators*” in subsection (7). Removes duplicative section (11).
- 2.2.3.4... Deletes obsolete section on Demand Response Resources pertaining to Real-Time Emergency Generation Resources and Real-Time Demand Response Resources. Replaces obsolete section with new subsections describing the offer rules and requirements for Demand Reduction Offers.
- 2.2.5Removes sections on the designation of Real-Time Reserve as it is covered adequately in Manual M-36, Forward Reserve and Real-Time Reserve, changes generation to “energy” and added “hourly” for specificity.
- 2.2.6Changes wording from “consists of” to “shall include” to describe Supply Offer inputs. Clarifies the language describing the default values used when no input value is provided. Adds subsection describing the inputs required for a Demand Reduction Offer and the associated default values for those parameters.
- 2.2.7Adds “Demand Reduction Offers” and “Demand Response Resources” to the Major Modeling Assumptions description.
- 3.1.2.....Corrects capitalization and removes information redundant with Market Rule 1, Appendix F on Net Commitment Period Compensation.

Revision: 56 - Approval Date: October 4, 2019

This revision implements enhancements to storage participation.

Section No. Revision Summary

- 1.3.1..... Removed the DAEM bidding requirement for all DARDs to align with energy storage participation changes and corrected tariff reference.

2.2.1	.....Cleans up phrasing and clarifies that DARDs may but are not required to bid into the DAEM.
2.2.2	.....Removes sentence that could be read to imply that DARDs have a DAEM bidding requirement. Specifies that DARDs can bid up to ten bid Blocks per hour. Clarifies that a DARD must bid a Minimum Consumption Limit (MCL) below the Nominated Consumption Limit and that this applies only to DARDs that are not Storage DARDs. Adds to subsection (9) that Market Participants may revise DARD bid during the Re-Offer Period and adds a Tariff reference. In subsection (10) the physical parameters for DARDs are elaborated on and clarified with sub-sub sections (a) to (c). Adds “In order to participate in the Day-Ahead Energy Market or Real-Time Energy Market, Continuous Storage DARD must be self-scheduled.” Corrected defined terms and cleaned up phrasing.
2.2.3	.....Clarifies that “In order to participate in Day-Ahead Energy Market or Real-Time Energy Market a Continuous Storage Generator must be Self-Scheduled. Renumbers to accommodate new section (7). Cleans up phrasing, utilizes defined terms, and revises the redeclaration descriptions in subsection (15). Removes footnote.
2.2.6	.....Adds clarification to defaults for availability and time values. Removes infinity limit for Maximum Run Time. Cleans up phrasing. Adds “other than Asset Related Demands” to 2.2.5(2). Removes default values for CLAIM10 and CLAIM30 for ARD demand bids in 2.2.6(3). Adds default for availability and interruption costs. Adds Continuous Storage DARDs and Binary Storage DARD where applicable.
3.1.3	..... Removes section on “Self-Scheduled Dispatchable Asset Related Demand Resources” because all the content appears in section 2.2.2.1 of this Manual.

Revision: 57 - Approval Date: October 23, 2019

This revision implements import transaction clean up changes.

Section No. Revision Summary

3.2.1	..... Updates references to software from Enhanced Energy Scheduler (EES) to New England External Transaction Tool (NEXTT)
3.2.2	.....Updates software reference to NEXTT adds “and the e-Tag ID, OASIS reservation and market options may be modified to subsection (2).
3.2.3(5)	.....Revises section to say “The ISO will confirm that the total hourly amount of a Real-Time External Transaction referencing an Import Capacity Resource is less than or equal to the Capacity Supply Obligation of the Import Capacity Resource.”
3.2.4	..... Updates reference from EES to NEXTT, removes Flex reservation option from table. Changes phrasing in the comment column from “must reference” to “must provide” where necessary, revises phrasing of comments for example, “Does not require a comment” was changed to “No additional information required.”
3.2.5	.....Updated title to read, “Status of External Transactions Submitted to NEXTT”, and updated to NEXTT throughout the section where applicable. Added validation of e-TAG ID data and any referenced market options for each separate interval. Specifies that “Only Real-Time External Transaction data with a status of APPROVED will be considered during the scheduling process.” Adds

information on when a Real-Time External Transaction passes the automated validation process, updates the information on “PENDING ACTION” and references Market Rule 1 Section III.1.10.0(c). Removes final two paragraphs.

Revision: 58 - Approval Date: December 3, 2019

This revision further enhances storage participation.

Section No. Revision Summary

2.2.3.1(15).....Adds subsection (b)(iii) which allows re-declarations of the Economic Maximum Limit for Electric Storage Facilities reasonably expected to have less than one hour of Available Energy to request to opt out of Real-Time Reserve designations by calling into the control room generation desk. This allows the ESF to reflect its energy output that can be sustained for 15 minutes, rather than one hour.

Revision: 59 - Approval Date: March 1, 2020

This revision further enhances storage participation.

Section No. Revision Summary

2.2.3.1(15).....Revises subsection (b)(iii) to allow a Continuous Storage Facility (CSF) to opt into an automated re-declaration option which will automatically reflect the CSF output that can be sustained for 15 minutes whenever the resource’s available energy is less than one hour and such an asset would not receive Real-Time Reserve Designations for that time and automatically redeclare and reflect when the energy output that can be sustained for more than one hour enable the asset to receive Real-Time Reserve Designations.

Revision: 60 - Approval Date: June 4, 2020

This revision reflect day-ahead energy offer window modification.

Section No. Revision Summary

2.2.1.....Changed from 10:00 a.m. to 10:30 a.m. for when Day-Ahead Energy Market submission period closes for Supply Offers, Demand Reduction Offers, Increment Offers, Demand Bids and External Transactions

Revision: 61 - Approval Date: August 10, 2022

This revision reflects revisions to extend Do-Not-Exceed (DNE) dispatch to front-of-meter solar Generator Assets that are not Settlement only.

Section No. Revision Summary

2.2.3.1 (15) (b) (ii).Revises subsection (b) (ii) to extend DNE dispatch to front-of-meter solar Generator Assets that are not Settlement only.

Revision: 62 Approval Date: October 9, 2024

This revision revises multiple sections of Manual M-11 to account for Day-Ahead Ancillary Services Initiative (DASI) conforming changes in market operations.	
<u>Section No.</u>	<u>Revision Summary</u>
Throughout M-11	Clarified whether the sections apply to both energy and reserve market operations, the co-optimized Day-Ahead Market, or both Day-Ahead Market and Real-Time Energy Market.
Title Page.....	Clarified that the effective date is the same as the effective date for DASI market rules (February 28, 2025).
Table of Contents.....	Inserted a new section that states DARDs can sell Day-Ahead Ancillary Services.
Table of Contents.....	General clean-up, re-organized page numbers.
1.2.1.....	Adds the forecast energy requirement to the ISO responsibilities.
1.3.....	Removed reference to settlement account eligibility.
1.3.....	Clarified that participants can submit Day-Ahead Ancillary Services Offers.
1.3.2.....	Clarified that participants can sell reserves
1.3.2	Clarified that participants can submit Day-Ahead Ancillary Services Offers.
2.2.1.....	Clarified that participants can submit Decrement Bids and Day-Ahead Ancillary Services Offers.
2.2.1.....	Clarified that the DASI conforming changes project prices all Day-Ahead External Transactions.
2.2.2.1 (5).....	Revised to use defined term in place of “energy offer”.
2.2.2.2 (3).....	Revised to use defined term in place of “energy offer”.
2.2.2.3 (5), 2.2.2.3 (6), and 2.2.2.3 (7).....	Revised to use defined terms in place of “energy offer”.
2.2.3.1 (2).....	Inserted market rule reference to clarify term.
2.2.3.1 (5).....	Clarified that a Generator’s Day-Ahead Ancillary Services Offer can influence the Generator’s Day-Ahead Market schedule.
2.2.3.1 (17).....	Clarified that Generators may submit Day-Ahead Ancillary

	Services Offers in the Day-Ahead Market.
2.2.3.3 (5).....	Revised to use defined term.
2.2.3.3 (6).....	Revised to use defined term.
2.2.3.3 (9).....	Revised to use defined term.
2.2.3.4 (2).....	Inserted market rule reference to clarify offer cap.
2.2.3.4 (11).....	Clarified that Demand Response Resources may submit Day-Ahead Ancillary Services Offers in the Day-Ahead market.
2.2.3.5 (1).....	Clarified that Storage DARDs may submit Day-Ahead Ancillary Services Offers in the Day-Ahead Market.
2.2.6 (1) and 2.2.6. (5).....	Aligned the Manual with the text used in eMarket.
2.2.6 (6).....	Provided details on what a valid Day-Ahead Ancillary Services Offer consists of in eMarket.
2.2.7.....	Clarified that Day-Ahead Ancillary Services Offers are modeled in the Day-Ahead Market scheduling process.