Appendix 9C1B – Interchange Transaction Reallocation During TLR Levels 3a and 5a

Version 1a

Appendix Subsections

Introduction

This Appendix provides the details for implementing TLR Levels 3a and 5a, both of which provide a means for reallocation of Transmission Service.

TLR Level 3a accomplishes Reallocation by curtailing INTERCHANGE TRANSACTIONS using Non-firm Point-to-Point Transmission Service to allow INTERCHANGE TRANSACTIONS using higher priority Non-firm or Firm Point-to-Point Transmission Service to start. (See **Appendix 9C1, "TLR Procedure – Eastern Interconnection," Section B.3, "TLR Level 3a.")** When a NERC TLR Level 3a is in effect, RELIABILITY COORDINATORS shall reallocate INTERCHANGE TRANSACTIONS according to the TRANSACTIONS' transmission service priorities. Reallocation also includes the orderly reloading of TRANSACTIONS by priority when conditions permit curtailed TRANSACTIONS to be reinstated.

TLR Level 5a accomplishes Reallocation by curtailing INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service on a pro-rata basis to allow new INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service to begin, also on a pro-rata basis. (See **Appendix 9C1, "TLR Procedure – Easton Interconnection," Section B.6, "TLR Level 5a.")**

A. Basic Principles

The basic principles for TRANSACTION REALLOCATION are built upon the premises of FERC Order 888, NERC Operating Policies and current business practices. Specifically, the key principles are:

1. Transaction REALLOCATION will normally only involve curtailments of INTERCHANGE TRANSACTIONS using Non-firm Point-to-Point Transmission Service (TLR 3a). However, REALLOCATION may be used during TLR 5a to allow the implementation of additional INTERCHANGE TRANSACTIONS using Firm Transmission Service on a pro-rata basis.

2. Only those INTERCHANGE TRANSACTIONS at or above the CURTAILMENT THRESHOLD for which a TLR 2 or higher is called are affected by the Reallocation procedure.

The Curtailment Threshold is currently set at 5%.

3. INTERCHANGE TRANSACTIONS with higher transmission service priority will displace INTERCHANGE TRANSACTIONS using lower priority transmission service.

4. INTERCHANGE TRANSACTIONS using Non-firm Transmission Service will not be curtailed to allow the start or increase of another transaction having the same Non-Firm Transmission Service priority (marginal "bucket").

5. Reloading of curtailed INTERCHANGE TRANSACTIONS will precede starting of new or increased INTERCHANGE TRANSACTIONS.

6. INTERCHANGE TRANSACTIONS whose tags were submitted to the Tag Authority prior to the TLR 2 or 3a being called, but were subsequently held from starting because they failed to meet the Approved-Tag Submission Deadline for Reallocation (**see Section C, "Communications and Timing Requirements"**), would be considered to have been curtailed and thus would be eligible for reload at the same time as the curtailed INTERCHANGE TRANSACTION.

7. Eligible TRANSACTIONS will be reloaded or started on a pro-rata basis.

8. INTERCHANGE TRANSACTIONS whose tags meet the Approved-Tag Submission Deadline for Reallocation (**see Section C, "Communications and Timing Requirements"**) will be considered for reallocation for the upcoming hour. (However, INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service will be allowed to start as scheduled.) INTERCHANGE TRANSACTIONS whose tags are submitted to the Interchange Distribution Calculator after the Approved-Tag Submission Deadline for Reallocation will be considered for Reallocation the following hour. This applies to INTERCHANGE TRANSACTIONS using either Non-firm Point-to-Point Transmission Service and Firm Point-to-Point Transmission Service. If an INTERCHANGE TRANSACTION using Firm Interchange Transaction is submitted after the Approved-Tag Submission Deadline and after the TLR is declared, that Transaction will be held and then allowed to start in the upcoming hour.

It should be noted that calling a TLR 3a does not necessarily mean that INTERCHANGE TRANSACTIONS using Non-firm Transmission Service will always be curtailed the next hour. However, TLR Levels 3a and 5a trigger the Approved-Tag Submission Deadline for Reallocation requirements and allow for a coordinated assessment of all INTERCHANGE TRANSACTIONS tagged to start the upcoming hour.

B. Communication and Timing requirements

When in a TLR 3a or 5a, the following timeline is required to support REALLOCATION. See Figures 2 and 3 for a depiction of the Reallocation Time Line.

Time Convention. In this document, the beginning of the current hour is 0000. The beginning of the next hour is 01:00 (see Figure 1 at right).

Approved-Tag Submission Deadline for Reallocation. Approved Tags for INTERCHANGE TRANSACTIONS at or above the CURTAILMENT THRESHOLD must be submitted to the Interchange Distribution Calculator by 00:25 to be considered for Reallocation at 01:00. (See Figure 1 at the right). (However, INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service will be allowed to start as scheduled.)

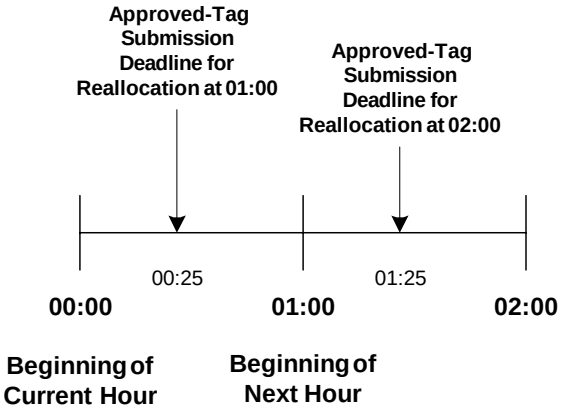


Figure 1 - Timeline showing Approved-tag Submission Deadline for Reallocation

Tags submitted to the Interchange Distribution Calculator beyond these deadlines (for both Firm and Non-firm Point-to-Point Transmission Service) will not be allowed to start or increase at 01:00 but will be considered for REALLOCATION at 02:00. As soon as the TLR level is reduced to 1 or 0, the Approved-Tag Submission Deadline for Reallocation is no longer in effect.

Off-hour Transactions. Interchange Transactions with a Start Time other than *xx*:00 will be considered for Reallocation at *xx*+1:00. For example, an Interchange Transaction with a start time of 01:05 and whose Tag was submitted at 00:15 will be considered for Reallocation at 02:00.

Tag Evaluation Period. Tags will be evaluated by the appropriate CONTROL AREAS and TRANSMISSION PROVIDERS. The CONTROL AREA and TRANSMISSION PROVIDER are expected to communicate approval or rejection (via the Tag Approval) by 00:25.

Collective Scheduling Assessment Period. The initiating RELIABILITY COORDINATOR (the one who called and still has a TLR 3a or 5a in effect) shall at this time (00:25) run the IDC to obtain a three-part list of INTERCHANGE TRANSACTIONS including their transaction status:

1. INTERCHANGE TRANSACTIONS that may start, increase, or reload will have a status of PROCEED,

2. INTERCHANGE TRANSACTIONS that must be curtailed or INTERCHANGE TRANSACTIONS whose tags were submitted prior to the TLR 2 or higher being declared but were not permitted to start or increase will have a status of CURTAILED, and

3. INTERCHANGE TRANSACTIONS that are entered into the IDC after 00:25 will have a status of HOLD[1] and be considered for REALLOCATION at 02:00. Also, INTERCHANGE TRANSACTIONS using Non-firm Point-to-Point Transmission Service submitted to the Tag Authority after TLR 2 or higher was declared ("post-tagged") but have not been allowed to start will retain the HOLD status until given

[1] The use of PROCEED, CURTAILED, and HOLD refer to an Interchange Transaction status in the IDC, not the E-tag status.

permission to PROCEED or E-Tag expires. (Note: TLR Level 2 does not hold INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service).

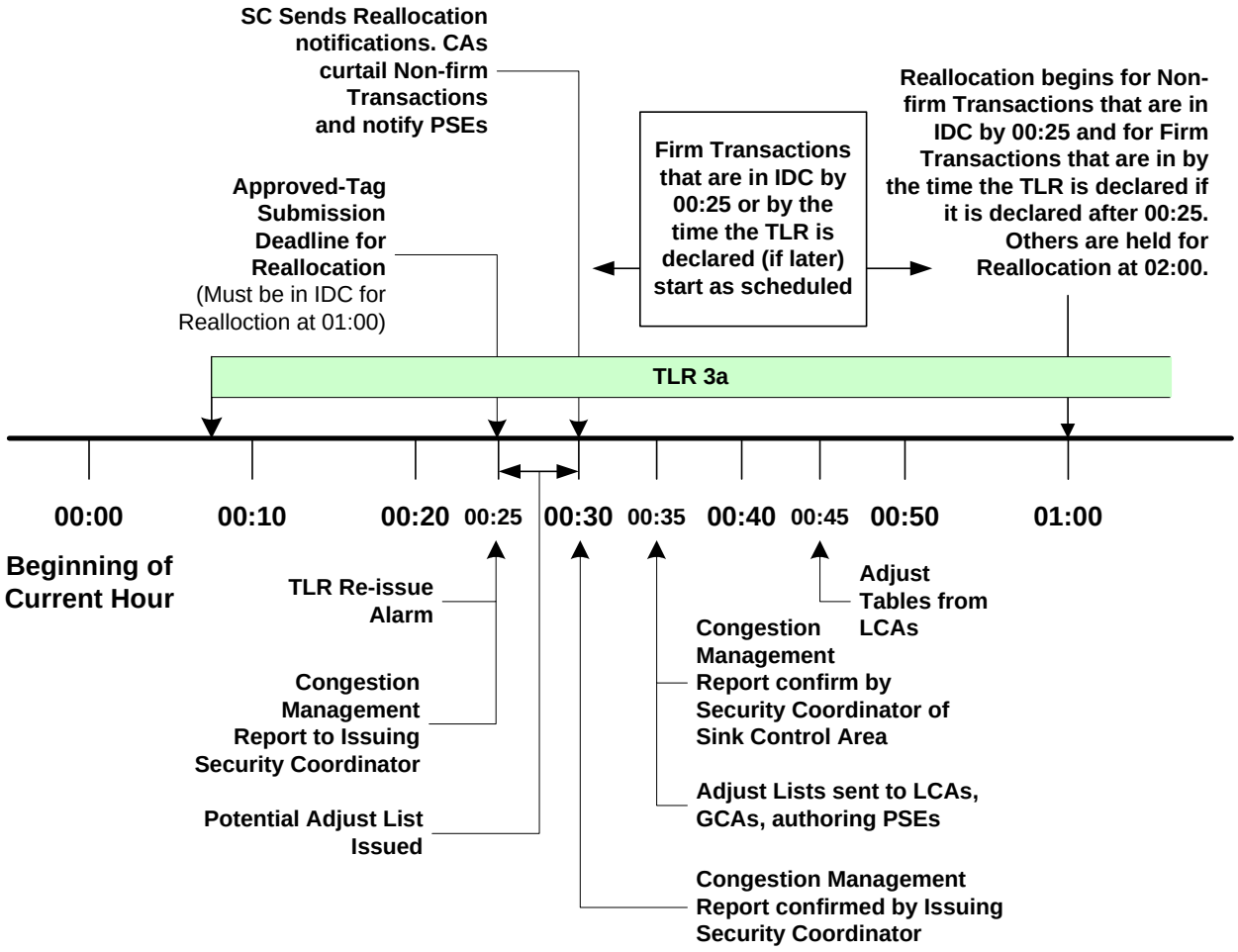


Figure 2 - Reallocation timing for TLR 3a called at 00:08.

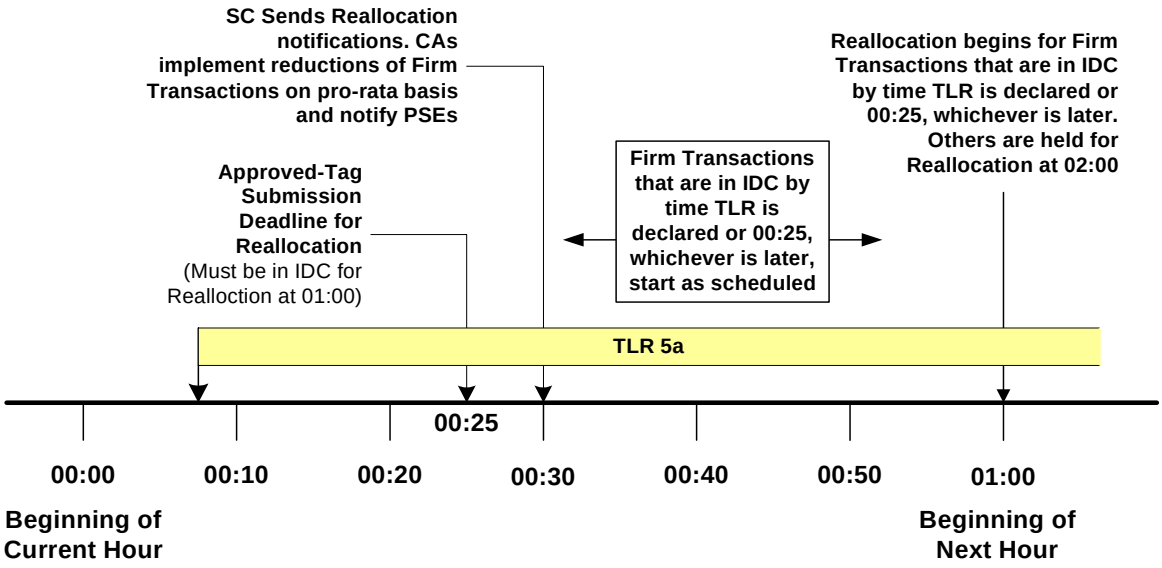


Figure 3 - Reallocation timing for TLR 5a called at 00:08.

The initiating RELIABILITY COORDINATOR shall communicate the list to the appropriate sink RELIABILITY COORDINATORS via the IDC, who shall in turn communicate the list to the SINK CONTROL AREAS at 00:30 for appropriate actions to implement INTERCHANGE TRANSACTIONS (CURTAIL, PROCEED or HOLD). The IDC will prompt the initiating RELIABILITY COORDINATOR to input the necessary information (i.e., maximum flowgate loading and curtailment requirement) into the IDC by 00:25.

Subsequent required reports before 01:00 will allow the RELIABILITY COORDINATORS to include those INTERCHANGE TRANSACTIONS whose tags were submitted to the IDC after the Approved-Tag Submission Time for Reallocation and were given the HOLD status (not permitted to PROCEED). **Transactions at or above the Curtailment Threshold that are not indicated as "PROCEED" on Reload/Reallocation Report will not be permitted to start or increase the next hour.**

Note that TLR 2 does not initiate the Approved-Tag Submission Deadline for Reallocation, but a TLR3a or 5a does. It is, however, important to recognize the time when a TLR 2 is called, where applicable, to determine the status of a held transaction – "CURTAILED" if tagged before the TLR was called but "HOLD" if tagged after the TLR was called.

In running the IDC, the RELIABILITY COORDINATOR will have an option to specify the maximum loading of the CONSTRAINED FACILITY by all INTERCHANGE TRANSACTIONS using Point-to-Point Transmission Service. This allows the RELIABILITY COORDINATOR to take into consideration OPERATING SECURITY LIMITS and changes in TRANSACTIONS using other than point-to-point service taken under the OATT. This option is needed to avoid loading the CONSTRAINED FACILITY to its limit with known INTERCHANGE TRANSACTIONS while other factors push the facility into OPERATING SECURITY LIMIT violation and hence triggering the declaration of a TLR 3b or 5b.

Notification of INTERCHANGE TRANSACTION status will go from the IDC to the RELIABILITY COORDINATORS via an IDC Report. Information will be communicated from the RELIABILITY COORDINATORS to the CONTROL AREAS and TRANSMISSION PROVIDERS by present methods. **Coordination of INTERCHANGE TRANSACTION changes including new INTERCHANGE TRANSACTIONS will be implemented according to existing practices depicted in Policy 3.**

Additional reporting and communications details on information posted from the IDC to the NERC TLR site are contained in Attachment A.

Customer Preferences on Timing to Call TLR 3a or 5a. A RELIABILITY COORDINATOR will call a TLR 2 or 3a whenever he deems necessary to indicate that a transmission facility is approaching its OPERATING SECURITY LIMIT. It is envisioned, though not required, that a TLR 2 or 3a is preceded by a period of a TLR 1 declaration, hence Transmission Customers should normally have advance notice of a potential CONSTRAINT. RELIABILITY COORDINATORS should leave a TLR 2 and call a TLR 3a as soon as possible (but no later than 30 minutes) to initiate the Approved-Tag Submission Deadline and start reallocating TRANSACTIONS. Nevertheless, recognizing the Approved-Tag Submission Deadline for Reallocation for REALLOCATION, from a Transmission Customer perspective, it is preferable that the RELIABILITY COORDINATOR call TLR 3a within a certain time period to allow for tag preparation and submission.

For example, a TLR 3a initiated during the period 01:00 to 01:25 would allow the Purchasing-Selling Entity to submit a Tag for entry into the Interchange Distribution Calculator by the Approved-Tag Submission Deadline for reallocation at 02:00 (see Figure 4 at right). However, the preferred time period to declare a TLR 3a or 5a would be 00:40 (when tags for Next Hour Market have been submitted) and 01:15. This will allow the Transmission Customers a range of 15 to 35 minutes to prepare and submit tags. (Note: In this situation, the RELIABILITY COORDINATOR would need to reissue the TLR 3a at 01:00.)

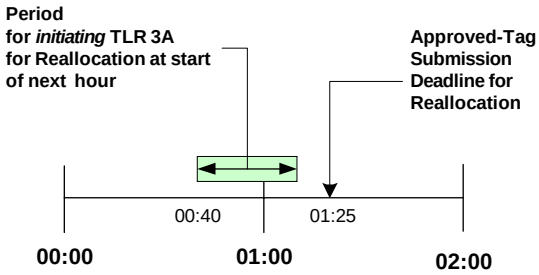


Figure 4 - "Ideal" time for issuing TLR 3a for Reallocation at 02:00.

It must be emphasized that the preferred time period is not a requirement, and should not in any way impede a RELIABILITY COORDINATOR'S ability to declare a TLR 3a, 3b, 4, 5a, or 5b whenever the need arises.

C. How the IDC Handles Reallocation

The Interchange Distribution Calculator algorithms reflect the reallocation and reloading principles in this Appendix, as well as the reporting requirements, and status display. The IDC will obtain the Tag Submittal Time from the Tag Authority, and post the Reloading/ Reallocation information to the NERC TLR site.

A summary of IDC features that support the reallocation process is provided in Attachment A. Details on the interface and display features are provided in Attachment B.

Attachment A – Summary of IDC Features that Support Transaction Reloading/Reallocation

The following is a summary of IDC features and E-Tag interface that support Reloading/Reallocation:

Information posted from IDC to NERC TLR site.

1. Restricted directions (all source/sink combinations that impact a CONSTRAINED FACILITY(IES) with TLR 2 or higher) will be posted to the NERC TLR site and updated as necessary.

2. TLR CONSTRAINED FACILITY status and TRANSFER DISTRIBUTION FACTORS will continue to be posted to NERC TLR site.

3. Lowest priority of INTERCHANGE TRANSACTIONS (marginal "bucket") to be Reloaded/Reallocated next-hour on each TLR CONSTRAINED FACILITY will be posted on NERC TLR site. This will provide an indication to the market of priority of INTERCHANGE TRANSACTIONS that may be Reloaded/Reallocated the following hours.

Communications tools need to be developed to enable this posting.

IDC Logic, IDC Report, and Timing

1. The RELIABILITY COORDINATOR will run the IDC the Reloading/Reallocation report at approximately 00:26 The IDC will prompt the RELIABILITY COORDINATOR to enter a maximum loading value. The IDC will alarm if the RELIABILITY COORDINATOR doesn't enter this value and issue a report by 00:30 or change from TLR 3a Level. The Report will be distributed to CONTROL AREAS at 00:30. This process repeats every hour as long as the Approved-Tag Submission Deadline for Reallocation is in effect (or until the TLR level is reduced to 1 or 0).

2. For INTERCHANGE TRANSACTIONS in the restricted directions, tags must be submitted to the Interchange Distribution Calculator by the Approved-Tag Submission Deadline for Reallocation to be considered for REALLOCATION next-hour. The time stamp by the Tag Authority is regarded the official tag submission time.

3. Tags submitted to Interchange Distribution Calculator after the Approved-Tag Submission Deadline for Reallocation will not be allowed to start or increase but will be considered for Reallocation the next hour.

4. INTERCHANGE TRANSACTIONS in restricted directions that are not indicated as "PROCEED" on the Reload/Reallocation Report will not be permitted to start or increase next hour.

Reloading/Reallocation Transaction Status

Reloading/Reallocation status will be determined by the IDC for all INTERCHANGE TRANSACTIONS. The Reloading/Reallocation status of each INTERCHANGE TRANSACTION will be listed on IDC reports and NERC TLR site as appropriate. An INTERCHANGE TRANSACTION is considered to be in a restricted direction if it is at or above the Curtailment Threshold. INTERCHANGE TRANSACTIONS below the Curtailment Threshold are unrestricted and free to flow subject to all applicable Policy and tariff rules.

1. **HOLD.** Permission has not been given for INTERCHANGE TRANSACTION to start or increase and is waiting for the next Reloading/Reallocation evaluation for which it is a candidate. INTERCHANGE TRANSACTIONS with E-tags submitted to the Tag Authority prior to TLR 2 or higher being declared (pre-tagged) will change to CURTAILED Status upon evaluation that does not permit them to start or

increase. Transactions with E-tags submitted to Tag Authority after TLR 2 or higher was declared (post-tagged) will retain HOLD Status until given permission to proceed or E-Tag expires.

2. **CURTAILED**. Transactions for which E-Tags were submitted to Tag Authority prior to TLR 2 or higher being declared (pre-tagged) and ordered to be curtailed totally, curtailed partially, not permitted to start, or not permitted to increase. INTERCHANGE TRANSACTIONS (pre-tagged or post-tagged) that were flowing and ordered to be reduced or totally curtailed. The CONTROL AREA will indicate to the IDC through the E-Tag adjustment table the INTERCHANGE TRANSACTION'S curtailed values.

3. **PROCEED**: INTERCHANGE TRANSACTION is flowing or has been permitted to flow as a result of Reloading/Reallocation evaluation. The CONTROL AREA will indicate through the E-Tag adjustment table to IDC if INTERCHANGE TRANSACTION will reload, start, or increase next-hour per PSE's energy schedule as appropriate.

Reallocation/Reloading Priorities

1. INTERCHANGE TRANSACTION candidates are ranked for loading and curtailment by priority as per Appendix 9C1, Section E, "Principles for Mitigating Constraints On and Off the Contract Path"]. This is called the "Constrained Path Method," or CPM. (secondary, hourly, daily, … firm etc). INTERCHANGE TRANSACTIONS are curtailed and loaded pro-rata within priority level per TLR algorithm.

2. Reloading/Reallocation of INTERCHANGE TRANSACTIONS are prioritized first by priority per CPM. E-Tags must be submitted to the Interchange Distribution Calculator by the Approved-Tag Submission Deadline for Reallocation of the hour during which the INTERCHANGE TRANSACTION is scheduled to start or increase to be considered for Reallocation.

3. During Reloading/Reallocation, INTERCHANGE TRANSACTIONS using lower priority Transmission Service will be curtailed pro-rata to allow higher priority transactions to reload, increase, or start. Equal priority INTERCHANGE TRANSACTIONS will not reload, start, or increase by pro-rata curtailment of other equal priority INTERCHANGE TRANSACTIONS.

4. Reloading of INTERCHANGE TRANSACTIONS using Non-firm Transmission Service with CURTAILED Status will take precedence over starting or increasing of INTERCHANGE TRANSACTIONS using Non-firm Transmission Service of the same priority with PENDING Statuses.

5. INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service will be allowed to start as scheduled under TLR 3a as long as their E-Tag was received by the Interchange Distribution Calculator by the Approved-Tag Submission Deadline for Reallocation of the hour during which the INTERCHANGE TRANSACTION is due to start or increase, regardless of whether the E-tag was submitted to the Tag Authority prior to TLR 2 or higher being declared or not. If this is the initial issuance of the TLR 3a, INTERCHANGE TRANSACTIONS using Firm Point-to-Point Transmission Service will be allowed to start as scheduled as long as their E-Tag was received by the Interchange Distribution Calculator by the time the TLR is declared.

Total Flow Value on a Constrained Facility for Next Hour

1. The RELIABILITY COORDINATOR will calculate the change in net flow on a CONSTRAINED FACILITY due to Reallocation for the next hour based on:

   - Present CONSTRAINED FACILITY loading, present level of INTERCHANGE TRANSACTIONS, and CONTROL AREA NNL responsibility[2] (TLR Level 5a) impacting the CONSTRAINED FACILITY,

   - OPERATING SECURITY LIMITS, known interchange impacts and CONTROL AREA NNL responsibility (TLR Level 5a) on the CONSTRAINED FACILITY the next hour, and

   - INTERCHANGE TRANSACTIONS scheduled to begin the next hour.

2. The RELIABILITY COORDINATOR will enter a maximum loading value for the CONSTRAINED FACILITY into the IDC as part of issuing the Reloading/Reallocation report.

3. The RELIABILITY COORDINATOR is allowed to call for TLR 3a or 5a when approaching an OPERATING SECURITY LIMIT to allow maximum transactional flow next hour, and to manage flows without violating transmission limits.

4. The simultaneous curtailment and Reallocation for a CONSTRAINED FACILITY is allowed. This reduces the flow over the CONSTRAINED FACILITY while allowing INTERCHANGE TRANSACTIONS using higher priority Transmission Service to start or increase the next hour. This may be used to accommodate change in flow next-hour due to changes other than point-to-point INTERCHANGE TRANSACTIONS while respecting the priorities of INTERCHANGE TRANSACTIONS flowing and scheduled to flow the next hour. The intent is to reduce the need for using TLR 3b, which prevents new INTERCHANGE TRANSACTIONS from starting or increasing the next hour.

5. The RELIABILITY COORDINATOR must allow INTERCHANGE TRANSACTIONS to be reloaded as soon as possible. Reloading must be in an orderly fashion to prevent an OPERATING SECURITY LIMIT violation from (re)occurring and requiring holding or curtailments in the restricted direction.

[2] Flows due to service to Network Customers and Native Load. See **"Parallel Flow Calculation Procedure Reference Document."**

Attachment B – Timing Requirements

TLR Levels 3a and 5a Issuing/Processing Time Requirement

1. In order for the IDC to be reasonably certain that a TLR Level 3a or 5a re-allocation/reloading report in which all tags submitted by the Approved-Tag Submission Deadline for Reallocation are included, the report must be generated no earlier than 00:25 to allow the 10-minute approval time for TRANSACTIONS that start next hour.

2. In order to allow a RELIABILITY COORDINATOR to declare a TLR Level 3a or 5a any time during the hour, the TLR declaration and Reallocation/Reloading report distribution will be treated as independent processes by IDC. That is, a RELIABILITY COORDINATOR may declare a TLR Level 3a or 5a at any time during the course of an hour. However, if a TLR Level 3a or 5a is declared for the next hour prior to 00:25 (see Figure 5 at right), the Reallocation/Reloading report that is generated will be made available to the issuing RELIABILITY COORDINATOR only for previewing purposes, and can not be distributed to the other RELIABILITY COORDINATORS or the market. Instead, the issuing RELIABILITY COORDINATOR will be reminded by an IDC alarm at 00:25 to generate a new Reallocation/Reloading report that will include all tags submitted prior to the Approved-Tag Submission Deadline for Reallocation.

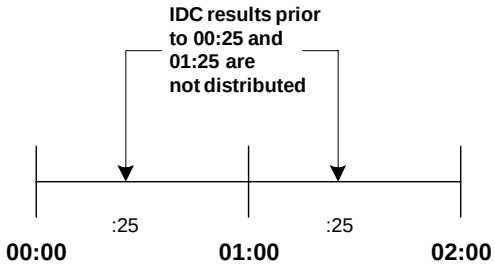


Figure 5 - IDC report may be run prior to 00:25, but results are not distributed.

3. A TLR Level 3a or 5a Reallocation/Reloading report must be confirmed by he issuing RELIABILITY COORDINATOR prior to 00:30 in order to provide a minimum of 30 minutes for the RELIABILITY COORDINATORS with tags sinking in his RELIABILITY AREA to coordinate the Reallocation and Reloading with the SINK CONTROL AREAS. This provides only 5 minutes (from 00:25 to 00:30) for the issuing RELIABILITY COORDINATOR to generate a Reallocation/Reloading report, review it, and approve it.

4. The TLR declaration time will be recorded in the IDC for evaluating transaction sub-priorities for Reallocation/Reloading purposes (see Subpriority Table, Page RAL-13).

Re-Issuing of a TLR Level 2 or Higher

Each hour, the IDC will automatically remind the issuing RELIABILITY COORDINATOR (via an IDC alarm) of a TLR level 2 or higher declared in the previous hour or earlier about re-issuing the TLR. The purpose of the reminder is to enable the RELIABILITY COORDINATOR to REALLOCATE or reload currently halted or curtailed INTERCHANGE TRANSACTIONS next hour. The reminder will be in the form of an alarm to the issuing RELIABILITY COORDINATOR, and will take place at 00:25 so that, if the RELIABILITY COORDINATOR re-issues the TLR as a TLR level 3a or 5a, all tags submitted prior to the Approved-Tag Submission Deadline for Reallocation are available in the IDC.

IDC Assistance with Next Hour PTP Transactions

In order to assist a RELIABILITY COORDINATOR in determining the MW relief required on a CONSTRAINED FACILITY for the next hour for a TLR level 3a or 5a, the IDC will calculate and present the total MW impact of all currently flowing and scheduled Point-to-Point TRANSACTIONS for the next hour. In order to assist a RELIABILITY COORDINATOR in determining the MW relief required on a CONSTRAINED FACILITY for the next hour during a TLR level 5a, the IDC will calculate and present the total MW impact of all currently flowing and scheduled Point-to-Point TRANSACTIONS for the next hour

as well as Control Area with flows due to service to Network Customers and Native Load. The RELIABILITY COORDINATOR will then be requested to provide the total incremental or decremental MW amount of flow through the CONSTRAINED FACILITY that can be allowed for the next hour. The value entered by the RELIABILITY COORDINATOR and the IDC-calculated amounts will be used by the IDC to identify the relief/reloading amounts (delta incremental flow value) on the constrained facility. The IDC will determine the TRANSACTIONS to be reloaded, reallocated, or curtailed to make room for the TRANSACTIONS using higher priority TRANSMISSION SERVICE. The following examples show the calculation performed by IDC to identify the "delta incremental flow":

Example 1

Flow to maintain on Facility	800 MW
Expected flow next hour from Transactions using Point-to-Point Transmission Service	950 MW
Contribution from flow next hour from service to Network customers and Native Load	-100 MW
Expected Net flow next hour on Facility	850 MW
Amount of Transactions using Point-to-Point Transmission Service to hold for Reallocation	850 MW – 800 MW = 50 MW
Amount to enter into IDC for Transactions using Point-to-Point Transmission Service	950 MW – 50 MW = 900 MW

Example 2

Flow to maintain on Facility	800 MW
Expected flow next hour from Transactions using Point-to-Point Transmission Service	950 MW
Contribution from flow next hour from service to Network customers and Native Load	50 MW
Expected Net flow next hour on Facility	1000 MW
Amount of Transactions using Point-to-Point Transmission Service to hold for Reallocation	1000 MW – 800 MW = 200 MW
Amount to enter into IDC for Transactions using Point-to-Point Transmission Service	950 MW – 200 MW = 750 MW

Example 3

Flow to maintain on Facility	800 MW
Expected flow next hour from Transactions using Point-to-Point Transmission Service	950 MW
Contribution from flow next hour from service to Network customers and Native Load	-200 MW
Expected Net flow next hour on Facility	750 MW
Amount of Transactions using Point-to-Point Transmission Service to hold for Reallocation	750 MW – 800 MW = -50 MW None are held

For a TLR levels 3b or 5b the IDC will request the RELIABILITY COORDINATOR to provide the MW requested relief amount on the CONSTRAINED FACILITY, and will not present the current and next hour MW impact of PTP transactions. The SC-entered requested relief amount will be used by IDC to determine the INTERCHANGE TRANSACTION CURTAILMENTS and flows due to service to Network Customers and Native Load (TLR Level 5b) in order to reduce the OPERATING SECURITY LIMIT violation on the CONSTRAINED FACILITY by the requested amount.

IDC Calculations and Reporting Requirements

At the time the TLR report is processed, the IDC will use all candidate INTERCHANGE TRANSACTIONS for REALLOCATION that met the Approved-Tag Submission Deadline for Reallocation plus those INTERCHANGE TRANSACTIONS that were curtailed or halted on the previous TLR action of the same TLR event. The IDC will calculate and present an INTERCHANGE TRANSACTIONS Halt/Curtailment list that will include reload and REALLOCATION of INTERCHANGE TRANSACTIONS. The INTERCHANGE TRANSACTIONS are prioritized as follows:

1. All INTERCHANGE TRANSACTIONS will be arranged by Transmission Service priority according to the Constrained Path Method. These priorities range from 1 to 6 for the various non-firm Transmission Service products (TLR levels 3a and 3b). INTERCHANGE TRANSACTIONS using Firm Transmission Service (priority 7) are used only in TLR levels 5a and 5b. Next-Hour Market Service is included at priority 0 (zero)

2. In a TLR Level 3a the INTERCHANGE TRANSACTIONS using Non-firm Transmission Service in a given priority will be further divided into four sub-priorities, based on current schedule, current active schedule (identified by the submittal of a tag ADJUST message), next-hour schedule, and tag status. Solely for the purpose of identifying which INTERCHANGE TRANSACTIONS to be loaded under a TLR 3a, various MW levels of an INTERCHANGE TRANSACTION may be in different sub-priorities. The sub-priorities are as follows:

Priority	***Purpose***	***Explanation and Conditions***
S1	To allow a flowing INTERCHANGE TRANSACTION to maintain or reduce its current MW amount in accordance with its energy profile.	The MW amount is the lowest between currently flowing MW amount and the next-hour schedule. The currently flowing MW amount is determined by the e-tag ENERGY PROFILE and ADJUST tables. If the calculated amount is negative, zero is used instead.
S2	To allow a flowing INTERCHANGE TRANSACTION that has been curtailed or halted by TLR to reload to the *lesser* of its current-hour MW amount or next-hour schedule in accordance with its energy profile.	The INTERCHANGE TRANSACTION MW amount used is determined through the e-tag ENERGY PROFILE and ADJUST tables. If the calculated amount is negative, zero is used instead.
S3	To allow a flowing TRANSACTION to increase from its current-hour schedule to its next-hour schedule in accordance with its energy profile.	The MW amounts used in this sub-priority is determined by the e-tag ENERGY PROFILE table. If the calculated amount is negative, zero is used instead.
S4	To allow a TRANSACTION that had never started and was submitted to the Tag Authority after the TLR (level 2 or higher) has been declared to begin flowing (i.e., the INTERCHANGE TRANSACTION never had an active MW and was submitted to the IDC *after* the first TLR Action of the TLR Event had been declared.)	The TRANSACTION would not be allowed to start until all other INTERCHANGE TRANSACTIONS submitted prior to the TLR with the same priority have been (re)loaded. The MW amount used is the sub-priority is the next-hour schedule determined by the e-tag ENERGY PROFILE table.

Examples of INTERCHANGE TRANSACTIONS using Non-firm Transmission Service sub-priority settings begin on page 16.

3. All INTERCHANGE TRANSACTIONS using Firm Transmission Service will be put in the same priority group, and will be Curtailed/Reallocated pro-rata, independent of their current status (curtailed or halted) or time of submittal with respect to TLR issuance (TLR level 5a). Under a TLR 5a, all INTERCHANGE TRANSACTIONS using Non-firm Transmission Service that is at or above the Curtailment Threshold will have been curtailed and hence sub-prioritizing is not required.

All INTERCHANGE TRANSACTIONS processed in a TLR are assigned one of the following statuses:

PROCEED:	The INTERCHANGE TRANSACTION has started or is allowed to start to the next hour MW schedule amount.
CURTAILED:	The INTERCHANGE TRANSACTION has started and is curtailed due to the TLR, or it had not started but it was submitted prior to the TLR being declared (level 2 or higher).
HOLD:	The INTERCHANGE TRANSACTION had never started and it was submitted after the TLR being declared – the INTERCHANGE TRANSACTION is held from starting next hour or the transaction had never started and it was submitted to the Interchange Distribution Calculator after the Approved-Tag Submission Deadline – the INTERCHANGE TRANSACTION is to be held from starting next hour and is not included in the REALLOCATION calculations until following hour.

Upon acceptance of the TLR Transaction reallocation/reloading report by the issuing RELIABILITY COORDINATOR, the IDC will generate a report to be sent to NERC that will include the PSE name and Tag ID of each INTERCHANGE TRANSACTION in the IDC TLR report. The INTERCHANGE TRANSACTION will be ranked according to its assigned status of HOLD, CURTAILED or PROCEED. The reloading/reallocation report will be made available at NERC's public TLR site, and it is NERC's responsibility to format and publish the report.

Tag Reloading for TLR Levels 1 and 0

When a TLR Level 1 or 0 is issued, the CONSTRAINED FACILITY is no longer under OPERATING SECURITY LIMIT Violation and all INTERCHANGE TRANSACTIONS are allowed to flow. In order to provide the RELIABILITY COORDINATORS with a view of the INTERCHANGE TRANSACTIONS that were halted or curtailed on previous TLR actions (level 2 or higher) and are now available for reloading, the IDC provides such information in the TLR report.

New Tag Alarming

Those INTERCHANGE TRANSACTIONS that are at or above the Curtailment Threshold and are *not* candidates for reallocation because the tags for those Transactions were not submitted by the Approved-Tag Submission Deadline for Reallocation will be flagged as HOLD and must not be permitted to start or increase during the next hour. To alert RELIABILITY COORDINATORS of those TRANSACTIONS required to be held, the IDC will generate a report (for viewing within the IDC only) at various times. The report will include a list of all HOLD TRANSACTIONS. In order not to overwhelm the RELIABILITY COORDINATOR with alarms, only those who issued the TLR and those whose TRANSACTIONS sink within their

RELIABILITY AREA will be alarmed. An alarm will be issued for a given tag only once and will be issued for all TLR levels for which halting new TRANSACTIONS is required: TLR Level 2, 3a, 3b, 5a and 5b.

Tag Adjustment

The INTERCHANGE TRANSACTIONS with statuses of HOLD, CURTAILED or PROCEED must be adjusted by a Tag Authority or Tag Approval entity. Without the tag adjustments, the IDC will assume that INTERCHANGE TRANSACTIONS were not curtailed/held and are flowing at their specified schedule amounts.

1. INTERCHANGE TRANSACTIONS marked as CURTAILED should be adjusted to a cap equal to, or at the request of the originating PSE, less than the reallocated amount (shown as the MW CAP on the IDC report). This amount may be zero if the TRANSACTION is fully curtailed.

2. INTERCHANGE TRANSACTION marked as PROCEED should be adjusted to reload (NULL or to its MW level in accordance with its Energy Profile in the adjusted MW in the E-Tag) if the INTERCHANGE TRANSACTION has been previously adjusted; otherwise, if the INTERCHANGE TRANSACTION is flowing in full, the Tag Authority need not issue an adjust.

3. INTERCHANGE TRANSACTIONS marked as HOLD should be adjusted to 0 MW.

Special Tag Status

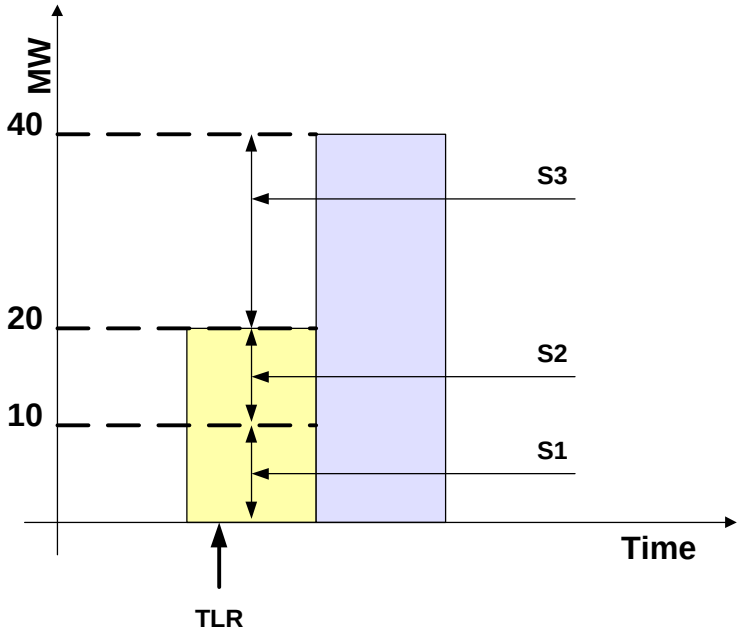
There are cases in which a tag may be marked with a composite state of ATTN_REQD to indicate that tag Authority/Approval failed to communicate or there is an inconsistency between the validation software of different tag Authority/Approval entities. In this situation, the tag is no longer subject to passive approval and its status change to IMPLEMENT may take longer than 10 minutes. Under these circumstances, the IDC may have a tag that is issued prior to the Tag Submittal Deadline that will not be a candidate for reallocation. Such tags, when approved by the TAG AUTHORITY, will be marked as HOLD and must be halted.

Transaction Sub-Priority Examples

The following describes examples of INTERCHANGE TRANSACTIONS using Non-firm Transmission Service sub-priority setting for a INTERCHANGE TRANSACTION under different circumstances of current-hour and next-hour schedules and active MW flowing as modified by tag adjust table in E-Tag.

Example 1 – Transaction curtailed, next-hour Energy Profile is higher

Energy Profile: Current hour	20 MW
Actual flow following curtailment: Current hour	10 MW
Energy Profile: Next hour	40 MW

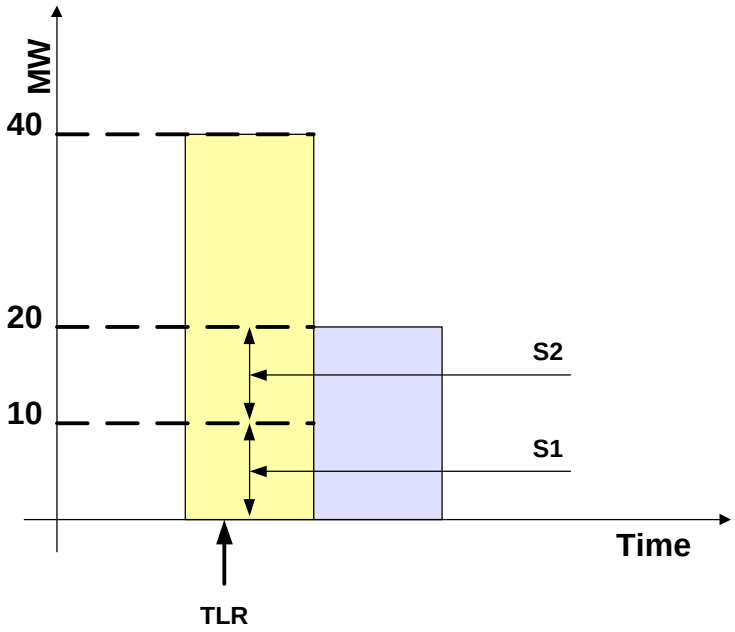


Sub-priorities for Transaction MW:

Sub-Priority	***MW Value***	***Explanation***
S1	10 MW	Maintain current curtailed flow
S2	+10 MW	Reload to current hour Energy Profile
S3	+20 MW	Load to next hour Energy Profile
S4		

Example 2 – Transaction curtailed, next-hour Energy Profile is lower

Energy Profile: Current hour	40 MW
Actual flow following curtailment: Current hour	10 MW
Energy Profile: Next hour	20 MW

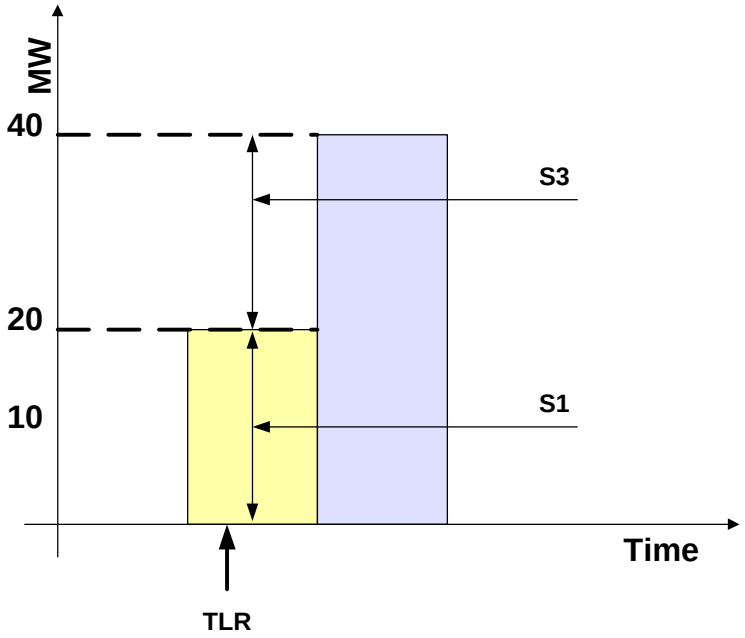


Sub-priorities for Transaction MW:

Sub-Priority	***MW Value***	***Explanation***
S1	10 MW	Maintain current curtailed flow
S2	+10 MW	Reload to *lesser* of current and next-hour Energy Profile
S3	+0 MW	Next-hour Energy Profile is 20MW, so no change in MW value
S4		

Example 3 – Transaction not curtailed, next-hour Energy Profile is higher

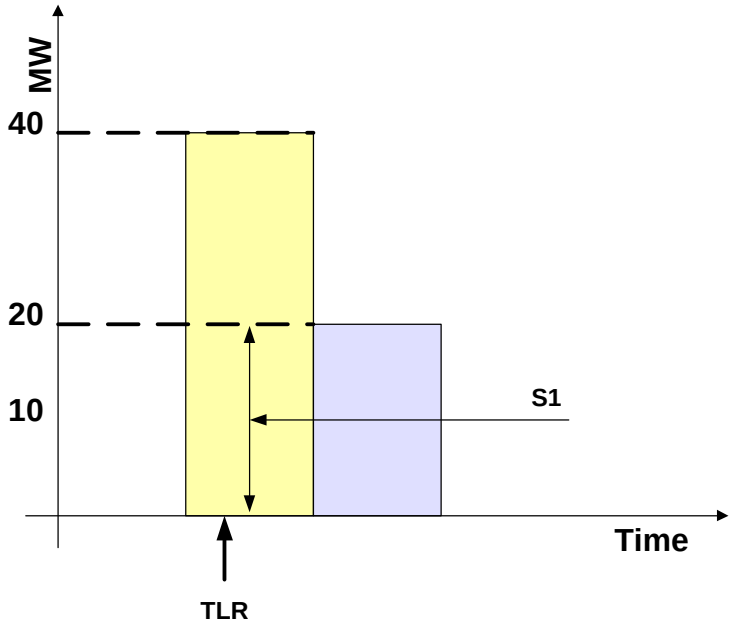
Energy Profile: Current hour	20 MW
Actual flow following curtailment: Current hour	20 MW (no curtailment)
Energy Profile: Next hour	40 MW



Sub-Priority	*MW Value*	*Explanation*
S1	20 MW	Maintain current flow (not curtailed)
S2	+0 MW	Reload to *lesser* of current and next-hour Energy Profile
S3	+20 MW	Next-hour Energy Profile is 40MW
S4		

Example 4 – Transaction not curtailed, next-hour Energy Profile is lower

Energy Profile: Current hour	40 MW
Actual flow following curtailment: Current hour	40 MW (no curtailment)
Energy Profile: Next hour	20 MW

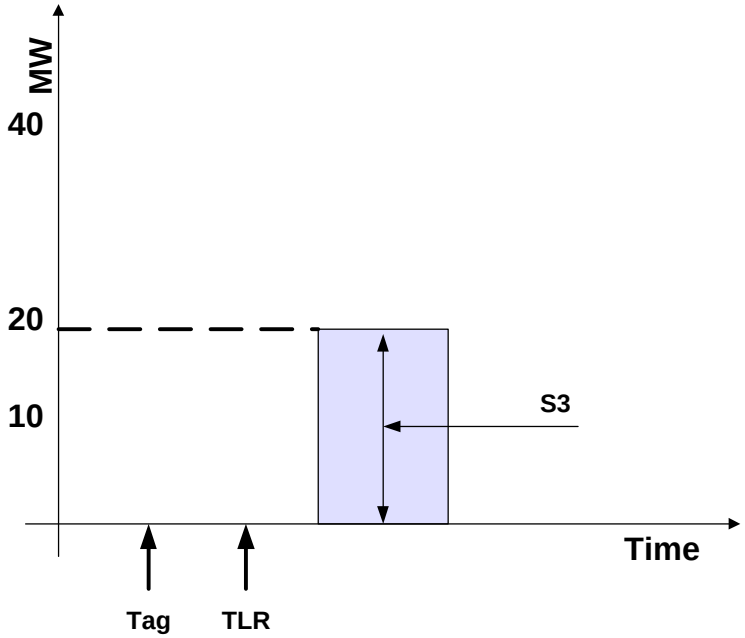


Sub-priorities for Transaction MW:

Sub-Priority	***MW Value***	***Explanation***
S1	20 MW	Reduce flow to next-hour Energy Profile (20MW)
S2	+0 MW	Reload to *lesser* of current and next-hour Energy Profile
S3	+0 MW	Next-hour Energy Profile is 20MW
S4		

Example 5 – TLR Issued before Transaction was scheduled to start

Energy Profile: Current hour	0 MW
Actual flow following curtailment: Current hour	0 MW (Transaction scheduled to start *after* TLR initiated)
Energy Profile: Next hour	20 MW



Sub-Priority	***MW Value***	***Explanation***
S1	0 MW	Transaction was not allowed to start
S2	+0 MW	Transaction was not allowed to start
S3	+20 MW	Next-hour Energy Profile is 20MW
S4	+0	Tag submitted prior to TLR