

2020 Budget vs. Actual Status

Patrick Kelly

Controller & Assistant Treasurer

Budget & Priorities Working Group

April 30, 2020

NYISO 2020 Budget vs. Actual: Rate Schedule 1 Recoveries

RS1 Volume Statistics

STATISTICS ON MWH (in Millions) VOLUME PER YEAR												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
January	15.3	14.5	14.5	14.1	14.8	16.0	15.4	13.9	13.6	14.6	14.2	13.3
February	12.9	12.9	12.8	12.7	13.6	14.4	14.8	12.8	11.8	12.0	12.4	12.2
March	13.3	13.0	13.5	12.8	13.9	14.5	14.8	12.5	13.1	12.8	12.6	11.7
April	12.3	11.8	12.3	12.2	12.5	12.2	12.3	11.8	11.4	11.8	11.2	
May	12.7	13.2	13.1	13.3	12.9	12.5	13.1	12.5	12.0	12.4	11.6	
June	13.1	15.1	14.6	14.4	14.3	14.2	13.9	13.8	13.6	13.4	13.1	
July	14.8	17.9	17.6	17.5	17.8	15.7	16.2	16.7	15.5	16.5	16.9	
August	16.2	16.5	15.9	16.8	15.3	14.9	16.2	17.3	14.9	16.8	15.3	
Sept.	13.0	14.1	13.9	13.6	13.4	13.8	14.8	14.0	13.3	14.0	12.9	
October	12.7	12.7	13.1	12.7	12.8	12.7	13.0	12.3	12.4	12.6	11.8	
November	12.3	12.6	12.5	12.9	13.2	13.2	12.8	12.1	12.2	12.5	12.2	
December	14.6	14.4	13.7	14.1	15.2	14.7	12.9	13.7	14.1	13.2	13.5	
Total by Year	163.2	168.7	167.5	167.1	169.7	168.8	170.2	163.4	157.9	162.6	157.7	37.2
Average	13.6	14.1	14.0	13.9	14.1	14.1	14.2	13.6	13.2	13.6	13.1	12.4

Summary of 2020 Rate Schedule 1 Recoveries

2020 MWH (in Millions) Comparison: Budget vs. Actual						
Invoice Month	Budgeted MWH	Actual MWH	Monthly Differential MWH	Cumulative Differential MWH	Monthly \$ Impact	Cumulative \$ Impact
Jan	13.5	13.3	(0.2)	(0.2)	\$ (0.2)	\$ (0.2)
Feb	12.5	12.2	(0.3)	(0.5)	\$ (0.3)	\$ (0.5)
Mar	12.6	11.7	(0.9)	(1.4)	\$ (1.0)	\$ (1.5)
Apr	11.2					
May	11.8					
Jun	13.0					
Jul	15.4					
Aug	14.8					
Sep	13.0					
Oct	11.8					
Nov	11.8					
Dec	12.9					
Total	154.3	37.2	(1.4)			

2020 Non-Physical Market Activity

Allocation of Rate Schedule 1 Costs to Non-Physical Market Activity						
Market Activity	Projected 2020 Annual Revenue Requirement	2020 Billing Rate/Unit	JAN	FEB	MAR	TOTAL
Transmission Congestion Contracts	\$5.1M	\$0.0126/ TCC MWh	\$ 388	\$ 381	\$ 430	\$ 1,199
Virtual Trading	\$2.6M	\$0.0862/ Cleared MWh	\$ 237	\$ 227	\$ 197	\$ 661
SCR/EDRP	<\$10,000	2020 RS1 Rate for Physical Injections	\$ -	\$ -	\$ -	\$ -
Total	\$7.7M		\$ 625	\$ 608	\$ 627	\$ 1,860

NYISO 2020 Budget vs. Actual: Budgetary Results

2020 Budget vs. Actual Results

(\$ in millions)	ANNUAL AMOUNT	ANNUAL AMOUNTS AS OF 3/31/20		
Cost Category	Original Budget	Original Budget	Actuals	Variance
Capital	\$ 6.9	\$ 3.2	\$ 2.7	\$ (0.5)
Salaries & Benefits	\$ 95.2	\$ 24.3	\$ 25.5	\$ 1.2
Professional Fees (including Legal)	\$ 30.7	\$ 7.0	\$ 7.9	\$ 0.9
Building Services	\$ 6.6	\$ 1.6	\$ 1.6	\$ -
Computer Services	\$ 19.5	\$ 4.8	\$ 4.6	\$ (0.2)
Insurance	\$ 2.9	\$ 0.7	\$ 0.7	\$ -
Telecommunications	\$ 2.8	\$ 0.7	\$ 0.7	\$ -
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 3.9	\$ 0.8	\$ 0.8	\$ -
Current Year Needs	\$ 168.5	\$ 43.1	\$ 44.5	\$ 1.4
Debt Service from Prior Year Financings	\$ 31.9	\$ 7.7	\$ 7.4	\$ (0.3)
Cash Budget	\$ 200.4	\$ 50.8	\$ 51.9	\$ 1.1
Less: Miscellaneous Revenues	\$ (5.2)	\$ (1.3)	\$ (1.3)	\$ -
Less: Proceeds from Debt	\$ (27.6)	\$ (5.0)	\$ (5.0)	\$ -
Less: Proceeds from budget underrun net volume undercollections	\$ -	\$ -	\$ -	\$ -
Add: Interest on Debt	\$ 0.4	\$ -	\$ -	\$ -
Rate Schedule #1 Revenue Requirement	\$ 168.0	\$ 44.5	\$ 45.6	\$ 1.1

2020 Budget vs. Actual Variance Explanations

	Year-To-Date Variance
Capital	The year-to-date underrun of \$0.5M is primarily due to timing of the Database Upgrade and Platform Migration project of \$0.5M, the Network Infrastructure Upgrade of \$0.2M, and aquisition of chart recorders of \$0.2M, partially offset by the purchase of trailers to house the sequestered NYISO system operators and support staff due to COVID-19 response of \$0.4M.
Salaries & Benefits	The year-to-date overrun of \$1.2M is primarily due to sequestration compensation for NYISO system operators and support staff of \$0.4M and overtime compensation of \$0.4M due to COVID-19 response and an increase in health insurance claims cost of \$0.3M.
Professional Fees	The year-to-date overrun of \$0.9M is primarily due to consulting support required to implement sequestration of NYISO's system operators and support staff of \$0.4M due to COVID-19 response, timing of the EMS/BMS System Upgrade deployment of \$0.2M and timing of consulting to support the Energy Storage Resources project of \$0.2M.

Outstanding Debt Summary

Debt Facility	Loan Status	Maturity Date	Amount Borrowed	Principal Outstanding at 3/31/20
Revolving Credit Facility	\$30M Available	Dec-23	\$ 8.6	\$ 8.6
2020 Budget Loan	Principal Payments begin in 2021	Dec-23	\$ 5.0	\$ 5.0
2019 Budget Loan	Term Loan Repayment	Dec-22	\$ 24.6	\$ 24.6
2005 Mortgage - Bldg Acq. & Renovations	Term Loan Repayment	Aug-25, Jan-27	\$ 24.8	\$ 10.2
2018 Budget Loan	Term Loan Repayment	Dec-21	\$ 25.3	\$ 14.8
EMS BMS Loan	Term Loan Repayment	Dec-22	\$ 30.0	\$ 9.0
Infrastructure Master Plan Mortgage	Term Loan Repayment	Aug-31	\$ 45.0	\$ 30.0
Total				\$ 102.2

Our mission, in collaboration with our stakeholders, is to serve the public interest and provide benefit to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policymakers, stakeholders and investors in the power system



Questions?