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### Subject: Ancillary Services Charges for Third-Party Station Power Providers

Load Serving Entities (LSE's) are charged Ancillary Services on Third-Party Supplied Station Power. The charging of Ancillary Services for Third-Party Station Power will result in an over-collection for each Ancillary Service that is based on Load Ratio Share calculations. As a result, excess Ancillary Services charges will be rebated to all loads.

#### Details:

As described in Technical Bulletin 119, generators participating in the NYISO Station Power program are netted for generation output versus Station Service load over a monthly period. The resulting net generation is used to determine how a unit may procure Station Power (self-supply, remote self-supply, or 3rd party) and whether Station Power settles at a wholesale or retail rate. Although generators are charged wholesale rates for all Station Power consumed, generators that consume 3rd party Station Power are rebated the wholesale cost by the NYISO. The NYISO will then charge the associated LSE the exact amount these generators are rebated. Additionally, the NYISO charges the LSE Ancillary Services on third-party supplied Station Power. This Technical Bulletin describes how ancillary services charges to third-party Station Power providers are assessed and calculated.

Station Service load is netted on a monthly basis. Therefore, the NYISO must wait until the end of each month to calculate which hours (if any) third-party suppliers provided Station Power and to determine the appropriate charges for Ancillary Services.

For Ancillary Services that are billed by levying a flat rate for each MW of load, the same flat rate will be used to bill LSE's for each MW of third party provided Station Power.

To charge for 3rd party Station Power ancillary services that are not billed at a flat rate, the NYISO will do the following:

- Calculate the daily average cost per MW for each Ancillary Service for each day in the month where 3rd party Station Power was provided.
- Multiply the 3rd party Station Power MWs by the appropriate daily average.
- Roll up all hourly values to a monthly total

Due to the fact the Station Power Ancillary Service calculations occur at the end of each month, the collection of Ancillary Services for 3rd Party Station Power will result in an over-collection for each Ancillary Service that is based on Load Ratio Share calculations. Consequently, the NYISO rebates the amount of over-collected Ancillary Services to all LSEs. For each Ancillary Service that requires a rebate, the NYISO divides the monthly total of the over-collection attributed to that Ancillary Service by the LSE's load ratio share to determine the value of the rebate.

Because neither Voltage Support nor the Flat Rate components of Schedule 1 are based on Load Ratio Share calculations, there are no rebates allocated for these ancillary services.

The purpose of this "Technical Bulletin" is to facilitate participation in the NYISO by communicating various NYISO concepts, techniques, and processes to Market Participants before they can be formally documented in a NYISO manual. The information contained in this bulletin is subject to change as a result of a revision to the ISO Tariffs or a subsequent filed tariff with the FERC.

## **Draft TB 121 Ancillary Services Charges for 3<sup>rd</sup> Party Station Power Providers**

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All Station Power NTAC charges will be applied at the monthly flat NTAC rate.

The following table enumerates ancillary services charges for third-party station power providers:

Ancillary Service	Calculation Description	Load Ratio Share Components
Schedule 1:	(LSE Station Power load * MST flat rate) + (LSE Station Power load * OATT flat rate)	N/A
	For each day 3 <sup>rd</sup> Party Station Power was consumed, take the daily average of Residual Ancillary Services charges, Min Gen Ancillary Service Charges and Demand Response Ancillary Services charges and multiple these values by that day's 3 <sup>rd</sup> Party Station Power consumption.	NYCA Load, Exports and Wheel-thru
Voltage Support (Schedule 2)	Hourly voltage support flat rate * LSE Station Power load	N/A
Regulation (Schedule 3):	For each day 3 <sup>rd</sup> Party Station Power was consumed, take the daily average of Regulation Ancillary Services charges and multiple by that day's 3 <sup>rd</sup> Party Station Power consumption.	NYCA Load
Reserves (Schedule 5):	For each day 3 <sup>rd</sup> Party Station Power was consumed, take the daily average of Reserves Ancillary Services charges and multiple by that day's 3 <sup>rd</sup> Party Station Power consumption.	NYCA Load and Exports
Black Start (Schedule 6):	For each day 3 <sup>rd</sup> Party Station Power was consumed, take the daily average of Black Start Ancillary Services charges and multiple by that day's 3 <sup>rd</sup> Party Station Power consumption.	NYCA Load

Participants in the Station Power program should note that Station Power load is excluded from these Load Ratio Share calculations to ensure no Ancillary Services are charged for Self Supply or Remote Self Supply Station Power.