

# Third Party Station Service Supply

## Agenda Item # 8

Business Issues Committee

August 13, 2003

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# Third Party Supply Definition

- 3<sup>rd</sup> Party Supply – Amount of Load exceeding Generation - Net of Self Supply & Remote Self Supply within a Calendar Month.
- By definition requires all data for the month to be available before SS, RSS and 3<sup>rd</sup> Party supply calculations can begin
- SS and RSS Station Power Load is exempt from Ancillary Service Charges.
- Expectation is that total Monthly 3<sup>rd</sup> Party Supply MWhr will be Minimal.

# Third Party Supply Issue Statement

- Settlement Responsibility for 3<sup>rd</sup> Party supply is shifted from the Supplier to the LSE.
- 3<sup>rd</sup> Party Supply is Subject to Ancillary Service Charges.
- Specific Hours and Amounts of 3<sup>rd</sup> Party Supply are not Known until Month End.
- Some Ancillary Services are Based on Load Ratio Share Calculations.
- Result – To Accurately Account for All Ancillary Services **ALL** Daily Settlements would have to be Re-Run.

# Third Party Supply Recommendation

- NYISO Staff Opinion is that to re-run all settlements, affecting all LSE bills by infinitesimal amounts is not cost effective.
- Charge Ancillary Services using a Hourly / Daily Average MWhr Cost, totalized and Reported as a Monthly Charge.
  - Excess Ancillary Services Collections would be rolled back into Schedule 1 as a Monthly Credit to all Loads.