



Local Reliability Charges allocated within the Billing System

BAWG
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[LRR Rules]

Definition:

- **Transmission Owners in the NYCA have recommended various local rules required to maintain system reliability in their respective areas. These recommendations are evaluated and potentially adopted by the NY State Reliability Council (NYSRC).**
- **Reliability rules are those rules, standards, procedures and protocols developed and promulgated by NYSRC including Local Reliability Rules in accordance with NERC, NPCC, FERC, PSC and NRC Standards, rules and regulation and other criteria and pursuant to NYSRC Agreement.**
- LRR rules invoked include but are not limited to voltage support services, steam system, local security
- LRR invocations set a unit Out of Merit to recover its costs while providing a service to alleviate a potential issue on the local transmission system. This OOM status allocates the cost to pay for this service to the Transmission Owner's transmission district.

Payment

- LRR rules can be paid through the BAS system as well as entered as adjustments on the Consolidated Invoice
- Difference between the two
 - Paid through the Billing and Accounting System (BAS), a settlement calculation is applied when the charge occurs on the advisory statements
 - Adjustments require the payments to be manually calculated and are entered at the time of the invoice. It is still allocated to the Transmission Owners district.

[Process

- TO calls the ISO Dispatchers to request a unit to be OOM for TO Local Reliability
- Upon approval of the ISO Dispatchers the OOM is entered for the appropriate generator
- MIS pushes the information into BAS
 - Note- OOM can be entered into BAS by TSA group
- Verification in MIS on the next business day using the Operational Logs by the Transmission Service Analysis (TSA)

[Allocation]

- Unlike other OOM types, OOM for TO Local Reliability allocates the charge and payment to the TO district at the sub zone level.
 - The OOM applied to the generator guarantees the generating facility(ies) called upon to will recover its costs.
 - The OOM allows BAS to calculate the charge applied to the LSEs within the Transmission Owner's district. The charges are derived by calculating the load ratio share of the LSE's and TO's sub zonal MWh.

[Bill Code]

- The Daily Cash Reconciliation
Bill Code 81001, 81002
- The Daily Advisory File Bill Code 810
lists the daily charge to the LSE
- DSS Ancillary Universe - LSEs

[Validation]

- LLR charges are calculated using the Transmission Owner's sub zonal MWh, the LSE's sub-zonal MWh and the dollars bid in by the generating facility(ies) that perform the service.
- Currently the ISO does not publicly post information for Customers to validate the dollars attributed to their LRR charges.
- The Legal Department is currently reviewing whether the daily sub zonal MWhrs and the uplift dollars can be made available without violating confidentiality obligations under the NYISO tariffs.

LRR Manual Adjustments

- OOM Process is the same
- Manual adjustment is necessary if there was some sort of legitimate criteria which hindered the generating facility from recovering its cost within the dispatch day
 - Example: Unit Bid in as a fixed unit for one hour of the day causing the unit to be ineligible to recover its costs through RT BPCG \$.
- These kinds of adjustments are handled by Dispute and Claims Committee (DCC) as discretionary acts. Typically, a claim is the result of a customer inquiry.
- The manual calculation is derived using the settlement rules as stated in the most current market settlements manual.