



Building The Energy Markets of Tomorrow . . . Today

# Clearing Account Management Billing & Accounting Working Group

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For Discussion Purposes Only



# Clearing Account

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- Market-based Settlement Design Provides For Net Zero Balances
- All Market-based Settlement Cash Flow Transacted Through Single Bank Account
- Residual Clearing Account Balances Caused By Rounding & Effects From Differences In Supply & Withdrawal Billing Units
- Residual Clearing Account Balances Adjusted To Zero Upon Invoicing

# Clearing Account Cash Flow

RECEIVABLE/(PAYABLE) ANALYSIS (prior to adjustments)	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Accounts Receivable balance due to the NYISO 11/16/2005	\$12,975,676.98	\$3,037,107.32	\$1,604,997.05	\$7,282,785.71	\$582,679.47	\$468,107.43
Accounts Payable balance due from the NYISO 11/21/2005	(\$13,595,585.76)	(\$3,125,593.00)	(\$1,678,024.72)	(\$7,326,161.92)	(\$626,886.47)	(\$838,919.65)
Net Receivable/(Payable)	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)
CASH FLOW ANALYSIS (prior to adjustments)	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Total Revenue per Month to Date Reconciliation	(\$5,622,278.76)	(\$3,728,551.91)	(\$492,496.09)	(\$1,846,091.32)	\$220,397.65	\$224,462.91
Total Expenditures per Month to Date Reconciliation	\$5,002,369.98	\$3,640,066.23	\$419,468.42	\$1,802,715.11	(\$264,604.65)	(\$595,275.13)
Net Receivable/(Payable)	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)
CLEARING ACCOUNT ANALYSIS	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Total Revenue per Month to Date Reconciliation	(\$5,622,278.76)	(\$3,728,551.91)	(\$492,496.09)	(\$1,846,091.32)	\$220,397.65	\$224,462.91
Total Expenditures per Month to Date Reconciliation	\$5,002,369.98	\$3,640,066.23	\$419,468.42	\$1,802,715.11	(\$264,604.65)	(\$595,275.13)
Net Settlement Over/(Under)-Collection per Cash Reconciliation	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)
Draw/(Contribution) On/To Voltage Support Account	\$9,556.39	\$4.10	\$700.49	\$1,621.37	\$2,626.81	\$4,603.62
Net effect of interest balancing adjustments	(\$26,889.62)	(\$0.03)	\$0.00	(\$26,889.60)	\$0.00	\$0.01
Adjustment to set clearing acct balance to zero	\$81,744.03	\$2,782.39	\$46,851.63	\$8,972.53	\$7,102.57	\$16,034.91
Correction of VSS payment	\$548,876.89	\$88,667.96	\$35,737.33	\$35,848.82	\$34,617.64	\$354,005.14
Net Over/(Under)-Collection	(\$6,621.09)	\$2,968.74	\$10,261.78	(\$23,823.09)	\$140.02	\$3,831.46
SETTLEMENT ANALYSIS BY MARKET SECTOR PER C.I. DATA	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Supplier	\$4,816,327.07	\$3,564,084.70	\$392,620.50	\$1,765,768.72	(\$304,751.34)	(\$601,395.51)
Transmission Customer	(\$5,611,998.06)	(\$3,728,552.42)	(\$492,495.88)	(\$1,846,091.78)	\$230,679.13	\$224,462.89
Transmission Congestion Contract Holder	\$152,606.46	\$106,014.77	\$5,279.28	\$9,420.57	\$32,135.74	(\$243.90)
Transmission Owner	\$23,155.75	(\$30,032.73)	\$21,568.43	\$27,526.28	(\$2,270.53)	\$6,364.30
DAPRL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Virtual Bidding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total before adjustments	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)
Net Adjustments	\$603,731.54	\$91,450.35	\$82,588.97	\$17,931.73	\$41,720.32	\$370,040.17
Net Invoice	(\$16,177.24)	\$2,964.67	\$9,561.30	(\$25,444.48)	(\$2,486.68)	(\$772.05)
Invoice Summary A/R	\$15,010,671.58					
Invoice Summary A/P	(\$15,020,227.71)					
Net Receivable/(Payable)	(\$9,556.13)					
Net Consolidated Invoice prior to adjustments	(\$619,908.78)					
Adjustments other than prepaids	\$603,731.54					
Interest	\$6,621.11					
Net Receivable/(Payable)	(\$9,556.13)					

# Clearing Account Adjustments

RECEIVABLE/(PAYABLE) ANALYSIS (prior to adjustments)	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Accounts Receivable balance due to the NYISO 11/16/2005	\$12,975,676.98	\$3,037,107.32	\$1,604,997.05	\$7,282,785.71	\$582,679.47	\$468,107.43
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Net Receivable/(Payable)	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)

CASH FLOW ANALYSIS (prior to adjustments)	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
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Total Expenditures per Month to Date Reconciliation	\$5,002,369.98	\$3,640,066.23	\$419,468.42	\$1,802,715.11	(\$264,604.65)	(\$595,275.13)
Net Receivable/(Payable)	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)

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Net Settlement Over/(Under)-Collection per Cash Reconciliation	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)
Draw/(Contribution) On/To Voltage Support Account	\$9,556.39	\$4.10	\$700.49	\$1,621.37	\$2,626.81	\$4,603.62
Net effect of interest balancing adjustments	(\$26,889.62)	(\$0.03)	\$0.00	(\$26,889.60)	\$0.00	\$0.01
<b>Adjustment to set clearing acct balance to zero</b>	<b>\$81,744.03</b>	<b>\$2,782.39</b>	<b>\$46,851.63</b>	<b>\$8,972.53</b>	<b>\$7,102.57</b>	<b>\$16,034.91</b>
Correction of VSS payment	\$548,876.89	\$88,667.96	\$35,737.33	\$35,848.82	\$34,617.64	\$354,005.14
Net Over/(Under)-Collection	(\$6,621.09)	\$2,968.74	\$10,261.78	(\$23,823.09)	\$140.02	\$3,831.46

SETTLEMENT ANALYSIS BY MARKET SECTOR PER C.I. DATA	Consolidated Net	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Supplier	\$4,816,327.07	\$3,564,084.70	\$392,620.50	\$1,765,768.72	(\$304,751.34)	(\$601,395.51)
Transmission Customer	(\$5,611,998.06)	(\$3,728,552.42)	(\$492,495.88)	(\$1,846,091.78)	\$230,679.13	\$224,462.89
Transmission Congestion Contract Holder	\$152,606.46	\$106,014.77	\$5,279.28	\$9,420.57	\$32,135.74	(\$243.90)
Transmission Owner	\$23,155.75	(\$30,032.73)	\$21,568.43	\$27,526.28	(\$2,270.53)	\$6,364.30
DAPRL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Virtual Bidding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total before adjustments	(\$619,908.78)	(\$88,485.68)	(\$73,027.67)	(\$43,376.21)	(\$44,207.00)	(\$370,812.22)
Net Adjustments	\$603,731.54	\$91,450.35	\$82,588.97	\$17,931.73	\$41,720.32	\$370,040.17
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Invoice Summary A/R	\$15,010,671.58
Invoice Summary A/P	(\$15,020,227.71)
Net Receivable/(Payable)	(\$9,556.13)
Net Consolidated Invoice prior to adjustments	(\$619,908.78)
Adjustments other than prepaids	\$603,731.54
Interest	\$6,621.11
Net Receivable/(Payable)	(\$9,556.13)

# Clearing Account Balance Components

	Consolidation	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
Adjust Sch 1 deficient/(excess) clearing to zero	\$25,305.39	\$19.88	\$1,854.15	\$4,291.92	\$6,953.47	\$12,185.97
Adjust uncleared residuals deficient/(excess) to zero	\$36,170.11	(\$206.26)	\$34,735.70	\$1,614.10	\$9.08	\$17.49
Adjust Other ISO billings deficient/(excess) to zero	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net effect of interest balancing adjustments	\$26,889.62	\$0.03	\$0.00	\$26,889.60	\$0.00	(\$0.01)
Adjust current month interest deficient/(excess) to zero	(\$6,621.11)	\$2,968.74	\$10,261.78	(\$23,823.09)	\$140.02	\$3,831.44
<b>Adjustment to Eliminate Clearing Account Balances</b>	<b>\$81,744.01</b>	<b>\$2,782.39</b>	<b>\$46,851.63</b>	<b>\$8,972.53</b>	<b>\$7,102.57</b>	<b>\$16,034.89</b>

- Rate Schedule 1 Balancing
- Uncleared Market Residuals
- External Control Area Settlements
- Interest Over-/Under-Collections Driven By Timing Differences From Multiple Banking Dates

# Rate Schedule 1 Balancing

August 2000 Close-out	Net Over-(Under)-Collection	\$2,968.74					
	Schedule 1 Costs	Rate	Previously Billed	MWh Billed	MWh Forecasted	Increase/(decrease) load	Excess/(Deficiency)
OATT Cost of Operations	\$5,268,000.00	\$1.645720	14,845,034	14,845,023	n/a	(10.25)	(\$16.86)
Working Capital Account Establishment	\$0.00	\$0.000000	14,845,034	14,845,023	n/a	(10.25)	\$0.00
OATT Start-Up Costs	\$942,000.00	\$0.294280	14,845,034	14,845,023	n/a	(10.25)	(\$3.02)
MST Start-Up Costs	\$0.00	\$0.000000	14,845,034	14,845,023	n/a	(10.25)	\$0.00
	\$6,210,000.00	\$1.940000					(\$19.88)

(\$19.88)

Net Over-(Under)-Collection Disposition	
Excess/(Deficient) Schedule 1 cost recovery	(\$19.88)
Net effect of interest balancing adjustments	(\$0.03)
Adjustment to set clearing acct balance to zero	\$2,782.39
Uncleared Residuals	\$206.26
	\$2,968.74

July 2001 Close-out	Net Over-(Under)-Collection	\$10,261.78					
	Schedule 1 Costs	Rate	Previously Billed	MWh Billed	MWh Forecasted	Increase/(decrease) load	Excess/(Deficiency)
OATT Cost of Operations	\$6,754,250.00	\$0.451561	14,463,523	14,461,462	14,957,566	(2,060.16)	(\$930.29)
Working Capital Account Establishment	\$5,472,050.00	\$0.365838	14,463,523	14,461,462	14,957,566	(2,060.16)	(\$753.68)
OATT Start-Up Costs	\$607,041.50	\$0.040584	14,463,523	14,461,462	14,957,566	(2,060.16)	(\$83.61)
MST Start-Up Costs	\$607,041.50	\$0.042017	14,463,523	14,461,462	14,957,566	(2,060.16)	(\$86.57)
	\$13,440,383.00	\$0.900000					(\$1,854.15)

(\$1,854.15)

Net Over-(Under)-Collection Disposition	
Excess/(Deficient) Schedule 1 cost recovery	(\$1,854.15)
Net effect of interest balancing adjustments	\$46,851.63
Adjustment to set clearing acct balance to zero	(\$14,735.70)
Uncleared Residuals	\$10,261.78

August 2001 Close-out	Net Over-(Under)-Collection	(\$23,823.09)					
	Schedule 1 Costs	Rate	Previously Billed	MWh Billed	MWh Forecasted	Increase/(decrease) load	Excess/(Deficiency)
OATT Cost of Operations	\$6,754,250.00	\$0.448551	16,205,580	16,200,811	15,057,924	(4,768.81)	(\$2,139.05)
Working Capital Account Establishment	\$5,562,370.00	\$0.369398	16,205,580	16,200,811	15,057,924	(4,768.81)	(\$1,761.59)
OATT Start-Up Costs	\$607,041.50	\$0.040314	16,205,580	16,200,811	15,057,924	(4,768.81)	(\$192.25)
MST Start-Up Costs	\$607,041.50	\$0.041737	15,863,047	15,858,279	14,544,514	(4,768.81)	(\$199.03)
	\$13,530,703.00	\$0.900000					(\$4,291.92)

(\$4,291.92)

Net Over-(Under)-Collection Disposition	
Excess/(Deficient) Schedule 1 cost recovery	(\$4,291.92)
Net effect of interest balancing adjustments	(\$26,889.40)
Adjustment to set clearing acct balance to zero	\$8,972.53
Uncleared Residuals	(\$3,614.10)
	(\$23,823.09)

September 2001 Close-out	Net Over-(Under)-Collection	\$140.02					
	Schedule 1 Costs	Rate	Previously Billed	MWh Billed	MWh Forecasted	Increase/(decrease) load	Excess/(Deficiency)
OATT Cost of Operations	\$6,754,250.00	\$0.516182	13,008,128	13,000,402	13,085,012	(7,726.08)	(\$3,988.06)
Working Capital Account Establishment	\$3,786,750.00	\$0.289398	13,008,128	13,000,402	13,085,012	(7,726.08)	(\$2,235.90)
OATT Start-Up Costs	\$607,041.50	\$0.044392	13,008,128	13,000,402	13,085,012	(7,726.08)	(\$388.49)
MST Start-Up Costs	\$607,041.50	\$0.048030	12,716,912	12,709,186	12,638,870	(7,726.08)	(\$371.08)
	\$11,755,083.00	\$0.900000					(\$6,953.47)

(\$6,953.47)

Net Over-(Under)-Collection Disposition	
Excess/(Deficient) Schedule 1 cost recovery	(\$6,953.47)
Net effect of interest balancing adjustments	\$7,102.57
Adjustment to set clearing acct balance to zero	(\$9.08)
Uncleared Residuals	\$140.02

October 2001 Close-out	Net Over-(Under)-Collection	\$3,831.46					
	Schedule 1 Costs	Rate	Previously Billed	MWh Billed	MWh Forecasted	Increase/(decrease) load	Excess/(Deficiency)
OATT Cost of Operations	\$6,754,250.00	\$0.567628	12,614,425	12,600,885	11,889,126	(13,539.96)	(\$7,685.64)
Working Capital Account Establishment	\$2,719,450.00	\$0.223542	12,614,425	12,600,885	11,889,126	(13,539.96)	(\$3,094.45)
OATT Start-Up Costs	\$607,041.50	\$0.051016	12,614,425	12,600,885	11,889,126	(13,539.96)	(\$690.75)
MST Start-Up Costs	\$607,041.50	\$0.052816	12,382,282	12,368,742	11,493,418	(13,540.03)	(\$715.13)
	\$10,687,783.00	\$0.900000					(\$12,185.97)

(\$12,185.97)

Net Over-(Under)-Collection Disposition	
Excess/(Deficient) Schedule 1 cost recovery	(\$12,185.97)
Net effect of interest balancing adjustments	\$0.01
Adjustment to set clearing acct balance to zero	\$16,034.91
Uncleared Residuals	(\$17.49)
	\$3,831.46

# Uncleared Residuals Balancing

	Consolidation	August 2000 Close-out	July 2001 Close-out	August 2001 Close-out	September 2001 Close-out	October 2001 Close-out
DAM Uplift Analysis	(\$0.69)	(\$0.00)	(\$0.61)	(\$0.08)	\$0.00	\$0.00
Balancing Uplift Analysis	(\$527.09)	(\$0.00)	(\$594.75)	\$69.33	(\$0.00)	(\$1.67)
DAM Contract Balancing Residual Analysis	(\$35,559.84)	\$9.44	(\$34,522.01)	(\$1,045.18)	(\$0.89)	(\$1.20)
DAM Energy Residual Analysis	\$1.88	\$2.04	(\$0.04)	(\$0.11)	\$0.00	(\$0.01)
DAM Losses Residual Analysis	(\$123.22)	(\$119.16)	(\$5.74)	\$1.18	\$0.14	\$0.36
DAM Congestion Balancing Analysis	(\$77.32)	(\$1.50)	(\$37.38)	(\$24.18)	(\$8.74)	(\$5.52)
Balancing Energy Residual Analysis	\$107.09	\$41.88	\$128.69	(\$52.72)	(\$0.70)	(\$10.06)
Balancing Losses Residual Analysis	(\$6.75)	\$0.57	(\$0.27)	(\$7.97)	\$0.04	\$0.88
Balancing Congestion Residual Analysis	(\$114.75)	\$26.25	\$70.94	(\$212.90)	\$0.97	(\$0.01)
Failed Transaction Financial Impact Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Regulation Service Clearing Analysis	(\$0.00)	\$0.00	\$0.00	\$0.00	(\$0.00)	(\$0.00)
Reserves Service Clearing Analysis	(\$407.34)	\$0.28	(\$65.58)	(\$342.07)	\$0.29	(\$0.26)
Black Start Service Clearing Analysis	\$536.92	\$245.98	\$290.94	\$0.00	\$0.00	\$0.00
NTAC	(\$0.01)	(\$0.01)	\$0.00	\$0.00	\$0.00	\$0.00
Cash Report Error Correction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Unreconciled variance	\$1.01	\$0.49	\$0.11	\$0.60	(\$0.19)	\$0.00
<b>Total Uncleared Residuals</b>	<b>(\$36,170.11)</b>	<b>\$206.26</b>	<b>(\$34,735.70)</b>	<b>(\$1,614.10)</b>	<b>(\$9.08)</b>	<b>(\$17.49)</b>

\$206.26

(\$34,735.70)

(\$1,614.10)

(\$9.08)

(\$17.49)

# Interest Balancing

Billing_Month	Total_Delta	Interest	Total_Adjustments	Adjustment_Interest	TTL	TTL_INT
August-00 Total	(\$88,485.68)	(\$30,536.53)	\$91,450.35	\$27,567.79	(\$4.07)	(\$2,968.74)
July-01 Total	(\$73,027.67)	(\$17,725.61)	\$82,588.97	\$7,463.83	(\$700.48)	(\$10,261.78)
August-01 Total	(\$43,376.21)	(\$10,953.09)	\$17,931.73	\$34,776.18	(\$1,621.39)	\$23,823.09
September-01 Total	(\$44,207.00)	(\$9,602.56)	\$41,720.32	\$9,462.54	(\$2,626.70)	(\$140.02)
October-01 Total	(\$370,812.22)	(\$77,114.97)	\$370,040.17	\$73,283.53	(\$4,603.49)	(\$3,831.44)
Grand Total	(\$619,908.78)	(\$145,932.76)	\$603,731.54	\$152,553.87	(\$9,556.13)	\$6,621.11

(\$2,968.74)

(\$10,261.78)

\$23,823.09

(\$140.02)

(\$3,831.44)