

2017 Budget vs. Actual Status

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**NYISO 2017 BUDGET VS.
ACTUAL:
RATE SCHEDULE 1 RECOVERIES**

RS1 Volume Statistics

STATISTICS ON MWH (in Millions) VOLUME PER YEAR														
2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
14.3	14.9	14.7	14.2	14.7	16.0	15.3	14.5	14.5	14.1	14.8	16.0	15.4	13.9	13.6
12.8	13.1	12.6	13.0	14.5	14.6	12.9	12.9	12.8	12.7	13.6	14.4	14.8	12.8	11.9
13.2	13.3	13.7	14.0	14.4	14.8	13.3	13.0	13.5	12.8	13.9	14.5	14.8	12.5	13.1
12.0	12.0	12.3	12.3	13.4	13.4	12.3	11.8	12.3	12.2	12.5	12.2	12.3	11.8	11.4
12.1	13.4	12.6	13.2	14.2	14.3	12.7	13.2	13.1	13.3	12.9	12.5	13.1	12.5	12.0
13.4	14.1	15.6	15.0	15.2	16.6	13.1	15.1	14.6	14.4	14.3	14.2	13.9	13.8	13.6
15.4	15.3	17.1	17.9	16.7	18.7	14.8	17.9	17.6	17.5	17.8	15.7	16.2	16.7	
15.4	15.2	17.7	17.1	17.3	16.4	16.2	16.5	15.9	16.8	15.3	14.9	16.2	17.3	
13.1	13.5	15.2	13.4	14.7	14.6	13.0	14.1	13.9	13.6	13.4	13.8	14.8	14.0	
12.7	12.4	13.8	13.2	14.1	13.5	12.7	12.7	13.1	12.7	12.8	12.7	13.0	12.3	
12.4	12.2	13.2	13.1	13.7	13.8	12.3	12.6	12.5	12.9	13.2	13.2	12.8	12.1	
14.0	14.0	14.9	13.9	15.3	14.6	14.6	14.4	13.7	14.1	15.2	14.7	12.9	13.7	
160.8	163.4	173.4	170.3	178.1	181.3	163.2	168.7	167.5	167.1	169.7	168.8	170.2	163.4	75.6
13.4	13.6	14.5	14.2	14.8	15.1	13.6	14.1	14.0	13.9	14.1	14.1	14.2	13.6	12.6

Summary of 2017 Rate Schedule 1 Recoveries

2017 MWH (in Millions) Comparison: Budget vs. Actual						
Invoice Month	Budgeted MWH	Actual MWH	Monthly Differential MWH	Cumulative Differential MWH	Monthly \$ Impact	Cumulative \$ Impact
Jan	13.7	13.6	(0.1)	(0.1)	\$ (0.1)	\$ (0.1)
Feb	12.4	11.8	(0.6)	(0.7)	\$ (0.6)	\$ (0.6)
Mar	12.8	13.1	0.3	(0.4)	\$ 0.3	\$ (0.4)
Apr	11.7	11.4	(0.3)	(0.7)	\$ (0.3)	\$ (0.6)
May	12.2	12.0	(0.2)	(0.9)	\$ (0.2)	\$ (0.8)
Jun	13.6	13.6	-	(0.9)	\$ -	\$ (0.8)
Jul	15.7					\$ -
Aug	15.4					\$ -
Sep	13.3					\$ -
Oct	12.3					\$ -
Nov	12.0					\$ -
Dec	13.2					\$ -
Total	158.3	75.5	(0.9)			

2017

Non-Physical Market Activity

Allocation of Rate Schedule 1 Costs to Non-Physical Market Activity

Market Activity	Projected 2017 Annual Revenue Requirement	2017 Billing Rate/Unit	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Transmission Congestion Contracts	\$4.5M	\$0.0176/ TCC MWh	\$412,000	\$375,000	\$382,000	\$361,000	\$399,000	\$399,000	\$2,328,000
Virtual Trading	\$2.3M	\$0.0649/ Cleared MWh	\$156,000	\$136,000	\$153,000	\$170,000	\$179,000	\$196,000	\$990,000
SCR/EDRP	<\$10,000	2017 RS1 Rate for Physical Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$6.8M		\$568,000	\$511,000	\$535,000	\$531,000	\$578,000	\$595,000	\$3,318,000

NYISO 2017 BUDGET VS. ACTUAL: BUDGETARY RESULTS

2017 Budget vs. Actual Results

<i>(\$ in millions)</i>	ANNUAL AMOUNT	YTD AMOUNTS AS OF 6/30/17		
Cost Category	Original Budget	Original Budget	Actuals	Variance
Capital	\$ 9.6	\$ 6.4	\$ 4.1	\$ (2.3)
Salaries & Benefits	\$ 88.9	\$ 45.1	\$ 45.2	\$ 0.1
Professional Fees (including Legal)	\$ 31.8	\$ 14.5	\$ 10.9	\$ (3.6)
Building Services	\$ 6.3	\$ 3.2	\$ 2.9	\$ (0.3)
Computer Services	\$ 15.8	\$ 8.1	\$ 8.2	\$ 0.1
Insurance	\$ 2.9	\$ 1.5	\$ 1.4	\$ (0.1)
Telecommunications	\$ 3.1	\$ 1.5	\$ 1.5	\$ -
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 4.1	\$ 2.1	\$ 1.5	\$ (0.6)
Current Year Needs	\$ 162.5	\$ 82.4	\$ 75.7	\$ (6.7)
Debt Service from Prior Year Financings	\$ 27.2	\$ 14.0	\$ 16.0	\$ 2.0
Cash Budget	\$ 189.7	\$ 96.4	\$ 91.7	\$ (4.7)
Less: Miscellaneous Revenues	\$ (3.0)	\$ (1.5)	\$ (2.5)	\$ (1.0)
Less: Proceeds from Debt	\$ (39.1)	\$ (19.4)	\$ (18.0)	\$ 1.4
Less: Proceeds from budget underrun and volume overcollections	\$ -	\$ -	\$ (1.8)	\$ (1.8)
Add: Interest on Debt	\$ 0.6	\$ 0.1	\$ 0.1	\$ -
Rate Schedule #1 Revenue Requirement	\$ 148.2	\$ 75.6	\$ 69.5	\$ (6.1)

2017 Budget vs. Actual Variance Explanations

	<u>Year-To-Date Variance</u>
<u>Capital</u>	The year-to-date underrun of \$2.3M is primarily due to timing of capital acquisitions related to the Backup Enhancements project of \$0.8M, timing of various other technology and infrastructure initiatives of \$1.3M and timing of capital expenditures in support of the EMS/BMS System Upgrade project of \$0.2M.
<u>Professional Fees</u>	The year-to-date underrun of \$3.6M is primarily due to timing of various project initiatives requiring consulting support that are currently planned for the 2 nd half of this year of \$1.9M, timing of EMS/BMS System Upgrade of \$1.2M, and savings in External Legal Fees of \$0.5M.
<u>Other Expenses</u>	The year-to-date underrun of \$0.6M is primarily due to timing of training and associated travel.
<u>Debt Service</u>	The year-to-date overrun of \$2.0M is due to additional principal payments on outstanding debt, offset with proceeds from a budget underrun and volume over collection from the prior year.
<u>Misc. Revenues</u>	The year-to-date overrun of \$1.0M is primarily due to higher than anticipated revenues generated from reimbursable planning studies.
<u>Proceeds from Debt</u>	The year-to-date underrun of \$1.4M is due to timing of EMS/BMS loan draw downs.

Outstanding Debt Summary

<u>Debt Facility</u>	<u>Loan Status</u>	<u>Maturity Date</u>	<u>Amount Borrowed</u>	<u>Principal Outstanding at 6/30/17</u>
Revolving Credit Facility	\$50M Available	Dec-18	\$ 6.0	\$ 6.0
2005 Mortgage - Bldg Acq. & Renovations	Term Loan Repayment	Aug-25, Jan-27	\$ 24.8	\$ 13.8
2015 Budget Loan	Term Loan Repayment	Dec-18	\$ 25.0	\$ 10.7
2016 Budget Loan	Term Loan Repayment	Dec-19	\$ 25.0	\$ 20.8
EMS BMS Loan	Term Loan Repayment	Dec-21	\$ 9.7	\$ 8.6
2017 Budget Loan *	Principal Payments begin in 2018	Dec-20	\$ 15.0	\$ 15.0
Infrastructure Master Plan Mortgage	Term Loan Repayment	Aug-31	\$ 45.0	\$ 37.3
Total				\$ 112.2
* Interest only Payments in 2017				

Questions?

We are here to help. Let us know if we can add anything.



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



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