

Proposed Tariff Provisions
Regarding
NYISO Price Corrections – Part II

Billing & Price Correction Task Force

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Introduction

- Proposed tariff changes regarding the substantive criteria for determining an Energy or Ancillary Services price has been calculated in error and requires correction
- Proposed tariff changes regarding the manner in which the NYISO will calculate corrected prices

Introduction

- Related document, *Proposed Tariff Provisions Regarding NYISO Price Corrections - Part I*, addresses procedural aspects of price corrections
- Proposal does not substantially change NYISO's current price correction practices
- Intended to clearly establish what constitutes a price error that requires correction and the manner in which the NYISO will make such correction

Guiding Principles

- NYISO tariffs require scheduling, commitment, and dispatch of supply resources on a least total cost basis
- Energy and Ancillary Service clearing prices must be (i) calculated correctly and (ii) based on appropriate price-setting resource
- Prices found not to be calculated in accordance with the NYISO tariffs shall be corrected in accordance with the price correction provisions of the NYISO tariffs and not otherwise except as provided by FERC or a court of competent jurisdiction

Key Terms

- Price Errors Requiring Correction
 - Calculation Errors
 - Errors in Selecting the Price-Setting Resource
- Price Effects of Mitigation Errors
- Methodology of NYISO Corrections
 - Alternate Correction Methodology
 - System Emergency/Catastrophic Software Failure