

# **Regulatory Fees**

## ***Proposed Revision to the OATT***

**Management Committee**  
**October 17, 2001**

### **Overview**

- **FERC has changed how it charges for its electric industry costs**
  - FERC Order No. 641 (10/26/00)
  - FERC Order No.641-A (3/15/01)
- **NYISO now subject to reporting and payment of annual charges**
  - Beginning with 2002 fees based on 2001 data
- **Modify OATT to explicitly provide for recovery of regulatory fees under Schedule 1**

## Historical Method for Collection of Annual Charges

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- **FERC collects annual electric program costs by determining a unit charge and then multiplying it by an entity's FERC-582 reported MWh of transactions**
  - Assessed against public utilities and marketers
- **Transactions include:**
  - Long-term firm sales for resale and transmission
  - Short-term sales, transmission, and exchanges

## New Method for Collection of Annual Charges

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- **FERC collects annual electric program costs by determining a unit charge and then multiplying it by an entity's FERC-582 reported MWh of transmission**
  - *Only assessed against public utilities providing transmission service, including ISOs*
- **Unit charge equals:**
  - $$\frac{\text{(FERC electric regulatory costs - PMA costs - filing fees)}}{\text{(Total FERC-582 reported MWh of transmission)}}$$*
- **MWh of transmission includes unbundled wholesale and retail transmission service plus bundled wholesale power sales where transmission component is not reported separately**

## **Regulatory Fees**

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Motion to modify the NYISO Open Access Transmission Tariff, Schedule 1, section 3A, to specifically identify regulatory fees as an ISO cost recovered through the Rate Schedule 1 charge effective January 1, 2002