

#### **Black Start Cost Allocation Issue**

## Market Structures Working Group 10/27/2006 Tim Duffy



## What's the Issue

- Statewide Black Start costs are submitted by NYPA on an annual basis for the upcoming year (May – April).
- The billing code recovers these costs on an hourly basis from the load in the market in that hour based on hourly load ratio shares.
- Under the Tariff, the costs are to be allocated on a monthly basis using monthly load ratio shares.
- The discrepancy is therefore between how much of the costs are recovered in a particular month and how the costs are allocated across the hours in that month. [Correction]



# **Financial Impact**

- For period 11/1999 9/2006, the net financial impact is less than \$5,000.
- For period 3/2005 9/2006, the net financial impact is \$2,000.



## **Actions**

- NYISO Notified Market Participants at special BIC (10/18)
- NYISO to Notify FERC.
- NYISO to take appropriate steps to address discrepancy.