



Reporting Affiliate Information

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Objectives

- ◆ **Review existing tariff definitions and market participant obligations.**
- ◆ **Introduce a new form that will be distributed for customer registration and the annual Affiliate update process.**

Definition

- ◆ **Affiliate is defined in the NYISO OATT and Services Tariff as follows:**
 - *With respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity.*
 - *“Control” means the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.*

Affiliate Reporting

- ◆ Applicants are required to provide the NYISO with a list of Affiliates during the customer registration process. (MST §9.2)
- ◆ Market Participants are required to update the NYISO within 30 days of any changes to the list of Affiliates. (MST §9.2)
- ◆ Market Participants are also required to provide the NYISO with an updated list of their Affiliates on an annual basis.
 - *The NYISO issues a request for an updated list each year, typically in April.*
 - *The Market Participant must submit an updated list to the NYISO within 10 days of the request. (MST §9.2)*
- ◆ All Market Participants are required to comply with these tariff obligations.
 - *Market Participants must respond within 10 days, or the NYISO will suspend any unsecured credit (including guarantees). (MST §26.5.1)*

Annual Affiliate Update

◆ NYISO Independence

- *The NYISO uses Affiliate information in applying its Code of Conduct requirements to remain independent of Market Participants and avoid potential conflicts of interest.*
- *Among other things, the NYISO uses the annual Affiliate update to maintain a list of prohibited securities.*

◆ Credit

- *Market Participants that fail to submit their annual updated list of Affiliates will not be eligible for unsecured credit (including guarantees). (MST §26.5.1)*
- *The credit department relies on reporting from all Market Participants to determine eligibility for unsecured credit.*
 - Corporate families may not exceed \$50 million in unsecured credit.

◆ NYISO Annual Request

- *The NYISO sends an email with an attached form to all Market Participants requesting an updated list of Affiliates.*
- *The tariff requires that Market Participants provide all Affiliates.*

Annual Update Form

- The form has been revised for the 2017 update to ensure that it captures the information required for the NYISO to administer its tariff obligations.

NYISO Section G Corporate Affiliate/Parent Form		Date of Input:			
Applicant/Customer Name	Publicly Traded? (Y/N)	Trading Symbol/ CUSIP	Publicly Traded Applicant/Customer Corporate Revenue		
Affiliate Name	Affiliate Publicly Traded? (Y/N)	Trading Symbol/ CUSIP	Affiliate Type(Ultimate Parent; Intermediate Parent; Other Affiliate)	Affiliate NYISO Customer? (Y/N)	Publicly Traded Affiliate Corporate Revenue

- Instructions are included on the first tab, and the blank form is on the second tab of the spreadsheet.

Annual Update Form

To complete the form, your company must:

- *(i) List the Applicant/Customer name;*
 - *(ii) Indicate whether the Applicant/Customer is publicly traded and provide its trading symbol or CUSIP, if applicable;*
 - *(iii) Provide the Applicant/Customer's most recent reported annual revenue only if the Applicant/Customer is publicly traded;*
 - *(iv) List all Applicant/Customer's Affiliates;*
 - *(v) Indicate whether each Affiliate is publicly traded and provide its trading symbol or CUSIP, if applicable;*
 - *(vi) Indicate the type of Affiliate, i.e., Ultimate Parent; Intermediate Parent; or Other Affiliate;*
 - *(vii) Indicate whether the Affiliate is also a NYISO customer.*
 - *(viii) Provide the most recent reported annual revenue for any publicly traded Affiliates.*
- ◆ **Publicly traded entities in this process refer to companies that issue Securities. The Code of Conduct defines “Securities” as stocks, stock options, bonds and any other instruments of debt or equity.**

Common Errors

- ***Market Participant and Affiliate Legal Name?***
 - The NYISO is unable to evaluate companies listed by an assumed (“DBA”) name or other common name that does not reflect the legal entity name.
- ***Affiliate Type?***
 - Forms must designate each Affiliate as Ultimate Parent, Intermediate Parent or Other Affiliate.
 - To adequately evaluate a market participant’s Affiliates, the NYISO must have the proper Affiliate type.
- ***Publicly Traded?***
 - The NYISO cannot rely on a company’s organizational chart without indication of whether Affiliates are publicly traded.
 - Stocks, stock options, bonds and any other instruments of debt or equity are considered Securities and constitute a publicly traded company for this purpose.
- ***Trading symbol/CUSIP?***
 - It is important that the correct trading symbol be listed for each publicly traded company.

Submission

- ◆ Completed forms should be submitted to: stakeholder_services@nyiso.com.
- ◆ Questions should be directed to Stakeholder Services via phone or email.
 - *518-356-6060*
 - *stakeholder_services@nyiso.com*
- ◆ Frequently Asked Questions are available in hard copy upon request at this link: [http://www.nyiso.com/public/webdocs/markets_operations/services/customer_relations/customers/NYISO Annual Affiliate Update FA Q.pdf](http://www.nyiso.com/public/webdocs/markets_operations/services/customer_relations/customers/NYISO_Annual_Affiliate_Update_FA_Q.pdf)

Separate Reporting Requirements

- ◆ **Governance Committee membership**
 - *NYISO's Member Relations conducts a separate process using the same definition of Affiliate.*
 - *Members must provide the names of any Affiliates that are also a party to the ISO Agreement.*
- ◆ **ICAP Affiliated Entities**
 - *Affiliated Entities are collected and maintained in the ICAP Automated Market System under a separate reporting process.*
 - *The definition of Affiliated Entity is found in Attachment H of the Market Services Tariff and is not the same as Affiliate.*