

# Escalation Factor and Inflation Rate in Buyer-Side Mitigation Rules: Clarifying one Proposed Revision to Annually Adjusting Offer Floors

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May 11, 2017, Rensselaer, NY



# Today's Objective

- **Overview of Clarification to Draft Tariff Revisions of MST Att. H 23.4.5.7**
  - **During the April 4<sup>th</sup> ICAPWG the NYISO presented draft tariff revisions related to the escalation factor and inflation rate in BSM rules**
  - **Based on stakeholder comment, the NYISO is presenting the marked incremental change to the tariff revisions related to annually adjusting Offer Floors**
  - **The revision the NYISO is presenting today is to add clarity to the version of that same tariff provision presented at the April 4 ICAPWG meeting**

# Unified Redline

- MST Att. H 23.4.5.7 –

Offer Floors shall be adjusted annually using the inflation rate that is the twelve month percentage change in the index for the general component of the escalation factor (“Inflation Rate”) that is the most recent of (a) the Inflation Rate identified in the index accepted by the Commission after a periodic review in an ICAP Demand Curve Reset Filing Year, as of October 1 of the ICAP Demand Curve Reset Filing Year, and (b) the Inflation Rate in the Annual Update of the relevant effective ICAP Demand Curves published under Section 5.14.1.2.2.1 of the Services Tariff.

# Next Steps

- Presentation at May 17 BIC with proposed Motion

# Feedback?

- The NYISO welcomes additional suggestions and feedback
- Email additional feedback to: [deckels@nyiso.com](mailto:deckels@nyiso.com)

# Questions?

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

# The Mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefits to consumers by:

- 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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