

# Update on Tariff Change #5 Related to Billing Issues Project

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**Business Issues Committee**

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**KCC**

## Billing Issue Tariff Modification # 5: Curtailment of Ext. Transactions In-Hour

- ◆ **The second paragraph of MST Section 5.12.10 (Curtailment of External Transactions In-Hour) describes a settlement rule that compensates Transmission Customers when their bilateral transactions sourcing at an ICAP Supplier’s node are curtailed to resolve a reserves shortage.**
- ◆ **Section 5.12.10 directs compensation be paid to the Transmission Customer calculated as the product of the curtailed MWs and the higher of of the RT LBMP at the NY Proxy Generator Bus (for exports) or the RT price at the proxy bus used by the external control area to which the export was flowing.**
- ◆ **This is the only transaction in the NYISO for which a Transmission Customer is paid for lost revenue when a RT (only) transaction is curtailed. The compensation would be recovered in uplift from Loads.**

# Discussion

- ◆ **This tariff modification was one of six presented at several working group meetings. All six were approved at the BIC on September 20, 2012.**
- ◆ **When the six tariff amendments were presented to the Management Committee on September 28, 2012, a question was raised as to whether this particular tariff amendment should be revised rather than deleted. The Management Committee approved the other five and asked the BIC to discuss this amendment again.**
- ◆ **Subsequent conversations with the concerned Market Participant have resulted in an agreement that it is appropriate to delete this paragraph.**
- ◆ **The NYISO would like to bring this amendment to the Oct. 31, 2012 Management Committee for approval.**

## MST Section 5.12.10 Tariff Change

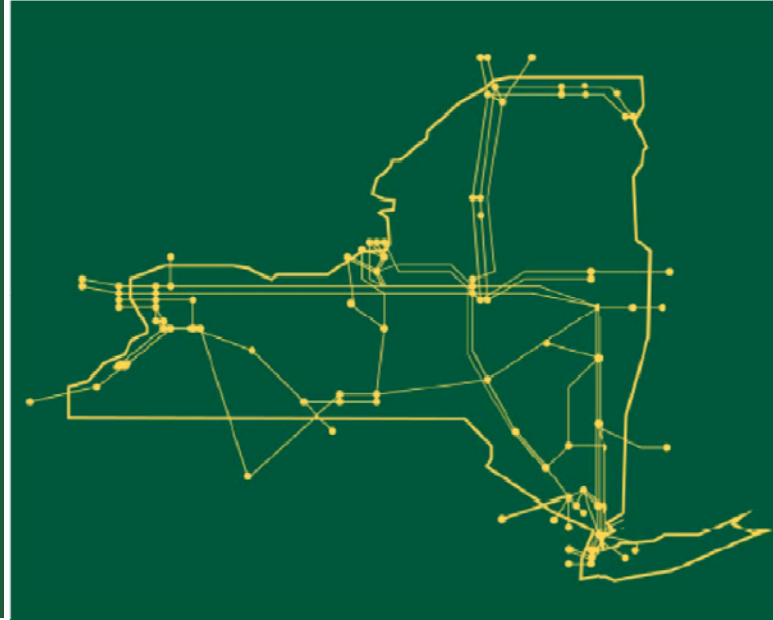
- ◆ **5.12.10 Curtailment of External Transactions In-Hour**

*All Unforced Capacity that is not out of service, or scheduled to serve the Internal NYCA Load in the Day-Ahead Market may be scheduled to supply Energy for use in External Transactions provided, however, that such External Transactions shall be subject to Curtailment within the hour, consistent with ISO Procedures. Such Curtailment shall not exceed the Installed Capacity Equivalent committed to the NYCA.*

~~*If an Installed Capacity Supplier's Exports are Curtailed in-hour to resolve a New York reserves shortage, the Transmission Customer scheduling such Exports shall be paid, for the remainder of the hour, the higher of the Real-Time LBMP at the New York proxy bus associated with the Exports, or the real-time price at the relevant proxy bus used by the External Control Area for Transactions with New York.*~~

# QUESTIONS?

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