

Fixed Price TCC Sample Pricing Calculation

MIWG

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Draft – For discussion only

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual				
Auction Date	Niagara - West			
	Average TCC Price ¹	DAM Payout ²	Predicted TCC Price ³	Actual TCC Price
Spring 2004 Auction	\$ 567.70	\$ 286.86	\$ 427.28	\$ 286.17
Fall 2004 Auction	\$ 568.99	\$ 158.98	\$ 363.99	\$ (103.01)
Spring 2005 Auction	\$ 431.79	\$ 137.16	\$ 284.47	\$ (17.24)
Fall 2005 Auction	\$ 269.18	\$ 159.30	\$ 214.24	\$ (251.79)
Spring 2006 Auction	\$ (21.47)	\$ 226.44	\$ 102.48	\$ (172.44)
Fall 2006 Auction	\$ (136.12)	\$ 210.25	\$ 37.06	\$ 538.03
Average	\$ 280.01	\$ 196.50	\$ 238.25	\$ 46.62

Notes:

1. Average of the TCC prices from the four annual TCC auctions preceding the auction date.
2. Sum of the DAM payouts for the 2 years preceding the auction date and divided by negative two due to sign convention on subtraction of source and sink.
3. Average of "Average TCC Price" and "DAM Payout".

Six Month				
Auction Date	Niagara - West			
	Average TCC Price ¹	DAM Payout ²	Predicted TCC Price ³	Actual TCC Price ⁴
Spring 2004 Auction	\$ 255.25	\$ 286.86	\$ 271.05	\$ 286.17
Fall 2004 Auction	\$ 147.13	\$ 158.98	\$ 153.06	\$ (103.01)
Spring 2005 Auction	\$ 92.52	\$ 137.16	\$ 114.84	\$ (17.24)
Fall 2005 Auction	\$ 0.63	\$ 159.30	\$ 79.97	\$ (251.79)
Spring 2006 Auction	\$ (64.37)	\$ 226.44	\$ 81.03	\$ (172.44)
Fall 2006 Auction	\$ (144.02)	\$ 210.25	\$ 33.11	\$ 538.03
Average	\$ 47.86	\$ 196.50	\$ 122.18	\$ 46.62

Notes:

1. Sum of the TCC prices from the four six month TCC auctions preceding the auction date and divided by two.
2. Sum of the DAM payouts for the two years preceding the auction date and divided by negative two due to sign convention on subtraction of source and sink.
3. Average of "Average TCC Price" and "DAM Payout".
4. Annual TCC Price for the Auction Date

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - Genese			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 1,377.66	\$ 1,678.27	\$ 1,527.97	\$ 906.66
\$ 1,606.55	\$ 2,026.15	\$ 1,816.35	\$ 289.39
\$ 1,734.48	\$ 1,288.31	\$ 1,511.39	\$ 1,641.54
\$ 1,469.22	\$ 1,209.75	\$ 1,339.49	\$ 557.93
\$ 848.88	\$ 1,775.47	\$ 1,312.17	\$ 1,346.69
\$ 958.89	\$ 1,613.90	\$ 1,286.39	\$ 1,283.76
\$ 1,332.61	\$ 1,598.64	\$ 1,465.63	\$ 1,004.33

Six Month

Niagara - Genese			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 585.84	\$ 1,678.27	\$ 1,132.05	\$ 906.66
\$ 555.01	\$ 2,026.15	\$ 1,290.58	\$ 289.39
\$ 669.45	\$ 1,288.31	\$ 978.88	\$ 1,641.54
\$ 1,078.37	\$ 1,209.75	\$ 1,144.06	\$ 557.93
\$ 969.09	\$ 1,775.47	\$ 1,372.28	\$ 1,346.69
\$ 1,084.21	\$ 1,613.90	\$ 1,349.05	\$ 1,283.76
\$ 823.66	\$ 1,598.64	\$ 1,211.15	\$ 1,004.33

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - Central			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 1,466.77	\$ 1,608.40	\$ 1,537.58	\$ 1,086.17
\$ 1,722.16	\$ 1,930.26	\$ 1,826.21	\$ 580.22
\$ 1,840.08	\$ 1,296.54	\$ 1,568.31	\$ 1,808.77
\$ 1,587.47	\$ 1,258.89	\$ 1,423.18	\$ 679.71
\$ 1,038.72	\$ 1,985.41	\$ 1,512.06	\$ 1,805.63
\$ 1,218.58	\$ 1,893.92	\$ 1,556.25	\$ 1,809.35
\$ 1,478.96	\$ 1,662.24	\$ 1,570.60	\$ 1,294.97

Six Month

Niagara - Central			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 1,021.37	\$ 1,608.40	\$ 1,314.88	\$ 1,086.17
\$ 910.72	\$ 1,930.26	\$ 1,420.49	\$ 580.22
\$ 949.16	\$ 1,296.54	\$ 1,122.85	\$ 1,808.77
\$ 1,130.81	\$ 1,258.89	\$ 1,194.85	\$ 679.71
\$ 1,233.83	\$ 1,985.41	\$ 1,609.62	\$ 1,805.63
\$ 1,480.53	\$ 1,893.92	\$ 1,687.22	\$ 1,809.35
\$ 1,121.07	\$ 1,662.24	\$ 1,391.65	\$ 1,294.97

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - North			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ (1,262.59)	\$ (473.70)	\$ (868.14)	\$ 111.99
\$ (679.02)	\$ 1,213.75	\$ 267.36	\$ 489.80
\$ 600.64	\$ 910.21	\$ 755.42	\$ 1,022.54
\$ 532.23	\$ 968.77	\$ 750.50	\$ 552.78
\$ 544.28	\$ 1,217.41	\$ 880.84	\$ 1,304.37
\$ 842.37	\$ 1,116.45	\$ 979.41	\$ (575.73)
\$ 96.32	\$ 825.48	\$ 460.90	\$ 484.29

Six Month

Niagara - North			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ (665.89)	\$ (473.70)	\$ (569.79)	\$ 111.99
\$ (400.42)	\$ 1,213.75	\$ 406.67	\$ 489.80
\$ (34.08)	\$ 910.21	\$ 438.06	\$ 1,022.54
\$ 805.33	\$ 968.77	\$ 887.05	\$ 552.78
\$ 1,085.80	\$ 1,217.41	\$ 1,151.60	\$ 1,304.37
\$ 1,135.91	\$ 1,116.45	\$ 1,126.18	\$ (575.73)
\$ 321.11	\$ 825.48	\$ 573.29	\$ 484.29

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - Mohawk Valley			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 1,165.89	\$ 262.38	\$ 714.14	\$ 1,257.05
\$ 1,484.25	\$ 1,445.53	\$ 1,464.89	\$ 738.81
\$ 1,979.99	\$ 991.24	\$ 1,485.61	\$ 1,857.31
\$ 1,701.31	\$ 1,259.10	\$ 1,480.20	\$ 1,212.80
\$ 1,266.49	\$ 1,952.84	\$ 1,609.66	\$ 2,478.34
\$ 1,571.82	\$ 2,388.58	\$ 1,980.20	\$ 2,784.29
\$ 1,528.29	\$ 1,383.28	\$ 1,455.78	\$ 1,721.43

Six Month

Niagara - Mohawk Valley			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 1,036.97	\$ 262.38	\$ 649.68	\$ 1,257.05
\$ 925.25	\$ 1,445.53	\$ 1,185.39	\$ 738.81
\$ 1,083.12	\$ 991.24	\$ 1,037.18	\$ 1,857.31
\$ 1,423.11	\$ 1,259.10	\$ 1,341.10	\$ 1,212.80
\$ 1,768.95	\$ 1,952.84	\$ 1,860.89	\$ 2,478.34
\$ 2,158.41	\$ 2,388.58	\$ 2,273.49	\$ 2,784.29
\$ 1,399.30	\$ 1,383.28	\$ 1,391.29	\$ 1,721.43

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - Capital				
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price	
\$ 16,926.15	\$ 17,139.76	\$ 17,032.95	\$ 10,452.77	
\$ 17,731.56	\$ 8,476.62	\$ 13,104.09	\$ 4,720.68	
\$ 14,676.18	\$ 7,798.70	\$ 11,237.44	\$ 10,735.22	
\$ 11,640.20	\$ 8,688.89	\$ 10,164.55	\$ 5,321.85	
\$ 7,807.63	\$ 12,285.60	\$ 10,046.61	\$ 11,459.52	
\$ 8,059.31	\$ 11,387.42	\$ 9,723.37	\$ 9,240.28	
\$ 12,806.84	\$ 10,962.83	\$ 11,884.84	\$ 8,655.05	

Six Month

Niagara - Capital				
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price	
\$ 14,893.50	\$ 17,139.76	\$ 16,016.63	\$ 10,452.77	
\$ 11,696.25	\$ 8,476.62	\$ 10,086.43	\$ 4,720.68	
\$ 10,430.83	\$ 7,798.70	\$ 9,114.76	\$ 10,735.22	
\$ 6,944.35	\$ 8,688.89	\$ 7,816.62	\$ 5,321.85	
\$ 8,698.66	\$ 12,285.60	\$ 10,492.13	\$ 11,459.52	
\$ 10,090.96	\$ 11,387.42	\$ 10,739.19	\$ 9,240.28	
\$ 10,459.09	\$ 10,962.83	\$ 10,710.96	\$ 8,655.05	

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - Hudson Valley			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 18,382.76	\$ 13,632.74	\$ 16,007.75	\$ 14,685.80
\$ 18,332.39	\$ 7,113.83	\$ 12,723.11	\$ 5,899.96
\$ 15,824.34	\$ 6,598.02	\$ 11,211.18	\$ 10,945.39
\$ 13,324.39	\$ 8,950.49	\$ 11,137.44	\$ 13,937.79
\$ 11,367.24	\$ 11,445.92	\$ 11,406.58	\$ 15,967.26
\$ 11,687.60	\$ 19,320.72	\$ 15,504.16	\$ 27,008.49
\$ 14,819.79	\$ 11,176.95	\$ 12,998.37	\$ 14,740.78

Six Month

Niagara - Hudson Valley			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 18,188.87	\$ 13,632.74	\$ 15,910.80	\$ 14,685.80
\$ 13,727.80	\$ 7,113.83	\$ 10,420.82	\$ 5,899.96
\$ 12,108.85	\$ 6,598.02	\$ 9,353.43	\$ 10,945.39
\$ 9,446.53	\$ 8,950.49	\$ 9,198.51	\$ 13,937.79
\$ 10,367.68	\$ 11,445.92	\$ 10,906.80	\$ 15,967.26
\$ 12,173.99	\$ 19,320.72	\$ 15,747.36	\$ 27,008.49
\$ 12,668.95	\$ 11,176.95	\$ 11,922.95	\$ 14,740.78

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Annual

Niagara - New York City			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 72,637.87	\$ 101,859.72	\$ 87,248.80	\$ 98,281.78
\$ 86,812.22	\$ 94,165.98	\$ 90,489.10	\$ 93,499.96
\$ 92,751.66	\$ 90,621.67	\$ 91,686.67	\$ 103,979.08
\$ 99,672.02	\$ 96,918.08	\$ 98,295.05	\$ 98,341.29
\$ 98,525.53	\$ 88,023.62	\$ 93,274.57	\$ 96,573.92
\$ 98,098.56	\$ 93,134.80	\$ 95,616.68	\$ 87,898.24
\$ 91,416.31	\$ 94,120.65	\$ 92,768.48	\$ 96,429.04

Six Month

Niagara - New York City			
Average TCC Price	DAM Payout	Predicted TCC Price	Actual TCC Price
\$ 68,693.01	\$ 101,859.72	\$ 85,276.36	\$ 98,281.78
\$ 74,991.88	\$ 94,165.98	\$ 84,578.93	\$ 93,499.96
\$ 92,949.40	\$ 90,621.67	\$ 91,785.54	\$ 103,979.08
\$ 99,144.63	\$ 96,918.08	\$ 98,031.36	\$ 98,341.29
\$ 105,918.90	\$ 88,023.62	\$ 96,971.26	\$ 96,573.92
\$ 104,200.68	\$ 93,134.80	\$ 98,667.74	\$ 87,898.24
\$ 90,983.08	\$ 94,120.65	\$ 92,551.86	\$ 96,429.04

Predicted and Actual Prices and DAM Payouts for TCCs Sourcing in West (Niagara) to Zones

Capability Period Year TCC Auction Prices from Niagara to Long Island

Year	Monthly LI MCP	Monthly Niagara MCP	Annual Auction TCC Price	Monthly Auction TCC Price	DAM Payout	Prior 2 year DAM payout Avg
November 2000 - October 2001	\$ 73,010.23	\$ (582.65)	\$ -	\$ 64,072.27	\$ 66,355.10	← - - - -
May 2001 - April 2002	\$ 64,252.82	\$ 2,294.31	\$ -	\$ 55,708.12	\$ 53,831.97	← - - - -
November 2001 - October 2002	\$ 68,644.71	\$ (1,181.34)	\$ -	\$ 71,994.89	\$ 92,944.18	← - - - -
May 2002 - April 2003	\$ 46,775.13	\$ 2,151.60	\$ 19,168.41	\$ 112,617.72	\$ 109,939.57	← - - - -
November 2002 - October 2003	\$ 108,090.02	\$ (726.98)	\$ 14,050.66	\$ 105,579.55	\$ 87,691.32	\$ 79,649.64
May 2003 - April 2004	\$ 28,952.54	\$ (886.61)	\$ 24,275.83	\$ 76,095.43	\$ 73,708.45	\$ 81,885.77
November 2003 - October 2004	\$ 147,596.26	\$ (1,279.13)	\$ 26,988.44	\$ 79,181.12	\$ 81,803.64	\$ 90,317.75
May 2004 - April 2005	\$ 67,471.73	\$ (1,138.02)	\$ 17,774.70	\$ 118,172.07	\$ 107,090.40	\$ 91,824.01
November 2004 - October 2005	\$ 178,991.49	\$ (1,707.93)	\$ 9,768.86	\$ 148,875.39	\$ 155,148.36	\$ 84,747.48
May 2005 - April 2006	\$ 90,233.04	\$ 92.86	\$ 24,741.96	\$ 180,699.42	\$ 186,509.32	\$ 90,399.43
November 2005 - October 2006	\$ 212,304.90	\$ (1,686.76)	\$ 29,611.13	\$ 213,991.66	\$ 201,910.73	\$ 118,476.00
Average	\$ 72,154.58	\$ 390.99	\$ 15,125.45	\$ 111,544.33	\$ 110,630.28	
Nov. 2002 - Nov. 2005 Average			\$ 21,030.23	\$ 131,799.23	\$ 127,694.60	\$91,042.87

Note: The following months had no monthly auction price data and DAM payouts were used to fill in the gaps in TCC prices: October 2000, November 2000, December 2001, April 2002, July 2002, August 2002, January 2003, October 2003, July 2004.