

Uplift & Residuals

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LBMP In Depth Course

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Session Objectives

- **Upon completion of this module, trainees will be able to:**
 - Distinguish between uplift payments, cost allocations and residual adjustments
 - Identify various uplift payments and cost allocation
 - Describe residual adjustment drivers

Uplift Payments

- **Intended to recover NYISO's costs associated with supplier payments above market revenue**
- **Uplift Payment Types:**
 - Day Ahead Market Bid Production Cost Guarantee (DAM BPCG)
 - Real Time Market Bid Production Cost Guarantee (RT BPCG)
 - Day Ahead Margin Assurance (DAMAP)
 - Transaction Import Curtailment Supplier Guarantee
 - Minimum Oil Burn
 - Emergency Demand Response/Special Case Resources
- **Allocated to Transmission Customers**
 - NYISO Wide
 - Local Reliability

NOTE

Load ratio share allocations for uplift and other allocations excludes CTS-NE

Cost Allocations

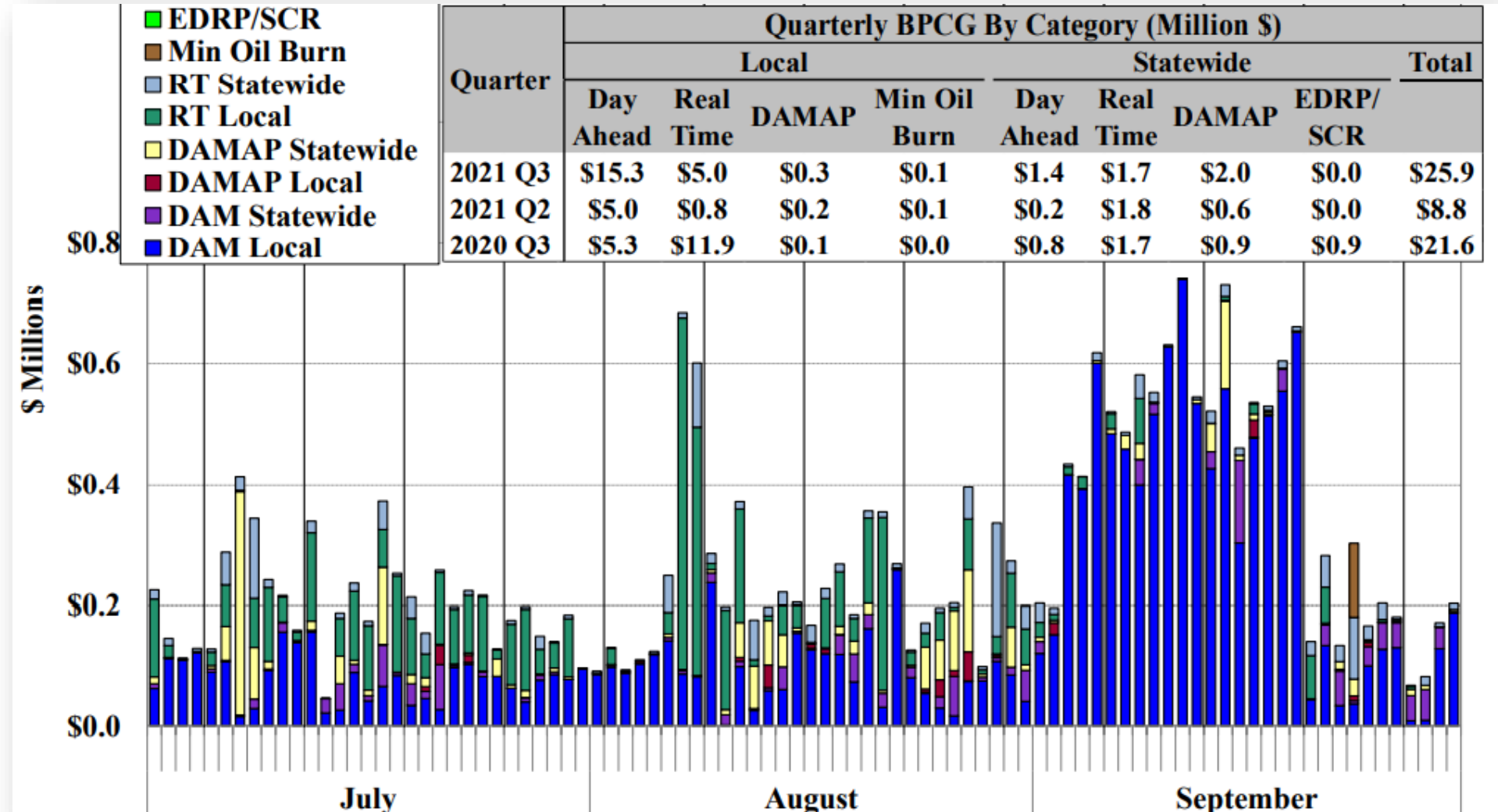
- **Intended to allocate funds recovered by NYISO associated with external transaction penalties**
- **Cost Allocation Type:**
 - Financial Impact Charge (FIC)
- **Allocated to Transmission Customers**
 - NYISO Wide
 - Local Reliability

NOTE

Load ratio share allocations for uplift and other allocations excludes CTS-NE

Sample - Uplift Costs from Guarantee Payments

Local and Non-Local by Category

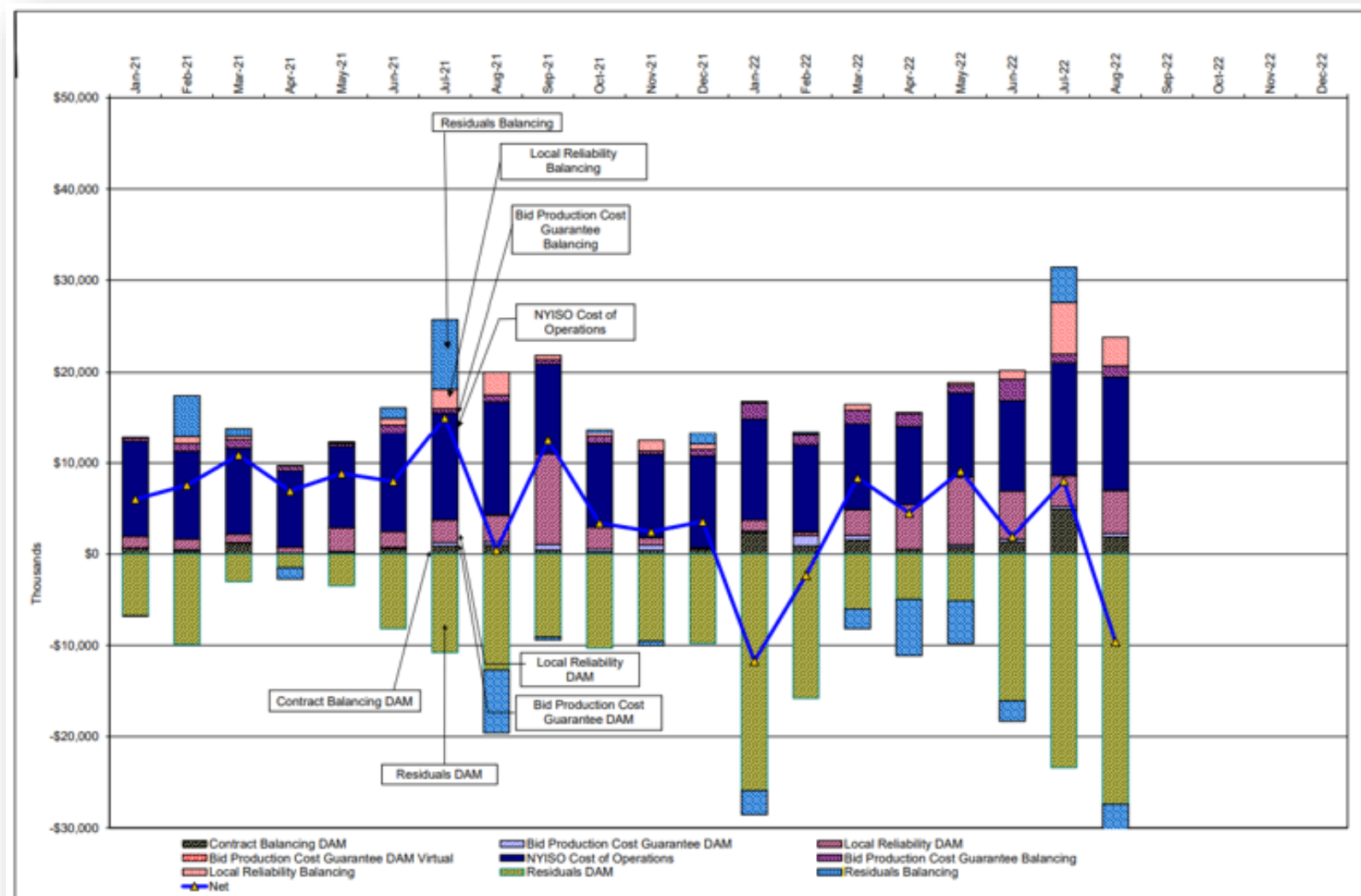


Residual Adjustments

- **Result from over collection or financial imbalances**
- **Allocate cash imbalances to withdrawal side customers**
- **Residual Adjustment Drivers:**
 - Marginal Losses
 - Change in Transfer Capability
 - Thunder-Storm Alerts
 - Inadvertent Interchange
 - Emergency Transactions
 - Metering Adjustment
 - Forecast vs. Actual System Load
 - Excess Energy Amount
 - Load Distribution
 - Unscheduled Loop Flows
 - Unscheduled Outages

Sample - OATT Schedule 1 Components

Data through August 2022



DAM Contract Balancing amounts are for payments made to generating units to make them whole for being dispatched below their Day-Ahead schedule, as a result of out-of-merit dispatches.
 DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.
 DAM residuals consist of both energy and loss revenue collections and payments. By design, there is a net over collection of revenues due to the difference between the marginal losses paid to generation and the average losses charged to loads.

Uplift & Residuals Summary

- **Differences between uplift payments, cost allocations and residual adjustments**
- **Types of uplift payments and cost allocation**
- **Residual adjustment drivers**

Additional Resources

- **Tariffs – OATT & MST**
- **Accounting & Billing Manual**
- **Day Ahead Scheduling Manual**
- **Transmission and Dispatching Operations Manual**
- **Market Participant User's Guide**
- **Technical Bulletins**