

2021 Budget vs. Actual Results

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NYISO 2021 DRAFT BUDGET VS. ACTUAL:

- *RATE SCHEDULE 1 RECOVERIES*

2021 Rate Schedule 1 Recoveries

2021 MWH (in Millions) Comparison: Budget vs. Actual						
Invoice Month	Budgeted MWH	Actual MWH	Monthly Differential MWH	Cumulative Differential MWH	Monthly \$ Impact	Cumulative \$ Impact
Jan	13.0	13.5	0.5	0.5	\$ 0.6	\$ 0.6
Feb	11.2	12.4	1.2	1.7	\$ 1.4	\$ 2.0
Mar	11.4	12.1	0.7	2.4	\$ 0.8	\$ 2.8
Apr	10.2	10.7	0.5	2.9	\$ 0.5	\$ 3.3
May	11.0	11.4	0.4	3.3	\$ 0.4	\$ 3.7
Jun	12.8	13.9	1.1	4.4	\$ 1.3	\$ 5.0
Jul	16.4	15.1	(1.3)	3.1	\$ (1.5)	\$ 3.5
Aug	15.2	15.9	0.7	3.8	\$ 0.9	\$ 4.4
Sep	11.9	12.8	0.9	4.7	\$ 1.0	\$ 5.4
Oct	11.0					
Nov	10.9					
Dec	12.3					
Total	147.3	117.8	4.7			

2021 Non-Physical Market Activity

Allocation of Rate Schedule 1 Costs to Non-Physical Market Activity												
2021 MWH Comparison (in Millions): Budget vs. Actual	Projected 2021 Annual Revenue Requirement	2021 Billing Rate/Unit	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
Transmission Congestion Contracts	\$4.5M	\$0.0122/ TCC MWh	\$ 356	\$ 328	\$ 368	\$ 354	\$ 312	\$ 334	\$ 350	\$ 363	\$ 337	\$ 3,102
Virtual Trading	\$2.5M	\$0.0757/ Cleared MWh	\$ 192	\$ 148	\$ 169	\$ 185	\$ 185	\$ 183	\$ 189	\$ 131	\$ 102	\$ 1,484
SCR/EDRP	<\$10,000	2021 RS1 Rate for Physical Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$7.0M		\$ 548	\$ 476	\$ 537	\$ 539	\$ 497	\$ 517	\$ 539	\$ 494	\$ 439	\$ 4,586

NYISO 2021 DRAFT BUDGET VS. ACTUAL:

- *BUDGETARY SPENDING RESULTS*

2021 Budget vs. Actual Results

(\$ in millions)	ANNUAL	ANNUAL AMOUNTS AS OF 9/30/21		
Cost Category	Original Budget	Original Budget	Actuals	Variance
Capital	\$ 5.0	\$ 4.6	\$ 3.0	\$ (1.6)
Salaries & Benefits	\$ 96.1	\$ 72.5	\$ 72.5	\$ -
Professional Fees (including Legal)	\$ 26.1	\$ 20.3	\$ 18.0	\$ (2.3)
Building Services	\$ 6.4	\$ 4.8	\$ 3.6	\$ (1.2)
Computer Services	\$ 21.0	\$ 15.5	\$ 15.0	\$ (0.5)
Insurance	\$ 3.2	\$ 2.4	\$ 2.4	\$ -
Telecommunications	\$ 2.8	\$ 2.1	\$ 1.9	\$ (0.2)
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 3.0	\$ 2.3	\$ 1.8	\$ (0.5)
Current Year Needs	\$ 163.6	\$ 124.5	\$ 118.2	\$ (6.3)
Debt Service from Prior Year Financings	\$ 38.3	\$ 28.8	\$ 33.2	\$ 4.4
Cash Budget	\$ 201.9	\$ 153.3	\$ 151.4	\$ (1.9)
Less: Miscellaneous Revenues	\$ (6.4)	\$ (4.7)	\$ (4.2)	\$ 0.5
Less: Funds From Prior Year Budget Cycles	\$ -	\$ -	\$ (5.0)	\$ (5.0)
Less: Proceeds from Debt	\$ (28.4)	\$ (17.0)	\$ (17.0)	\$ -
Add: Interest on Debt	\$ 0.3	\$ 0.2	\$ 0.2	\$ -
Rate Schedule #1 Revenue Requirement	\$ 167.4	\$ 131.8	\$ 125.4	\$ (6.4)

2021 Budget vs. Actual Variance Explanations

	Year-To-Date Variance
Capital	The year-to-date underrun of \$1.6M is primarily due to \$0.8M of timing of purchases (primarily \$0.7M Network Infrastructure Project), \$0.4M in savings, and \$0.2M in capital acquisitions accelerated into 2020.
Professional Fees	The year-to-date underrun of \$2.3M is primarily due to savings of \$0.6M for the Enterprise Information Management project, savings of \$0.4M NextEra Transmission Owner integration project, \$1.1M in savings of various other projects, and \$0.6M in timing of various projects, partially offset by \$0.2M in additional costs for Potomac Economics and \$0.2M in external legal costs for Interconnection Studies.
Building Services	The year-to-date underrun of \$1.2M is savings primarily resulting from lower than expected building maintenance costs due to remote posture.
Computer Services	The year-to-date underrun of \$0.5M is primarily due to \$0.8M of timing for minor equipment and subscription costs, partially offset by maintenance and subscription costs budgeted elsewhere (\$0.1M DER and \$0.2M Planning).
Other Expenses	The year-to-date underrun of \$0.5M is primarily due to reduced travel and training due to COVID-19.
Debt Service	The year-to-date overrun of \$4.4M is due to \$5.0M in additional principal payments on outstanding debt funded by the 2019 and 2020 budget cycles offset by \$0.4M in interest savings resulting from lower rates on outstanding debt and \$0.2M in reduced payments from 2020 reduced draws.
Misc. Revenues	The year-to-date underrun of \$0.5M is primarily due to \$0.6M in public policy revenue that did not materialize and \$0.4M in lower interest earnings resulting from economic conditions, offset by \$0.3M in Economic and Interconnection revenues and \$0.2M in proceeds from sale of COVID-related temporary housing trailers for operators.
Funds From Prior Year Budget Cycles	The year-to-date overrun of \$5.0M is due to the use of funds remaining from 2019 and 2020 budget cycles to make early repayments on outstanding debt.

Outstanding Debt Summary

Debt Facility	Loan Status	Maturity Date	Amount Borrowed	Principal Outstanding at 9/30/21
Revolving Credit Facility	\$50M Available	Dec-23	\$ 10.0	\$ 7.5
2021 Budget Loan	Term Loan Repayment	Dec-24	\$ 17.0	\$ 17.0
2020 Budget Loan	Term Loan Repayment	Dec-23	\$ 26.6	\$ 20.0
2019 Budget Loan	Term Loan Repayment	Dec-22	\$ 26.0	\$ 7.3
2005 Mortgage - Bldg Acq. & Renovations	Term Loan Repayment	Aug-25, Jan-27	\$ 24.8	\$ 8.0
2018 Budget Loan	Term Loan Repayment	Dec-21	\$ 25.3	\$ 2.1
EMS BMS Loan	Term Loan Repayment	Dec-22	\$ 30.0	\$ 0.8
Infrastructure Master Plan Mortgage	Term Loan Repayment	Aug-31	\$ 45.0	\$ 26.0
Total				\$ 88.7

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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