

# 2023 Budget vs. Actual Results - August

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# NYISO 2023 BUDGET VS. ACTUALS - AUGUST:

- *RATE SCHEDULE 1 REVENUES*
  - *SPENDING RESULTS*

# 2023 Rate Schedule 1 Revenues

2023 MWH (in Millions) Comparison: Budget vs. Estimated Actual						
Invoice Month	Budgeted MWH	Estimated & Projected Actual MWH	Monthly Differential MWH	Cumulative Differential MWH	Monthly \$ Impact	Cumulative \$ Impact
Jan	14.0	13.1	(0.9)	(0.9)	\$ (1.1)	\$ (1.1)
Feb	12.5	11.9	(0.6)	(1.5)	\$ (0.7)	\$ (1.8)
Mar	12.7	12.1	(0.6)	(2.1)	\$ (0.7)	\$ (2.5)
Apr	11.4	10.4	(1.0)	(3.1)	\$ (1.2)	\$ (3.7)
May	11.9	10.9	(1.0)	(4.1)	\$ (1.2)	\$ (4.9)
Jun	13.4	12.3	(1.1)	(5.2)	\$ (1.4)	\$ (6.3)
Jul	15.6	15.9	0.3	(4.9)	\$ 0.3	\$ (6.0)
Aug	15.3	14.2	(1.1)	(6.0)	\$ (1.3)	\$ (7.3)
Sep	12.9	12.3	(0.6)	(6.6)	\$ (0.7)	\$ (8.0)
Oct	11.8	11.5	(0.3)	(6.9)	\$ (0.4)	\$ (8.4)
Nov	11.8	11.5	(0.3)	(7.2)	\$ (0.4)	\$ (8.8)
Dec	13.4	13.1	(0.3)	(7.5)	\$ (0.4)	\$ (9.2)
<b>Total</b>	<b>156.7</b>	<b>149.2</b>	<b>(7.5)</b>			

# 2023 Non-Physical Market Activity

Allocation of Rate Schedule 1 Costs to Non-Physical Market Activity

2023 MWH Comparison (in Millions): Budget vs. Actual	Projected 2023 Annual Revenue Requirement	2023 Billing Rate/ Unit	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
Transmission Congestion Contracts	\$5.8M	\$0.0168/ TCC MWh	\$ 401	\$ 377	\$ 429	\$ 418	\$ 422	\$ 442	\$ 481	\$ 486	\$ 3,456
Virtual Trading	\$3.8M	\$0.1066/ Cleared MWh	\$ 181	\$ 176	\$ 207	\$ 189	\$ 184	\$ 200	\$ 265	\$ 240	\$ 1,642
SCR/EDRP	<\$10,000	2023 RS1 Rate for Physical Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$9.6M</b>		<b>\$ 582</b>	<b>\$ 553</b>	<b>\$ 636</b>	<b>\$ 607</b>	<b>\$ 606</b>	<b>\$ 642</b>	<b>\$ 746</b>	<b>\$ 726</b>	<b>\$ 5,098</b>

# 2023 Budget vs. Actual - August

(\$ in millions)	ANNUAL AMOUNT			ANNUAL AMOUNTS AS OF 8/31/23		
Cost Category	Original Budget	Year-End Projection	Variance	Original Budget	Actuals	Variance
Capital	\$ 11.1	\$ 7.7	\$ (3.4)	\$ 4.7	\$ 3.4	\$ (1.3)
Salaries & Benefits	\$ 119.9	\$ 118.9	\$ (1.0)	\$ 80.4	\$ 79.6	\$ (0.8)
Professional Fees (including Legal)	\$ 27.9	\$ 27.6	\$ (0.3)	\$ 19.1	\$ 17.7	\$ (1.4)
Building Services	\$ 6.4	\$ 6.2	\$ (0.2)	\$ 4.2	\$ 4.1	\$ (0.1)
Computer Services	\$ 23.6	\$ 24.1	\$ 0.5	\$ 15.6	\$ 15.8	\$ 0.2
Insurance	\$ 3.7	\$ 3.7	\$ -	\$ 2.5	\$ 2.5	\$ -
Telecommunications	\$ 2.9	\$ 2.9	\$ -	\$ 1.9	\$ 1.9	\$ -
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 3.8	\$ 3.4	\$ (0.4)	\$ 2.5	\$ 2.3	\$ (0.2)
<b>Current Year Needs</b>	<b>\$ 199.3</b>	<b>\$ 194.5</b>	<b>\$ (4.8)</b>	<b>\$ 130.9</b>	<b>\$ 127.3</b>	<b>\$ (3.6)</b>
Debt Service from Prior Year Financings	\$ 30.5	\$ 38.8	\$ 8.3	\$ 21.4	\$ 21.7	\$ 0.3
<b>Cash Budget</b>	<b>\$ 229.8</b>	<b>\$ 233.3</b>	<b>\$ 3.5</b>	<b>\$ 152.3</b>	<b>\$ 149.0</b>	<b>\$ (3.3)</b>
Less: Miscellaneous Revenues	\$ (8.1)	\$ (13.7)	\$ (5.6)	\$ (5.5)	\$ (9.2)	\$ (3.7)
Less: Funds From Prior Year Budget Cycles	\$ (5.0)	\$ (13.0)	\$ (8.0)	\$ (3.3)	\$ (3.3)	\$ -
Less: Proceeds from Debt	\$ (27.0)	\$ (27.0)	\$ -	\$ (16.0)	\$ (16.0)	\$ -
Add: Interest on Debt	\$ 0.3	\$ 0.4	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.1
<b>Rate Schedule #1 Revenue Requirement</b>	<b>\$ 190.0</b>	<b>\$ 180.0</b>	<b>\$ (10.0)</b>	<b>\$ 127.6</b>	<b>\$ 120.7</b>	<b>\$ (6.9)</b>

# 2023 Budget vs. Actual Variance Explanations

	Projected Year-End Variance Explanations	Year-to-Date Variance Explanations
<b>Capital</b>	The projected year-end underrun of \$3.4M is due to \$2.5M of capital purchases, most of which were originally planned for October 2023, that were pulled forward to 2022 and budget transfers to professional fees of \$0.9M to fund various project initiatives.	The year-to-date underrun of \$1.3M is primarily due to timing of \$0.6M of building capital improvement projects, \$0.4M of capital purchases originally planned for 2023, which were pulled forward to 2022, and budget transfers to professional fees of \$0.3M.
<b>Salaries &amp; Benefits</b>	The projected year-end underrun of \$1.0M is primarily due to a higher average vacancy rate than budgeted. The projected average vacancy rate is approximately 6.9% compared to the budgeted vacancy rate of 6.0%.	The year-to-date underrun of \$0.8M is primarily due to a higher average vacancy rate than budgeted of \$1.1M. The actual average vacancy rate is 7.4% compared to the budgeted vacancy rate of 6.0%. This was offset by \$0.3M of additional costs for employee health insurance.
<b>Professional Fees</b>	The projected year-end underrun of \$0.3M is due to anticipated underruns of \$1.5M, primarily for project related work and \$0.2M of cost savings for external legal fees, partially offset by transfers of \$0.7M to fund IT related initiatives and an overrun of \$0.7M for Market Monitoring related activities.	The year-to-date underrun of \$1.4M is primarily due to timing of various project initiatives of \$1.1M, timing of \$0.3M and savings of \$0.2M on external legal fees, partially offset by an overrun of \$0.6M for Market Monitoring related activities.
<b>Building Services</b>	N/A	N/A
<b>Computer Services</b>	The projected year-end overrun of \$0.5M is primarily due to unbudgeted maintenance services and subscription licenses.	N/A
<b>Insurance</b>	N/A	N/A
<b>Telecommunications</b>	N/A	N/A
<b>Other Expenses</b>	The projected year-end underrun of \$0.4M is primarily due to cost savings related to corporate training expenditures and NPCC fees.	N/A
<b>Debt Service</b>	The projected year-end overrun of \$8.3M is due to additional principal payments on outstanding debt utilizing funds remaining from the 2022 budget cycle of \$8.0M and higher interest expense on outstanding debt.	N/A
<b>Misc. Revenues</b>	The projected year-end overrun of \$5.6M is primarily due to additional interest income driven by higher interest rates than assumed in the budget.	The year-to-date overrun of \$3.7M is primarily due to additional interest income driven by higher interest rates than assumed in the budget.
<b>Funds From Prior Year Budget Cycles</b>	The projected year-end overrun of \$8.0M is due to the use of funds remaining from 2022 budget cycle to make early repayments on outstanding debt.	N/A

# Outstanding Debt Summary

Debt Facility	Loan Status	Maturity Date	Amount Borrowed	Principal Outstanding at 08/31/23
Revolving Credit Facility	\$50M Available	Dec-23	\$ 14.9	\$ 14.9
2023 Budget Loan	Term Loan Repayment	Dec-26	\$ 16.0	\$ 16.0
2022 Budget Loan	Term Loan Repayment	Dec-25	\$ 32.0	\$ 24.9
2021 Budget Loan	Term Loan Repayment	Dec-24	\$ 28.4	\$ 12.6
2020 Budget Loan	Term Loan Repayment	Dec-23	\$ 26.6	\$ -
Mortgage - Bldg Acq. & Renovations	Term Loan Repayment	Aug-25, Jan-27	\$ 24.8	\$ 4.9
Infrastructure Master Plan Mortgage	Term Loan Repayment	Aug-31	\$ 45.0	\$ 20.8
<b>Total</b>				<b>\$ 94.1</b>

# Questions?