

2023 Budget vs. Actual Results - September

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NYISO 2023 BUDGET VS. ACTUALS – SEPTEMBER:

- *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	12.8	(0.1)	(6.1)	\$ (0.1)	\$ (7.4)
Oct	11.8	11.5	(0.3)	(6.4)	\$ (0.4)	\$ (7.8)
Nov	11.8	11.5	(0.3)	(6.7)	\$ (0.4)	\$ (8.2)
Dec	13.4	13.1	(0.3)	(7.0)	\$ (0.4)	\$ (8.6)
Total	156.7	149.7	(7.0)			

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	SEP	TOTAL
Transmission Congestion Contracts	\$5.8M	\$0.0168/ TCC MWh	\$ 401	\$ 377	\$ 429	\$ 418	\$ 422	\$ 442	\$ 481	\$ 486	\$ 453	\$ 3,909
Virtual Trading	\$3.8M	\$0.1066/ Cleared MWh	\$ 181	\$ 176	\$ 207	\$ 189	\$ 184	\$ 200	\$ 265	\$ 240	\$ 234	\$ 1,876
SCR/EDRP	<\$10,000	2023 RS1 Rate for Physical Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$9.6M		\$ 582	\$ 553	\$ 636	\$ 607	\$ 606	\$ 642	\$ 746	\$ 726	\$ 687	\$ 5,785

2023 Budget vs. Actual - September

(\$ in millions)	ANNUAL AMOUNT			ANNUAL AMOUNTS AS OF 9/30/23		
Cost Category	Original Budget	Year-End Projection	Variance	Original Budget	Actuals	Variance
Capital	\$ 11.1	\$ 7.3	\$ (3.8)	\$ 6.8	\$ 4.4	\$ (2.4)
Salaries & Benefits	\$ 119.9	\$ 118.6	\$ (1.3)	\$ 90.4	\$ 89.2	\$ (1.2)
Professional Fees (including Legal)	\$ 27.9	\$ 27.7	\$ (0.2)	\$ 21.7	\$ 20.2	\$ (1.5)
Building Services	\$ 6.4	\$ 6.2	\$ (0.2)	\$ 4.8	\$ 4.7	\$ (0.1)
Computer Services	\$ 23.6	\$ 24.1	\$ 0.5	\$ 17.6	\$ 17.8	\$ 0.2
Insurance	\$ 3.7	\$ 3.7	\$ -	\$ 2.8	\$ 2.8	\$ -
Telecommunications	\$ 2.9	\$ 2.8	\$ (0.1)	\$ 2.2	\$ 2.1	\$ (0.1)
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 3.8	\$ 3.4	\$ (0.4)	\$ 2.8	\$ 2.5	\$ (0.3)
Current Year Needs	\$ 199.3	\$ 193.8	\$ (5.5)	\$ 149.1	\$ 143.7	\$ (5.4)
Debt Service from Prior Year Financings	\$ 30.5	\$ 39.0	\$ 8.5	\$ 23.7	\$ 24.1	\$ 0.4
Cash Budget	\$ 229.8	\$ 232.8	\$ 3.0	\$ 172.8	\$ 167.8	\$ (5.0)
Less: Miscellaneous Revenues	\$ (8.1)	\$ (13.7)	\$ (5.6)	\$ (6.2)	\$ (10.4)	\$ (4.2)
Less: Funds From Prior Year Budget Cycles	\$ (5.0)	\$ (13.0)	\$ (8.0)	\$ (3.8)	\$ (3.8)	\$ -
Less: Proceeds from Debt	\$ (27.0)	\$ (27.0)	\$ -	\$ (16.0)	\$ (16.0)	\$ -
Add: Interest on Debt	\$ 0.3	\$ 0.4	\$ 0.1	\$ 0.2	\$ 0.2	\$ -
Rate Schedule #1 Revenue Requirement	\$ 190.0	\$ 179.5	\$ (10.5)	\$ 147.0	\$ 137.8	\$ (9.2)

2023 Budget vs. Actual Variance Explanations

	Projected Year-End Variance Explanations	Year-to-Date Variance Explanations
Capital	The projected year-end underrun of \$3.8M 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 \$2.4M is primarily due to timing of \$0.7M of building capital improvement projects, timing of \$0.5M for the Network Manager Cisco Refresh project, \$0.4M of capital purchases originally planned for 2023, which were pulled forward to 2022, and budget transfers to professional fees of \$0.8M.
Salaries & Benefits	The projected year-end underrun of \$1.3M is primarily due to a higher average vacancy rate than budgeted. The projected average vacancy rate is approximately 7.0% compared to the budgeted vacancy rate of 6.0%.	The year-to-date underrun of \$1.2M is primarily due to a higher average vacancy rate than budgeted. The actual average vacancy rate is 7.0% compared to the budgeted vacancy rate of 6.0%.
Professional Fees	The projected year-end underrun of \$0.2M is primarily due to savings of \$1.8M for project related work and \$0.2M of cost savings for external legal fees, partially offset by transfers of \$0.9M to fund IT related initiatives and an overrun of \$0.7M for Market Monitoring related activities.	The year-to-date underrun of \$1.5M is primarily due timing of \$0.9M on various project initiatives, timing of \$0.4M on external legal fees, timing of \$0.2M in recruiting, and savings of \$0.4M on project related work and external legal fees, partially offset by an overrun of \$0.6M for Market Monitoring related activities.
Building Services	N/A	N/A
Computer Services	The projected year-end overrun of \$0.5M is primarily due to unbudgeted maintenance services and subscription licenses.	N/A
Insurance	N/A	N/A
Telecommunications	N/A	N/A
Other Expenses	The projected year-end underrun of \$0.4M is primarily due to cost savings related to corporate training expenditures and NPCC fees.	The year-to-date underrun of \$0.3M is primarily due to cost savings related to corporate training expenditures and NPCC fees.
Debt Service	The projected year-end overrun of \$8.5M is due to additional principal payments on outstanding debt utilizing funds remaining from the 2022 budget cycle of \$8.0M and interest expense of \$0.5M resulting from higher interest rates and additional borrowings on the line of credit resulting from the RS1 under collections.	The year-to-date overrun of \$0.4M is primarily due to additional interest expense driven by higher interest rates and additional borrowings on the line of credit resulting from the RS1 under collections.
Misc. Revenues	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 \$4.2M is primarily due to additional interest income driven by higher interest rates than assumed in the budget.
Funds From Prior Year Budget Cycles	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 09/30/23
Revolving Credit Facility	\$50M Available	Dec-23	\$ 14.9	\$ 13.5
2023 Budget Loan	Term Loan Repayment	Dec-26	\$ 16.0	\$ 16.0
2022 Budget Loan	Term Loan Repayment	Dec-25	\$ 32.0	\$ 24.0
2021 Budget Loan	Term Loan Repayment	Dec-24	\$ 28.4	\$ 11.8
2020 Budget Loan	Term Loan Repayment	Dec-23	\$ 26.6	\$ -
Mortgage - Bldg Acq. & Renovations	Term Loan Repayment	Aug-25, Jan-27	\$ 24.8	\$ 4.7
Infrastructure Master Plan Mortgage	Term Loan Repayment	Aug-31	\$ 45.0	\$ 20.6
Total				\$ 90.6

Questions?