



Settlement Issues Forum

Q2 2012 Meeting

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MARKET ANALYSIS & SETTLEMENTS



Settlements Topics and Issues



- Introductions and Overview
- Upcoming Settlement Changes
 - Transitional Demand Response
 - Forward Capacity Market – Capacity Transfer Rights (CTR)
 - Forward Capacity Market – Demand Response Performance Changes
 - Black Start Critical Infrastructure Payments (CIP)
- Informational Items
 - Weekly Posturing Settlement
 - Forum Dates for Q3 & Q4, 2012
- Discussion, Q&A

Introductions and Overview

- ISO New England
 - Market Analysis and Settlements Department
 - Rachel Likover, Manager, Market Settlements
 - Rick Morrow, FCM Coordinator
 - Nancy Plankey, Monthly Coordinator
- Forum for Settlements Issues
 - Upcoming Changes in Reporting or Billing
 - Review of Frequently Asked Questions
 - General Discussion, Q & A, and Concerns



TRANSITIONAL DEMAND RESPONSE

Effective June 1, 2012



Settlement Changes for June 2012

Transitional Demand Response

- ISO New England Compliance Filing – FERC Order No. 745
 - ER11-4336 (August 2011)
- Transitional Market Design for compensating Demand Response in the Energy Market
 - Implemented June 1, 2012
 - Replaces Day Ahead Load Response and Real Time Price Response programs
- Cost allocator is Real Time Load Obligation
 - Excludes Export MWh
 - Excludes Postured Dispatchable Asset Related Demand (DARD) MWh



Transitional Demand Response

Details on Payments and Charges

- Detail of the payment and charge calculations presented to Demand Resources Working Group
- Presentation materials are available on the ISO-NE Web site: [Committees > Committees & Working Groups > Markets Committee & Working Groups > Demand Resources Working Group](#)

Transitional Demand Response

New MIS Reports



- Demand Response Settlement Payment Detail Report
 - SD_DRSTLDETAIL
- Demand Response Settlement Charges Report
 - SD_DRCHGDETAIL
- Demand Response Settlement Summary Report
 - SR_DRSTLSUM

Transitional Demand Response

New MIS Reports (cont.)



- Demand Response Settlement Payment Detail Report
 - SD_DRSTLDETAIL
 - Hourly values for Real-Time Demand Response Assets and Real-Time Emergency Generation Assets for the specified month.
- RTDR Asset Tab:

Trading Date	Trading Interval	Asset ID	Asset Name	Location ID	Location Name	Asset Day Ahead Cleared Demand Reduction	Asset Day Ahead Demand Reduction Obligation	Day Ahead Locational Marginal Price	Day Ahead Payment	Asset Real Time Eligible Hour Flag	Load Zone Real Time Net Benefit Hour Flag	Asset Real Time Denied Demand Reduction Hour Flag	FCM Event Hour Flag
Date	Hour Er	Num	String	Numbe	String	MWh	MWh	\$/MWh	\$	Flag	Flag	Flag	Flag

Audit Event Hour Flag	Asset Real Time Demand Reduction	Asset Real Time Demand Reduction Obligation	Asset Demand Reduction Deviation	Asset FCM/Audit Demand Reduction	Real Time Locational Marginal Price	Real Time Deviation Payment	Real Time FCM/Audit Payment	Total Payment
Flag	MWh	MWh	MWh	MWh	\$/MWh	\$	\$	\$

Transitional Demand Response

New MIS Reports (cont.)



- Demand Response Settlement Payment Detail Report
 - SD_DRSTLDETAIL
 - Hourly values for Real-Time Demand Response Assets and Real-Time Emergency Generation Assets for the specified month.
- RTEG Asset Tab:

Trading Date	Trading Interval	Asset ID	Asset Name	Location ID	Location Name	FCM Event Hour Flag	Audit Event Hour Flag	Asset Real Time Demand Reduction	Asset FCM/Audit Demand Reduction	Real Time Locational Marginal Price	Real Time FCM/Audit Payment
Date ▾	Hour Er ▾	Number ▾	String ▾	Numbe ▾	String ▾	Flag ▾	Flag ▾	MWh ▾	MWh ▾	\$/MWh ▾	\$ ▾

Transitional Demand Response

New MIS Reports (cont.)



- Demand Response Settlement Charges Report
 - SD_DRCHGDETAIL
 - Hourly cost allocation of the Demand Response settlement for the specified month.
- Hourly Tab:

Trading Date	Trading Interval	Pool Total Payment	Customer Demand Response Charge Allocation	Pool Demand Response Charge Allocation	Customer Charge
			MW	MW	
Date ▾	Hour End ▾	\$ ▾	MWh ▾	MWh ▾	\$ ▾

Transitional Demand Response

New MIS Reports (cont.)



- Demand Response Settlement Summary Report
 - SR_DRSTLSUM
 - Hourly summary of Pool and Customer payments of the Demand Response settlement for the specified month.
 - Monthly summary of Pool payments and Customer payments and charges of the Demand Response settlement for the specified month.
- Hourly Tab:

Trading Date	Trading Interval	Hourly Pool Day Ahead Payment	Hourly Pool Real Time Deviation Payment	Hourly Pool FCM/Audit Payment	Hourly Pool Total Payment	Hourly Customer Day Ahead Demand Reduction Obligation	Hourly Customer Day Ahead Payment	Hourly Customer Real Time Demand Reduction Obligation	Hourly Customer Demand Reduction Deviation	Hourly Customer FCM/Audit Demand Reduction	Hourly Customer Real Time Deviation Payment	Hourly Customer Real Time FCM/Audit Payment	Hourly Customer Total Payment
Date ▾	Hour Er ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	MWh ▾	\$ ▾	MWh ▾	MWh ▾	MWh ▾	\$ ▾	\$ ▾	\$ ▾

Transitional Demand Response

New MIS Reports (cont.)



- Demand Response Settlement Summary Report
 - SR_DRSTLSUM
 - Hourly summary of Pool and Customer payments of the Demand Response settlement for the specified month.
 - Monthly summary of Pool payments and Customer payments and charges of the Demand Response settlement for the specified month.
- Monthly Tab:

Month	Monthly Pool Day Ahead Payment	Monthly Pool Real Time Deviation Payment	Monthly Pool Real Time FCM/Audit Payment	Monthly Pool Total Payment	Monthly Customer Day Ahead Payment	Monthly Customer Real Time Deviation Payment	Monthly Customer Real Time FCM/Audit Payment	Monthly Customer Total Payment	Monthly Customer Total Charge	Monthly Customer Settlement
Dat ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾	\$ ▾

Transitional Demand Response

Updated Reports

- Daily Financial Position Report
 - BL_DAILYPOSITION
 - Transitional Demand Response line item added.
- FERC Electric Quarterly Reporting
 - Transitional Demand Response line item added.



Transitional Demand Response

Billing

- New Line Item
 - Transitional Demand Response
- Two Line Items on July 16, 2012 Bill
 - Current Demand Response Programs are allocated to Regional Network Load which causes a month lag (May 2012)
 - Transitional Demand Response Cost allocated to Real-Time Load Obligation (June 2012)
- Data Reconciliation Process (DRP) resettlement billing will not have the same overlap as the July 2012 bill
 - May 2012 DRP will be included in bill issued on October 15, 2012
 - June 2012 DRP will be included in bill issued on November 13, 2012

Demand Response

MIS Report Retirements

- MIS Reports for the Day-Ahead Load Response and Real Time Price Response programs were retired on June 1, 2012
 - SD_LRPRELIMDTL
 - SD_LRBASELINE
 - SD_LRSTLDETAIL
 - SR_LRLOCSUM
 - SR_LRPRELIMSUM
 - SR_LRSTLSUM
- These reports will be issued for any resettlements of months prior to June, 2012



CAPACITY TRANSFER RIGHTS

*Changes in the Forward Capacity Market (FCM)
Effective June 1, 2012*



Settlement Changes for June 2012

Capacity Transfer Rights in the FCM

- A joint ISO New England/NEPOOL FERC Filing modified the rules governing Capacity Transfer Rights in the FCM
 - ER12-1234-000 filed on March 9, 2012; Order issued on May 9, 2012
 - Revisions to the rules governing participation in the FCM clarifying the treatment of Capacity transfer Rights
 - Multiple Capacity Zones trigger the FCM settlement allocation of Capacity Transfer Rights (CTRs)

Settlement Changes for June 2012

Upcoming CTR Web Conference, July 17, 2012

- The ISO will broadcast a Web Conference: Capacity Transfer Rights (CTRs) Settlement Training in the FCM on July 17, 2012 @ 1:00 PM
 - Registration is available through [ISO New England's Training & Event Network](#) (ISO-TEN)
 - Registration is also accessible from the [ISO Calendar](#) and [Course Schedule](#)
- Material that can be reviewed prior to the Web Conference
 - Market Rule 1, Section III.13.7.3.3
 - CTR Calculation Summaries (showing settlement calculations)
 - MIS Report Descriptions (showing the data that will be on MIS reports)

Settlement Changes for June 2012

Capacity Transfer Rights in the FCM

- In the current and next Capacity Commitment Periods (CCP), the FCM will have multiple Capacity Zones, each having its own Forward Capacity Auction (FCA) Payment Rate

FCA 3 - 2012/2013 CCP (June 1, 2012)
Rest of Pool @ \$2.535/kW-month
*Maine @ \$2.465/kW-month
FCA 4 – 2013/2014 CCP (June 1, 2013)
Rest of Pool @ \$2.516/kW-month
*Maine @ \$2.336/kW-month
*Maine is an Export Constrained Zone



Settlement Changes for June 2012

What are Capacity Transfer Rights (CTRs)?



- Mechanism to distribute excess Capacity Zone revenue that results from differences in payment rates between Capacity Zones
- There are two types of CTRs
 1. Specifically Allocated CTRs (defined in Market Rule 1 and always paid), and
 2. Residual CTRs (funds remaining after Specifically Allocated CTRs are paid)
- Residual CTRs will be allocated to the customers with Capacity Load Obligation (CLO) on the import constrained side of the interface
 - For the 2012/2013 CCP this is Rest of Pool (ROP) CLO customers



Settlement Changes for June 2012

What are Capacity Transfer Rights (CTRs)? (cont.)

- Market Rule 1 identifies Specifically Allocated CTRs
- Pool Planned Unit CTRs for certain municipal utilities
- Maine Export Interface CTRs for Casco Bay
- Provisions for Transmission Upgrade CTRs
 - Currently there are none of this category



Settlement Changes for June 2012

Who Will Receive a CTR Settlement in the 2012/2013 CCP?

- In each month of the 2012/2013 CCP, Maine CTR Fund will be calculated, Maine Specifically Allocated CTRs will be paid, and customers that have CLO in ROP will share in the residual CTR fund

Maine Capacity Zone CTR Fund

```
graph TD; A["Maine Capacity Zone CTR Fund"] --> B["Maine Specifically Allocated CTRs for Pool Planned Unit & Casco Bay"]; B --> C["ROP Residual CTRs"];
```

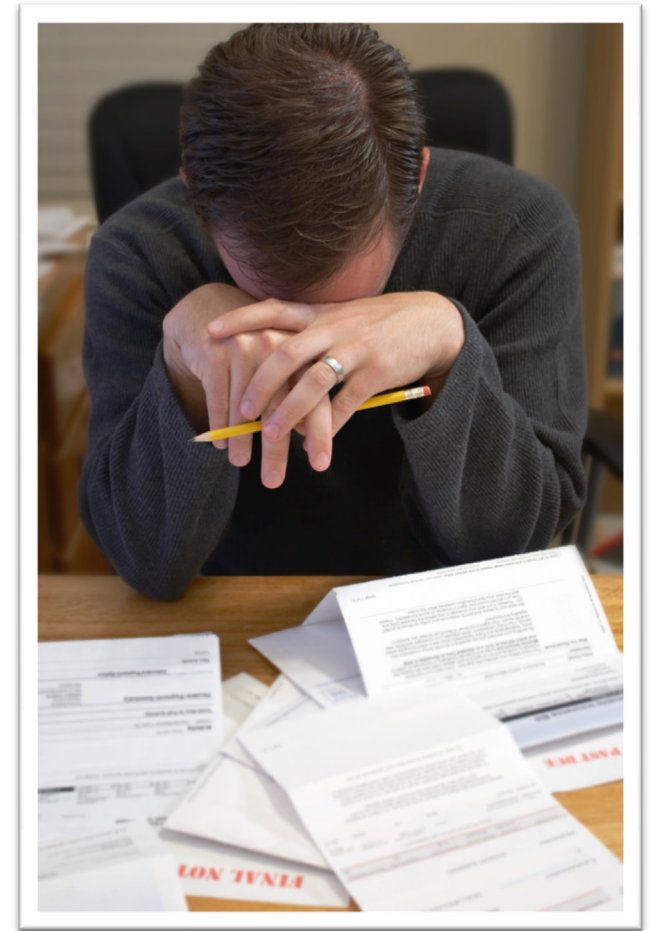
Maine Specifically Allocated CTRs for Pool Planned Unit & Casco Bay

ROP Residual CTRs

Settlement Changes for June 2012

Capacity Transfer Rights in the FCM

- The first invoice to include CTRs will be issued July 16, 2012 for the settlement month of June 2012
- CTR settlements are included with the FCM Charge bill line item
- Forward Capacity Market Charge



Settlement Changes for June 2012

Where are the Tools to Assist in Settlement Validations?

- Navigate to ISO New England's [Home Page](http://www.iso-ne.com/) @ <http://www.iso-ne.com/> and then to the Understanding the Bill heading for:
 - Invoice & Remittance Advice Item Descriptions
 - Includes Calculation Summaries for all FCM Settlement Calculations
 - MIS Report Descriptions, Templates & Samples
 - Explains what is on each MIS report

The screenshot shows the ISO New England website interface. The top navigation bar includes the ISO New England logo, a search box, and links for Site Index and Site Map. A left-hand navigation menu lists various categories, with 'Understanding the Bill' highlighted in red. The main content area features a large image of the ISO New England building and a '150 YEARS' logo. Below the image, a red-bordered box highlights the 'Invoice & Remittance Advice Item Descriptions' link. To the right, there are sections for 'AT A GLANCE' (Morning Report, Calendar, ISO Express, Power System Conditions, Notices, Feeds) and an 'LMP PRICE TICKER' for the .Z.WCMASS market, showing data for 04/24/2012 at 12:35, including Energy Comp (\$27.53), Congest Comp (\$-3.89), Loss Comp (\$0.33), LMP (\$23.97), and New England Load (MW) (14,547).

Settlement Changes for June 2012

FCM Settlement MIS Reports Containing CTR Info

- Two of the FCM Settlement MIS Reports contain CTR settlement information
 - **SD_FCMCLOSSTLDTL**: Forward Capacity Market Capacity Load Obligation Settlement Details Report
 - **SR_FCMSTLSUM**: Forward Capacity Market Settlement Summary Report

Settlement Changes for June 2012

FCM Settlement MIS Reports Containing CTR Info

- **SD_FCMCLOSSTLDTL**: Forward Capacity Market Capacity Load Obligation Settlement Details Report – CTR Columns

- Pool Section

Pool CTR Fund Credit
\$

- Capacity Zone Section

Capacity Zone CTR Fund	Capacity Zone Specifically Allocated CTR for Pool Planned Units	Capacity Zone Specifically Allocated CTR Credit for Pool Planned Units	Capacity Zone Specifically Allocated CTR for Transmission Upgrade	Capacity Zone Specifically Allocated CTR Credit for Transmission Upgrade	Capacity Zone Residual CTR Fund	Capacity Zone Residual CTR Fund Distribution Allocation MW
\$	MW	\$	MW	\$	\$	MW

Settlement Changes for June 2012

FCM Settlement MIS Reports Containing CTR Info (cont.)

- **SD_FCMCLOSSTLDTL**: Forward Capacity Market Capacity Load Obligation Settlement Details Report – CTR Columns
 - Customer Section

Customer Specifically Allocated CTR for Pool Planned Units	Customer Specifically Allocated CTR Credit for Pool Planned Units	Customer Specifically Allocated CTR for Transmission Upgrade	Customer Specifically Allocated CTR Credit for Transmission Upgrade	Customer Specifically Allocated CTR Credit	Customer Residual CTR Fund Distribution MW	Customer Residual CTR Fund Credit	Customer CTR Credit
MW	\$	MW	\$	\$	MW	\$	\$

- Pool Planned Unit Specifically Allocated CTR Section

CTR Fund Capacity Zone ID	Capacity Zone Name	Capacity Zone FCA Payment Rate	ROP Capacity Zone FCA Payment Rate	Pool Planned Unit Asset ID	Pool Planned Unit Asset Name	Asset Seasonal Claimed Capability	Customer Ownership Entitlement	Customer Specifically Allocated CTR for Pool Planned Unit	Customer Specifically Allocated CTR Credit for Pool Planned Unit
Number	String	\$/kW-Month	\$/kW-Month	Number	String	MW	%	MW	\$

Settlement Changes for June 2012

FCM Settlement MIS Reports Containing CTR Info (cont.)

- **SR_FCMSTLSUM:** Forward Capacity Market Settlement Summary Report – CTR Columns

- Pool Section

Pool Specifically Allocated CTR Credit
\$

- Capacity Zone Section

Capacity Zone Residual CTR Fund Credit
\$

Settlement Changes for June 2012

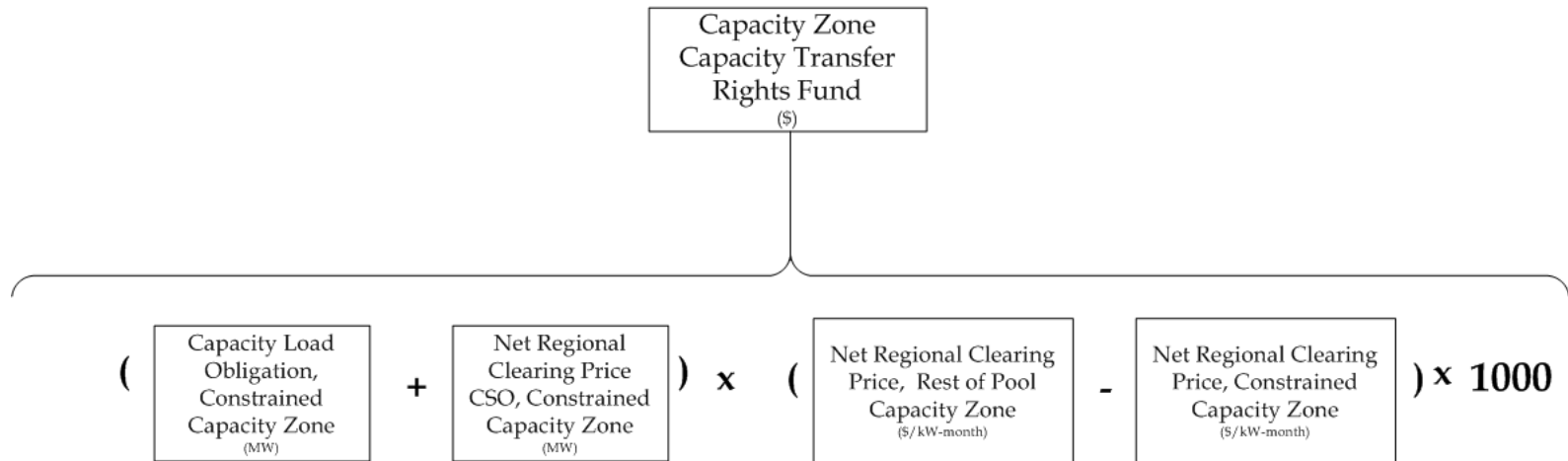
FCM Settlement MIS Reports Containing CTR Info (cont.)

- **SR_FCMSTLSUM:** Forward Capacity Market Settlement Summary Report – CTR Columns
 - Customer

Customer Residual CTR Fund Credit	Customer Specifically Allocated CTR Credit
\$	\$

Settlement Changes for June 2012

Calculation Summary – Capacity Zone CTR Fund



Settlement Changes for June 2012

Calculation Summary – Capacity Zone FCA Payment Rates

Export Constrained Zone:

$$\begin{array}{|c|} \hline \text{FCA Payment} \\ \text{Rate (ROP)} \\ \text{(\$/kW-month)} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{FCA Payment} \\ \text{Rate (CZ)} \\ \text{(\$/kW-month)} \\ \hline \end{array}$$

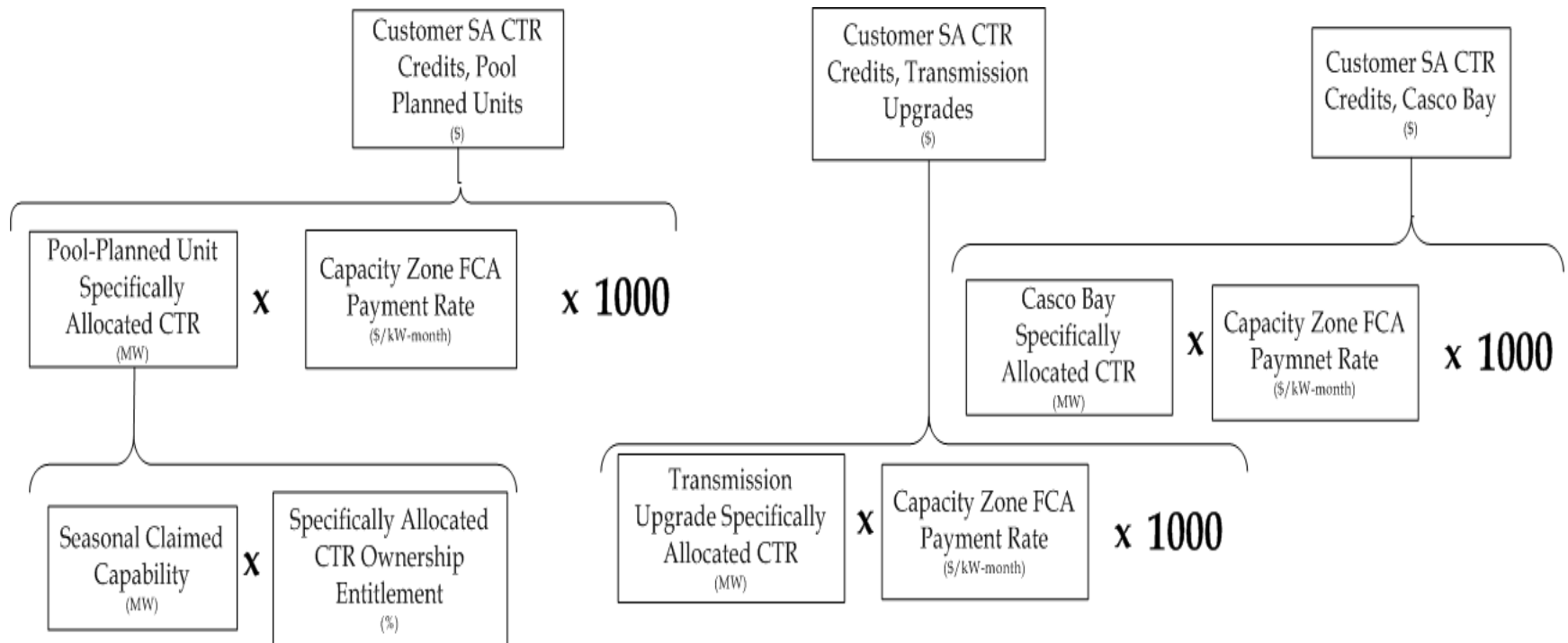
Import Constrained Zone:

$$\begin{array}{|c|} \hline \text{FCA Payment} \\ \text{Rate (CZ)} \\ \text{(\$/kW-month)} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{FCA Payment} \\ \text{Rate (ROP)} \\ \text{(\$/kW-month)} \\ \hline \end{array}$$



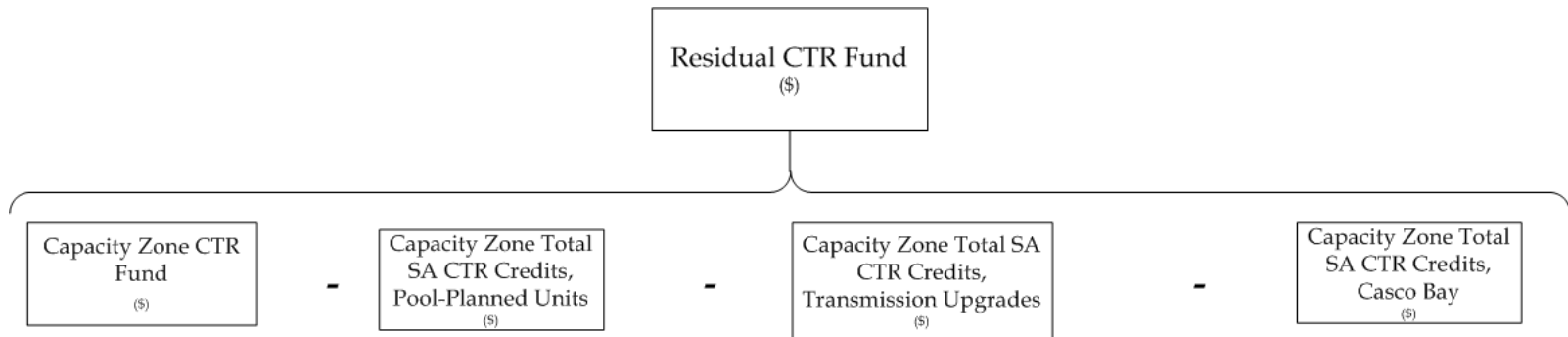
Settlement Changes for June 2012

Calculation Summary – Specifically Allocated CTR Credits



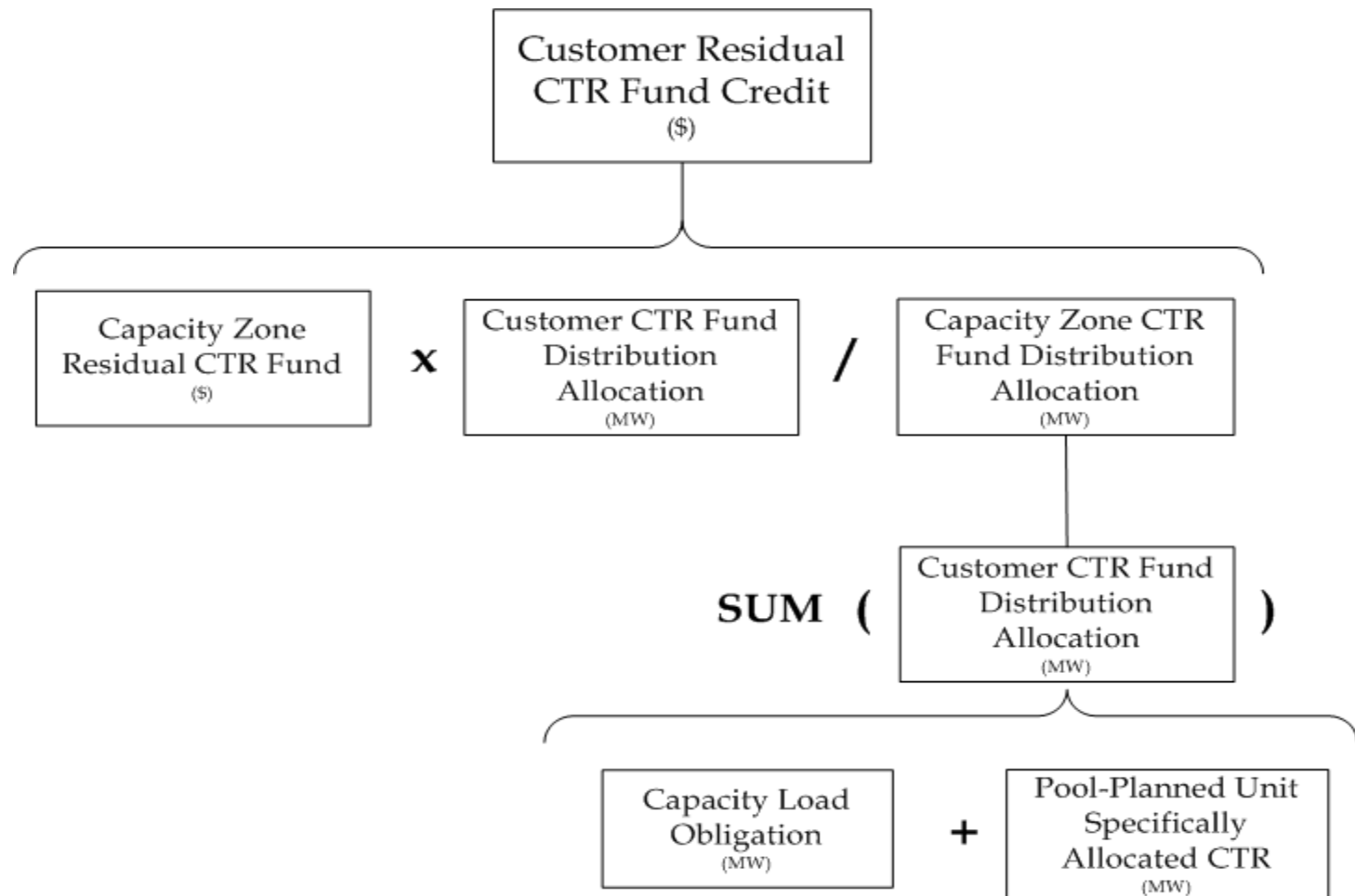
Settlement Changes for June 2012

Calculation Summary – Residual CTR Fund



Settlement Changes for June 2012

Calculation Summary – Customer Residual CTR Credit



Settlement Changes for June 2012

Upcoming CTR Web Conference, July 17, 2012



Reminder!

- The ISO will broadcast a Web Conference: Capacity Transfer Rights (CTRs) Settlement Training in the FCM on July 17, 2012 @ 1:00 PM
 - The ISO will provide a more in-depth training for CTR settlements in the FCM
 - Registration is available through [ISO New England's Training & Event Network](#) (ISO-TEN)
 - Registration is also accessible from the [ISO Calendar](#) and [Course Schedule](#)

Settlement Changes for June 2012

Topics that will be Discussed in the CTR Web Conference

- How CTRs are determined
- Impact to customers from CTRs in each Capacity Zone
- CTR settlement examples
 - For the specific scenario of two Capacity Zones, one of which is an export constrained zone
- Tools available to customers to assist in CTR settlement validation
- Q & A session about CTR settlements



DEMAND RESOURCE PERFORMANCE INCENTIVES

Changes in the FCM Effective June 1, 2012



Settlement Changes for June 2012

Demand Resource Performance Incentives

- A joint ISO New England/NEPOOL FERC Filing modified the rules governing Demand Resource Performance Incentives
 - Filing: ER12-1392-000 (March 29, 2012);
Order issued on May 25, 2012
 - Tariff revisions to change the FCM rules relating to Demand Resource Performance Incentives
 - Incentives will be distributed among over-performing resources located in the Capacity Zone where Demand Resource Performance Penalties are collected
 - Prior to June 2012, Demand Resource Performance Incentives were distributed among over-performing Demand Resources pool wide



Settlement Changes for June 2012

Demand Resource Performance Incentives (cont.)



- Demand Resource Performance Incentives are determined in the FCM Settlement and signal over-performance from a resource
 - The ISO calculates a monthly Capacity Value for each Demand Resource and compares that to the resource's CSO MW
 - Demand Resource CSO MW – Capacity Value = Capacity Variance
 - Capacity Variance < 0 = performance penalty assessed
 - Capacity Variance > 0 = eligibility for performance incentives
 - For each Capacity Zone, over-performance incentives are limited to the performance penalties collected in that Capacity Zone



Settlement Changes for June 2012

Demand Resource Performance Incentives (cont.)



- Reason for the change:
 - Due to Capacity Zone constraints, Demand Resource over-performance may not be exportable from one Capacity Zone to another
 - Therefore over-performance can only benefit the Capacity Zone where the over-performing resources are located
- There are no changes to existing FCM MIS reports

BLACK START CRITICAL INFRASTRUCTURE PAYMENTS (CIP)

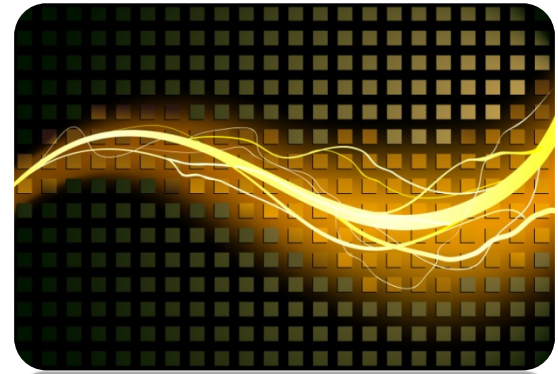
Changes Effective June 1, 2012



Settlement Changes for June 2012

Black Start Critical Infrastructure Protection

- Black Start Critical Infrastructure Protection (CIP)
- Standard Settlement MIS Report
- Payment Calculation
- Charge Allocation
- Monthly Statement
- Additional Changes
- Resources



Black Start Critical Infrastructure Protection (CIP)

- Addendum to the current Open Access Transmission Tariff (OATT) Schedule 16
 - Effective June 1, 2012
 - Existing Black Start generators
- Critical Infrastructure Protection (CIP)
 - Reliability standards
 - North American Electric Reliability Corporation (NERC),
 - Northeast Power Coordinating Council (NPCC)
 - Black Start CIP compensation is comprised of the capital, operating, and maintenance expenses incurred by the Black Start generators to comply with NERC and NPCC CIP Reliability Standards
- Eligibility for Black Start CIP Payments
 - ISO New England identifies as Key Facilities
 - Annual Confirmation

Standard Settlement MIS Report: SS_BSCIP

Black Start Critical Infrastructure Protection

- Black Start CIP settlements will be reported through standard settlements
- MIS Report for obligation month of June will be released by July 31, 2012
- August 13, 2012 bill
 - Line item: “OATT-Schedule 16 Black Start CIP”

Input Values for Black Start CIP Payment Calculation

Black Start Critical Infrastructure Protection

- Black Start generator's nameplate megavolt-ampere (MVA) value
- Station's MVA value
 - Sum of the black start generator's nameplate MVA value at the station
- Station's CIP O&M Payment and CIP Capital Payment
 - In addendum, Table 2 – Black Start CIP Payments and Costs
 - Largest Black Start CIP O&M payment value for the Black Start Generators located at the station
 - Largest Black Start CIP Capital payment value for the Black Start Generators located at the station

Note: values will be provided under Comments on the Calculation section of the Black Start CIP Standard Settlements MIS Report

Example – Station CIP O&M and CIP Capital

Black Start Critical Infrastructure Protection

- Example: Station ABC has 3 black start fossil generators
- Calculate Station’s MVA, CIP O&M Payment, and CIP Capital Payment
 - Use Table 2 from the ‘Addendum to current Schedule 16’

Black Start Generator	MVA	Black Start CIP O&M	Black Start CIP Capital
		\$/year for the Black Start Station	
Black Start Generator A	30	155,900	276,100
Black Start Generator B	8	0	0.00
Black Start Generator C	62	234,200	276,100
Black Start Station ABC	100	234,200*	276,100*

*Largest Value of Black Start Generators within Station

Generator's Black Start CIP Payment – MIS Report

Black Start Critical Infrastructure Protection

OATT-Schedule 16 Black Start CIP

SS_BSCIP_999999999_2012020100_20120524201517.CSV

Customer ABC

Date: 02/01/2012 and Version: 05/24/2012 20:15:17 GMT

Trading Date	Trading Interval	DUNS Number	DUNS Name	Asset ID	Asset Name	Location ID	Location Name	Calculation						
								Calculation Description	Rate	Quantity	Total Asset Dollars	Allocation Share	Customer Dollars	Comments
Date	Hour End	String	String	Number	String	Number	String	String	\$	Number	\$	%	\$	String
6/1/2012				1	Generator A			(Station O&M \$ + Station Capital \$) / 12 X Asset MVA / Station MVA			12757.50	100.00	12757.50	Station Name: Station ABC, Station O&M = \$234200 , Station Capital = \$276100, Asset MVA /Station MVA = 30/100
6/1/2012				2	Generator B			(Station O&M \$ + Station Capital \$) / 12 X Asset MVA / Station MVA			3402.00	100.00	3402.00	Station Name: Station ABC, Station O&M = \$234200 , Station Capital = \$276100, Asset MVA /Station MVA = 8/100
6/1/2012				3	Generator C			(Station O&M \$ + Station Capital \$) / 12 X Asset MVA / Station MVA			26365.50	100.00	26365.50	Station Name: Station ABC, Station O&M = \$234200 , Station Capital = \$276100, Asset MVA /Station MVA = 62/100

Generator A: $(\$234,200 + \$276,100) / 12 \text{ months} \times 30 \text{ MVA} / 100 \text{ MVA} = \$12,757.50$

Generator B: $(\$234,200 + \$276,100) / 12 \text{ months} \times 8 \text{ MVA} / 100 \text{ MVA} = \$ 3,402.00$

Generator C: $(\$234,200 + \$276,100) / 12 \text{ months} \times 62 \text{ MVA} / 100 \text{ MVA} = \$26,365.50$

Generator's Black Start CIP Allocation – MIS Report

Black Start Critical Infrastructure Protection

OATT-Schedule 16 Black Start CIP

SS_BSCIP_999999999_2012020100_20120524201517.CSV

Customer ABC

Date: 02/01/2012 and Version: 05/24/2012 20:15:17 GMT

Trading Date	Trading Interval	DUNS Number	DUNS Name	Asset ID	Asset Name	Location ID	Location Name	Allocation					
								Allocation Description	Total Allocation Factor	Customer Allocation Factor	Total Dollars	Customer Dollars	Comments
Date	Hour End	String	String	Number	String	Number	String	String	Number	Number	\$	\$	String
6/1/2012		00-111-2222	Network Load A					Monthly Regional Network Load	20000.000	10.000	-500000.00	-250.00	

$$\text{Network Load A: } 10.000 / 20,000.000 \times -\$500,000.00 = -\$250.00$$



Black Start CIP Settlement – Monthly Statement

Black Start Critical Infrastructure Protection

Sample Bill

46	OATT Schedule 9 RNS 0.000	6/1/2012 00:00 7/1/2012 00:00	-500.00
47	OATT-Schedule 16 Black Start 0.000	6/1/2012 00:00 7/1/2012 00:00	-260.00
48	OATT-Schd 16 Black Start CIP 0.000	6/1/2012 00:00 7/1/2012 00:00	42275.00



Additional Changes

Black Start Critical Infrastructure Protection

- FERC EQR Reports
 - Black Start CIP payments will appear in the FERC EQRLAG Report
 - Black Start payments will continue to appear in the FERC EQR Report
- Daily Financial Position Report
 - BL_DAILYPOSITION, additional line item

Daily Financial Position Report

BL_DAILYPOSITION_000009999_2012052300_20120523152212.CSV

Company ABC

Date: 08/15/2012 and Version: 08/17/2012 15:22:12 GMT

Description	Obligation Month	Monthly Total
String	Date	\$
OATT Schedule 8 TOUT		
OATT Schedule 9 RNS		
OATT-Schedule 16 Black Start		
OATT-Schd 16 Black Start CIP	Jun-12	42525.00
Monthly Markets Total		
Total Billed Amount		
Net Amount Due		

Resources

Black Start Critical Infrastructure Protection

- Additional Black Start CIP information
 - [OATT Schedule 16](#)
 - [Operating Procedure 11 and Appendix C - Black Start Generator CIP Costs Compensation Form](#)
 - [Understanding the Bill](#)
 - [ISO NewsWIRE](#)



INFORMATIONAL ITEMS



Informational Items

Posturing Payments – Resources with Weekly Fuel Restrictions

- ISO New England Exigent Filing
 - ER12-1809-000 (May 17, 2012)
- Filing was the result of recent LNG supply disruptions, which created a temporary weekly energy limitation for LNG-fueled resources in the northeastern Massachusetts/Boston area
- ISO may need to posture LNG-fueled resources early in the week to ensure adequate fuel for operational requirements later in the week



Informational Items

Posturing Payments – Resources with Weekly Fuel Restrictions

- “**Posture** means an action of the ISO to deviate from the jointly optimized security constrained economic dispatch for Energy and Operating Reserves solution for a Resource produced by the ISO’s technical software for the purpose of maintaining sufficient Operating Reserve (both online and off-line) or for the provision of voltage or VAR support.”
- Posturing payment provides “make whole” compensation for net opportunity cost over the week, based on difference between:
 - Economic generation had the resource not been postured, and
 - Actual generation (which implicitly reflects the actual posturing)

Informational Items

Posturing Payments – Resources with Weekly Fuel Restrictions (cont.)

- The weekly posturing rules sunset on September 30, 2012
 - Urgent nature of current situation precluded normal stakeholder process
 - The rules were developed in light of specific circumstances that apply this summer
- If weekly posturing invoked this summer, settlement invoice line item will be “NCPC – Postured”
 - Costs will be allocated pro-rata on Real Time Load Obligation (RTLO) for the week
 - Detail on allocator will be provided in the Bill Job Aid

Informational Items

Settlements Issues Forum Schedule for Rest of 2012



- Q3 2012: September 12, 2012
- Q4 2012: December 12, 2012
- Time slot is 1:00 – 2:00 p.m.
- Registration will be available in ISO-TEN in July

Questions



Thank you

Thank you for your participation!
The broadcast has ended.

