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December 2, 2021
WebEx Broadcast

Settlements Forum

2021 Q4



Jin Thian

Market Analysis & Settlements

forum

Topics



Upcoming Markets/Settlement Changes

- Forward Capacity Market bill acceleration proposal
- Forward Capacity Market cost allocation changes
- Mystic Cost of Service Agreement
- Multiprotocol Label Switching (MPLS) MIS report



Informational Items

- 2022 New Year's Day holiday
- Open Access Transmission Tariff regional rates update reminder
- 2021 Meeting Dates
- 2022 Meeting Dates

Upcoming Markets/Settlement Changes

- *Forward Capacity Market bill acceleration proposal*
- *Forward Capacity Market cost allocation changes*
- *Mystic Cost of Service Agreement*
- *Multiprotocol Label Switching (MPLS) MIS report*



Forward Capacity Market Bill Acceleration Proposal

Effective date June 1, 2022 if approved

1

Proposed Changes

- Convert the monthly settlement of credits and charges related to a Capacity Supply Obligation (CSO) in the Forward Capacity Market (FCM) to a daily settlement
 - Majority of FCM settlement will be billed on same schedule as Ancillary Services
 - A small number of FCM settlement will continue to be billed monthly
- Submit Capacity Load Obligation (CLO) bilateral contracts by noon of the first business day of the month
 - Current deadline for CLO bilateral contracts is two business days after the month



For further reference:

Markets Committee
[Accelerate FCM Billing and Settlement - WMPP ID: 160](#)

[Accelerate FCM Billing and Settlements](#)

Presentation by ISO-NE

Benefits

- Reduces Financial Assurance requirement for LSEs
- Accelerates Resource payments
- Improves the overall financial position of the control area

Forward Capacity Market Cost Allocation Changes

Effective June 1, 2022



FCM Cost Allocation is a methodology to distribute charges in the capacity market (replaces the current Net Regional Clearing Price methodology)

Coming up:

- Cost allocation training is coming in 2022
- Market Information Server (MIS) reports changes
 - Modified existing reports
 - New credits and charges MIS reports

ISO-NE FERC Filing

[ER18-2125-000](#)

Link to FERC filing active in .pdf version.

Mystic Cost of Service Agreement

Effective June 1, 2022

1

The Mystic Cost of Service Agreement provides monthly supplemental capacity payments to the Mystic resources in the 2022/23 and 2023/24 capacity commitment periods

- Credits: Active Lead Market Participant of Generators subject to the agreement
- Charges: Participants with Real Time Load Obligation

New MIS Report

Including:

- SR_COSCHARGE
- SR_COSTUCHARGE

Mystic Cost of Service Agreement

[ER18-1639-000](#)



For further reference:

[Mystic Cost of Service Agreement worksheet](#)

[Settlements Forum Q3 2020 materials](#)

Multiprotocol Label Switching (MPLS) MIS report

Q1 2022

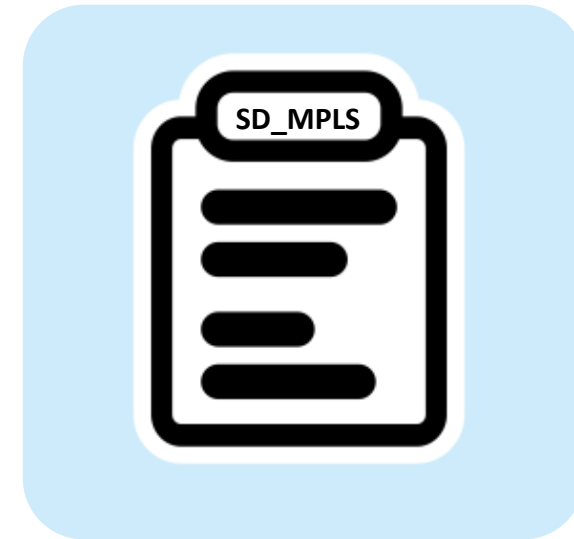


No changes to existing non-hourly invoices

- Windstream Installation
- Windstream Monthly
- Windstream Managed Services
- Sprint Monthly
- Sprint Wireless

New MIS Report (SD_MPLS)

- Provide more transparency and clarity in breakdown of charges



Informational Items

- *2022 New Year's Day holiday*
- *Open Access Transmission Tariff regional rates update reminder*
- *Settlements Forum Dates*
- *Questions*



Upcoming New Year's Day holiday...

Settlement holiday vs ISO-NE Holiday



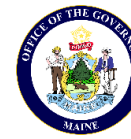
New Year's Day holiday observance:

- Friday, December 31, 2021
 - Settlement Holiday
- Monday, January 3, 2022
 - Regular settlement business day*
 - Data submission requirements according to M-28, Section 5.3

December 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
19	20	21	22	23	24	25
26	27	28	29	30	31 Settlement Holiday	1
2	3 ISO-NE Holiday (no bill)	4 Bill				



Rhode Island and ISO-NE observe New Year's on Monday, January 3



New Hampshire, Vermont, Connecticut, and Maine observe New Year's on Friday, December 31



Massachusetts observes New Year's on Saturday, January 1

* ISO-NE is closed on Monday. Bill goes out on Tuesday 1/4/2022

Open Access Transmission Tariff Regional Rates Change

Coming up January 1, 2022



Open Access Transmission Tariff Regional Rates Update

Effective date June 1, 2021

Rates Update

- June 1, 2021 – December 31, 2021
 - Schedule 9 (Regional Network Service “RNS”)
 - Schedule 8 (Through or Out Service “TOUT”)



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For further reference:

New England Transmission Owners
(NETO) FERC Filing [ER20-2054-001](#)

**RNS Rates Effective June 1,
2021 and January 1, 2022**

Presentation by the PTO AC
Rates Working Group

From Q3 2021 Settlements Forum

Settlements Forum Dates 2021



Thursday, March 4 at 10:00 AM



Thursday, June 3 at 10:00 AM



Thursday, September 2 at 10:00 AM




Thursday, December 2 at 10:00 AM

Settlements Forum Dates 2022



 **Q1** **Thursday, March 3 at 10:00 AM**

 **Q2** **Thursday, June 2 at 10:00 AM**

 **Q3** **Thursday, September 8 at 10:00 AM**

 **Q4** **Thursday, December 1 at 10:00 AM**

Contact Participant Support and Solutions



Submit a request via Ask ISO *(preferred)*

<https://askiso.force.com/>

Email AskISO@iso-ne.com

Phone

(413) 540-4220 (call center)

(833) 248-4220

Pager *(for emergency inquiries outside of business hours)*

(877) 226-4814

**Business hours and
additional contact details
are available from the
Participant Support page**

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Q&A Questions

Please note: Some of the questions have been edited and modified for clarity.

Q1: Which FCM credits/charges are converted to daily and which ones are monthly?

The major FCM credits such as FCA (forward capacity auction), ARA (annual reconfiguration auction), MRA (monthly reconfiguration action) will be settled daily. Please refer to slide 24 of this presentation which provides a detail list to this question: https://www.iso-ne.com/static-assets/documents/2021/10/a04_mc_2021_10_13_14_iso_ne_accelerate_fcm_billing_and_settlement_presentation.pptx

Q2: Often people categorize charges/credits to load as energy, ancillary services, or capacity. Does the Mystic Cost of Service covered in Slide 6 fall into one of these categories?

The Mystic Cost of Service provides reliability and would be more fitting to categorize under capacity.

Q3: Is there a targeted timeframe for when we can expect the updated/new MIS reports to be published, and the updated calculation documentation to be published?

The updated/new MIS reports are anticipated to be published by late March. The updated calculation documentation should be published by early May.