



Transition from T+35M to T+33 M: Explanation of Timing

The ISO is planning to issue the first T+33M Recalculation Settlement Statement on April 3, 2017 for trading day July 1, 2014, if there are any incremental adjustments that affect that trading day. Accordingly, the plans to ask FERC to make the tariff amendment effective April 3, 2017.

Assuming this schedule holds, the two months following April 3, 2017 – i.e., through June 2, 2017 – will be a transitional overlap period. During this period, the ISO will issue both a T+33M and T+35M Recalculation Settlement Statement, to the extent that incremental adjustments affect the relevant trading days. This overlap period occurs because the ISO will need to issue the last of the T+35M Recalculation Settlement Statements for trading days before July 1, 2014, which will not be captured on the new T+33M Recalculation Settlement Statements.

To illustrate, the ISO would issue first T+33M Recalculation Settlement Statement on April 3, 2017 (the effective date) to cover the trading day 33 months prior, July 1, 2014, assuming that there have been incremental adjustments affecting transactions on July 1, 2014. On the same day (April 3, 2017), the ISO will also issue a T+35M Recalculation Settlement Statement for the trading day that occurred 35 months prior, which is April 29, 2014 (again, assuming that incremental adjustments affect transactions on April 29, 2014). The following day, April 4, 2017, the ISO would issue the T+33M for July 2, 2014 and the T+35M for April 30, 2014, assuming either is necessary.

This process will continue for two months, during which time the ISO will issue, when either is necessary to reflect incremental adjustments, both the new T+33 M and also a T+35M. The T+35M statements will cover for the remainder of the trading days that could not be captured by a T+33M because they precede July 1, 2014 – i.e., April 30 through June 30, 2014 – when the relevant trading days are affected by incremental adjustments.

This transitional overlap period will conclude Friday, June 2, 2017. Beginning Monday, June 5, 2017, the ISO will issue only T+33M Recalculation Settlement Statements.