



CALIFORNIA ISO

Preparatory Rerun Conference Call

July 23, 2004

ISO Settlements

ISO Client Relations



Conference Call Overview

- Overview of Preparatory Re-run Changes
- Summary of Preparatory Rerun changes/Application of MMCP in second phase
 - Examples (pre and post application of MMCP)
 - New BQ, no change to price
 - No change to BQ, New price
 - New BQ and New Price
- Manual Adjustment Issues
 - Sign Convention



Overview of Preparatory Rerun Changes

- Changes to Price, Billable Quantity or both
- ISO Settlements system calculates the delta between Original and Rerun Settlement Amount
(MW*Price) = Settlement Amount
- As a result, the system may calculate a derived price (settlement amount divided by billable quantity = derived price)



Summary of Preparatory Rerun Changes

- Billable Quantity (MW) change, Price \$/MW same
 - Delta Settlement Amount
 - Delta Billable Quantity
 - Derived Price
- Billable Quantity (MW) same, Price \$/MW changes
 - Delta Price
- Both Billable Quantity (MW) and Price \$/MW change
 - Delta Settlement Amount
 - New Billable Quantity
 - Derived Price



Summary of Preparatory Rerun Changes

- **Billable Quantity (MW) change, Price \$/MW same**
 - Delta Settlement Amount
 - Delta Billable Quantity
 - Derived Price
- **Billable Quantity (MW) same, Price \$/MW changes**
 - Delta Price
- **Both Billable Quantity (MW) and Price \$/MW change**
 - Delta Settlement Amount
 - New Billable Quantity
 - Derived Price

Example 1.

Billable Quantity (MW) change, Price \$/MW same

Original Settlement

ORIGINAL - D Record						
STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR_	BILL_QTY	PRICE	CHRG_TYPE_I
-7662	1/21/2001	19	1	51.08	150.00	401

No Original Adjustments

Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR_	BILL_QTY	PRICE	CHRG_TYPE_I
-7832.55	1/21/2001	19	1	52.22	150.00	401

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR_	BILL_QTY	PRICE	CHRG_TYPE_I	REF_ID
-170.55	1/21/2001	19	1	1.14	149.60526	401	N2

$$\begin{aligned} \text{So, } & (\$-7,832.55 - \$-7,662) / (52.22 \text{ MW} - 51.08 \text{ MW}) = \$149.60526 \\ & \quad \quad \quad \$-170.55 \quad \quad / \quad \quad \quad 1.14 \text{ MW} \quad \quad \quad = \$149.60526 \end{aligned}$$

Example 1b. Application of MMCP

Billable Quantity (MW) change, Price \$/MW same

Assumption MMCP = \$145

Original Settlement

ORIGINAL - D Record						
STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_I
-7662	1/21/2001	19	1	51.08	150.00	401

No Original Adjustments

FERC Refund Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_I
-7571.9	1/21/2001	19	1	52.22	145.00	401

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_I	REF_ID
170.5499964	1/21/2001	19	1	-1.14	149.60526	401	N2
90.1	1/21/2001	19	1	52.22	-1.725393	401	N2

So, $(\$-7,662 - \$-7,571.9) / 52.22 \text{ MW} =$
 $\$90.1 / 52.22 \text{ MW} = -1.725393$



Preparatory Rerun changes

- Billable Quantity (MW) change, Price \$/MW same
 - Delta Settlement Amount
 - Delta Billable Quantity
 - Derived Price
- Billable Quantity (MW) same, Price \$/MW changes
 - Delta Price
- Both Billable Quantity (MW) and Price \$/MW change
 - Delta Settlement Amount
 - New Billable Quantity
 - Derived Price

Example 2

Billable Quantity (MW) Same, Price \$/MW changes

Original Settlement

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR_INT	BILL_QTY	PRICE	CHRG_TYPE_ID	TOTAL_MEAS_QTY	TOTAL_CHRG_RFND
20.41	12/6/2000	4	3	0.65	31.40597	1010	4236.24	-133043.23

No Original Adjustments

Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR_INT	BILL_QTY	PRICE	CHRG_TYPE_ID	TOTAL_MEAS_QTY	TOTAL_CHRG_RFND
18.6	12/6/2000	4	3	0.65	28.615385	1010	4225.3881	-121055.93

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR_INT	BILL_QTY	PRICE	CHRG_TYPE_ID	REF_ID
-1.81	12/6/2000	4	3	-0.65	2.78462	1010	N2

So, $\$31.40597 - \$28.615385 = \$2.78462$

Example 2b. Application of MMCP

Billable Quantity (MW) Same, Price \$/MW changes

Original Settlement

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR_INT	BILL_QTY	PRICE	CHRG_TYPE_ID	TOTAL_MEAS_QTY	TOTAL_CHRG_RFND
20.41	12/6/2000	4	3	0.65	31.40597	1010	4236.24	-133043.23

No Original Adjustments

FERC Refund Rerun CD

In this example, no CT 1010 Generated.

SC Workspace

ADJ_AMOUNT	EFFECT_DT_TM	TRADE_HR	SUBHOUR_	BILL_QTY	PRICE	CHRG_TYPE	REF_ID
1.81	12/6/2000	4	3	0.65	2.78462	1010	R2
(20.41)	12/6/2000	4	3	-0.65	31.40597	1010	N2

Since there is no Refund Rerun settlement, the ISO will credit back the original charge, and take back the rerun credit.



Preparatory Rerun changes

- Billable Quantity (MW) change, Price \$/MW same
 - Delta Settlement Amount
 - Delta Billable Quantity
 - Derived Price
- Billable Quantity (MW) same, Price \$/MW changes
 - New Price minus Original Price
- Both Billable Quantity (MW) and Price \$/MW change
 - Delta Settlement Amount
 - New Billable Quantity
 - Derived Price

Example 3.

Both Billable Quantity (MW) and Price \$/MW change

Original Settlement

ORIGINAL - D Record						
STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE
-913.64	1/21/2001	19	1	25.50	35.83	481

No Original Adjustments

Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE
-952.82	1/21/2001	19	1	26.37	36.13	481

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE	REF_ID
-39.18	1/21/2001	19	1	26.37	1.48578	481	N2

So, $(\$-952.82 - \$-913.64) / 26.37 \text{ MW} = \1.48578

$\$-39.18 / 26.37 \text{ MW} = \1.48578

Example 3b. Application of MMCP

Both Billable Quantity (MW) and Price \$/MW change

Original Settlement

ORIGINAL - D Record						
STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE
-913.64	1/21/2001	19	1	25.50	35.83	481

No Original Adjustments

FERC Refund Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE
NO EXCESS COST GENERATED for the FERC REFUND RERUN DUE TO PRICE MITIGATION						

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE	REF_ID
39.18	1/21/2001	19	1	-26.37	1.48578	481	N2
913.64	1/21/2001	19	1	-25.5	35.83	481	N2

So, both the Original CT 481 adjustments reflect reversal of the original CT 481 settlement above MCP + reversal of the Preparatory rerun Settlement for CT 481.



Conference Call Overview

- Discuss how to determine the billable quantity (MW) that is the final resulting value from the Preparatory rerun manual adjustment records
- Summary of Preparatory Rerun Changes
 - Examples (pre and post application of MMCP)
 - New BQ, no change to price
 - No change to BQ, New price
 - New BQ and New Price
- **Manual Adjustment Issues**
 - **Sign Convention**



Manual adjustment example

Original Settlement

ORIGINAL - D Record						
STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_
(1,166.68)	12/6/2000	1	1	4.17	280.00096	401

Original - Adjustments

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_
(3,500.00)	12/6/2000	1	1	-12.5	280	401

Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_
(1,166.68)	12/6/2000	1	1	4.17	280.00096	401

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE_
3,500.00	12/6/2000	1	1	-12.5	280	401
(3,500.00)	12/6/2000	1	1	-12.5	-280	401

In this case there was no change between original and the rerun, hence no delta was created. However, there was an original manual adjustment that was reversed in error as part of the rerun. The sign convention on the BQ for both the reversal and the correction are the same.

Manual adjustment example

Application of MMCP

Assumption: MMCP = \$200

Original Settlement

ORIGINAL - D Record						
STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE
(1,166.68)	12/6/2000	1	1	4.17	280.00096	401

Original - Adjustments

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE
(3,500.00)	12/6/2000	1	1	-12.5	280	401

FERC Refund Rerun CD

STLMT_AMOUNT	TRADE_INT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE	ZONE_ID
(834.00)	12/6/2000	1	1	4.17	200	401	NW1

SC Workspace

ADJ_AMOUNT	EFFECT_DT	TRADE_HR	SUBHOUR	BILL_QTY	PRICE	CHRG_TYPE	REF_ID
3,500.00	12/6/2000	1	1	-12.5	280	401	R61
(2,500.00)	12/6/2000	1	1	12.5	200	401	N61
333.60	12/6/2000	1	1	4.17	-80	401	N2



Any Questions?

