

## **11.6 Settlements Cycle.**

### **11.6.1 Timing of the Settlements Process.**

**11.6.1.1** The ISO shall provide to each Scheduling Coordinator for validation a Preliminary Settlement Statement of charges payable to or owed by the Scheduling Coordinator within thirty-eight (38) Business Days of the relevant Trading Day, covering all Settlement Periods in that Trading Day.

**11.6.1.2** Each Scheduling Coordinator shall have a period of eight (8) Business Days from the issuance of a Preliminary Settlement Statement during which it may review the Preliminary Settlement Statement and notify the ISO of any errors. No later than fifty-one (51) Business Days after the Trading Day to which it relates, the ISO shall issue a Final Settlement Statement to each Scheduling Coordinator for that Trading Day.

**11.6.1.3** Each Scheduling Coordinator shall have a period of ten (10) Business Days from the issuance of the Final Settlement Statement during which it may review the Incremental Changes on the Final Settlement Statement and notify the ISO of any errors. No later than twenty-five (25) Business Days from the date of issuance of the Final Settlement Statement, the ISO shall incorporate any required corrections in a subsequent Preliminary Settlement Statement.

### **11.6.2 Basis for Billing and Payment.**

The Preliminary and the Final Settlement Statements shall constitute the basis for billing and associated automatic funds transfers in accordance with this ISO Tariff. The Preliminary Settlement Statement shall constitute the basis for billing and associated automatic funds transfers for all charges in the first instance. The Final Settlement Statement shall constitute the basis for billing and associated automatic funds transfers for adjustments to charges set forth in the Preliminary Settlement Statement. Each Scheduling Coordinator shall pay any net debit and shall be entitled to receive any net credit shown in an invoice on the Payment Date, whether or not there is any dispute regarding the amount of the debit or credit.

### **11.6.3 Settlement Statement re-runs.**

The ISO is authorized to perform Settlement Statement re-runs following approval of the ISO Governing Board. A request to perform a Settlement Statement re-run may be made at any time by a Scheduling Coordinator by notice in writing to the ISO Governing Board. The ISO Governing Board shall, in considering whether to approve a request for a Settlement Statement re-run, determine in its reasonable discretion, whether there is good cause to justify the performance of a Settlement Statement re-run.

**11.6.3.1** If a Settlement Statement re-run is ordered by the ISO Governing Board, the ISO shall arrange to have the Settlement Statement re-run carried out as soon as is reasonably practicable following the ISO Governing Board's order, subject to the availability of staff and computer time, compatible software, appropriate data and other resources.

**11.6.3.2** The cost of a Settlement Statement re-run shall be borne by the Scheduling Coordinator requesting it, unless the Settlement Statement re-run was needed due to a clerical oversight or error on the part of the ISO staff.

**11.6.3.3** Where a Settlement Statement re-run indicates that the accounts of Scheduling Coordinators should be debited or credited to reflect alterations to Settlements previously made under this ISO Tariff, for those Scheduling Coordinators affected by the statement re-run, the ISO shall reflect the amounts to be debited or credited in the next Preliminary Settlement Statements that it issues following the Settlement Statement re-run to which the provisions of this Section 11 apply. The net balance of all adjustments shall go into a balancing account, on a debit or credit, to the Grid Management Charge.

### **11.6.4 Temporary Modification to the ISO Payments Calendar**

Notwithstanding any other provision of the ISO Tariff, including the Settlement and Billing Protocol, the ISO shall, effective with the July 2001 trade month, issue a single invoice each month, based on the Final Settlement Statement. Effective with the May 2001 trade month, the ISO shall make disbursements to ISO Creditors within five (5) Business Days after the Payment Date specified in the invoice based on the Final Settlement Statement for the applicable month. This temporary modification to the ISO Payments Calendar shall remain in effect until: (i) the ISO

issues a Market Notice, to be posted on the ISO Home Page and filed with the FERC, of its intent to discontinue this modification or (ii) the FERC accepts and makes effective permanent revisions to the applicable provisions of the ISO Tariff.