

**Dispute Submittal Guide: ISO Administrative Charges**

ISO Administrative Charges
Charge Types 522, 570, 571, 572, 573, 574, 575

Description

This section of the Dispute Submittal Guide describes the information pertinent to ISO Administration Charges, also known as Grid Management Charges (GMC). ISO Administrative Charges are billed on a monthly basis. The rate (or price) for each ISO Administrative Charge is determined annually through the ISO budget process, and is agreed upon by FERC. These rates are posted to the ISO Website (see the Links to Additional Dispute Resources section on the Dispute Information Resource webpage).

There are seven different charges that the ISO uses to collect the cost of operating the ISO based on cost causation principles. These charges are broken down into the following services and charge types:

- CT 522 – Congestion Management
- CT 570 – Core Reliability Services
- CT 571 – Energy Transmission Services – Net Energy Charge
- CT 572 – Energy Transmission Services – Uninstructed Deviations Charge
- CT 573 – Forward Scheduling
- CT 574 – Market Usage
- CT 575 – Settlements, Metering, and Client Relations

CT 522 – Congestion Management

CT 522 is the ISO Administrative Charge used to recover costs of operating the Congestion Management process, Firm Transmission Right (FTR) auction, FTR monitoring and FTR secondary market monitoring and scheduling. CT 522 is assessed on the absolute value of the final Hour Ahead net scheduled inter-zonal flows (excluding ETCs) for each path for each SC.

CT 570 – Core Reliability Services

CT 570 is the ISO Administrative Charge for Core Reliability Services, which are the basic services needed to manage the Control Area reliably and safely. GMC Core Reliability Settlement is calculated and settled monthly for each Scheduling Coordinator based on each SC's maximum non-coincident peak (NCP) hourly demand during the month.

CT 571 and 572 – Energy Transmission Services

CT 571 and 572 are the ISO Administrative Charges used to recover costs from SCs for Energy and Transmission Services, or for use of the ISO Grid. Charge type 571 is

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allocated to monthly ISO Controlled Grid Load and Exports, which represents each SC's total flows on the ISO Grid. Charge type 572 is allocated to the absolute value of net uninstructed deviations by Settlement interval, which represents each SC's inadvertent flows on the transmission grid.

CT 573 – Forward Scheduling

CT 573 is the ISO Administrative Charge for Forward Scheduling, which recovers costs associated with accepting, processing, and validating Day-Ahead and Hour-Ahead schedules. A schedule in this context is any Import, Export, Load, Generation, Inter-SC trade, or Ancillary Service Schedule/Bid submitted to the ISO. The charge is assessed to the Count of each Scheduling Coordinator's final Hour Ahead Schedules, including all awarded Ancillary Service bids, with a value greater than .03 MW or less than (.03 MW). Changes from Day-Ahead schedules that roll over to the Hour Ahead will not be assessed an additional charge.

CT 574 – Market Usage

CT 574 is the ISO Administrative Charge by which ISO recovers costs associated with processing Supplemental Energy and Ancillary Services bids, determining the Real-Time Market clearing price, maintaining and controlling the OASIS site, monitoring market performance, and ensuring Generator compliance with market protocols. The costs of Market Usage is recovered from those SCs that use the Real-Time market based on purchases and sales of Ancillary Services Instructed Imbalance Energy, and to the absolute value of net Uninstructed Imbalance Energy by SC portfolio

CT 575 – Settlements, Metering, and Client Relations

CT 575 is ISO Administrative Charge used to recover costs associated with Settlements, Metering and Client Relations functions within the ISO. This is a fixed \$500 per month charge on any business associate that accrues any settlement charges/credits during a trade month, and excludes all Interest related settlement activity.

1. Minimum Supplemental Information Required for Dispute Submittal

In order to support its claim when submitting a dispute, the SC must identify what specific component(s) of the calculation it disagrees with, and provide an explanation of why the SC believes the ISO data is incorrect or the SC's suggested correction is correct. The SC needs to be very specific, and describe exactly why the dispute is being submitted within the Detailed Description field of the SDS ticket.

Discussion of Potential UDP Disputes:

**Dispute Submittal Guide: ISO Administrative Charges****Billable Quantity Disputes:**

Typically, Billable Quantity disputes pertaining to CT 570, 571, 572, and 574 should be submitted under the charge type where the Billable Quantity components were derived, rather than in the GMC charge types. For example, the components of the Market Usage Charge (CT 574) are derived in IIE, A/S, and UIE Charge Types.

If a SC disagrees with its CT 573 billable quantity, it will need to specify which specific Final HA Schedule count it disagrees with (Import, Export, Load, Generation, Inter-SC trade, or Ancillary Service). The SC should provide count details in support of its claim as an attachment to the dispute.

Price Disputes:

If the price charged for any one of the ISO Administrative Charges/GMC does not match the rate agreed upon by FERC, the participant must indicate the price it believes is accurate, and indicate where that price is located (what FERC Order or Filing, etc.).

2. Calculation Components

For CT 522 the components of the calculation are as follows:

Price Component:

- Congestion Mgmt Rate

BQ Components:

- Net Final H/A Inter-zonal NFU flows

For CT 570 the components of the calculation are as follows:

Price Component:

- Core Reliability Services Rate

BQ Components:

- SC Hourly Metered Load
- SC Hourly Real-Time Exports

For CT 571 the components of the calculation are as follows:

Price Component:

- Energy Transmission Services (E&T) - Net Energy Rate

BQ Components:

- SC Metered Load



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For CT 572 the components of the calculation are as follows:

Price Component:

- Energy Transmission Services (E&T) – Uninstructed Deviations Rate

BQ Components:

- SC Uninstructed Energy (UE)

For CT 573 the components of the calculation are as follows:

Price Component:

- Forward Scheduling Services Rate

BQ Components:

- SC Final H/A Schedules (Including A/S)

For CT 574 the components of the calculation are as follows:

Price Component:

- Market Usage Rate

BQ Components:

- SC Ancillary Service (A/S) Purchases
- SC Ancillary Service (A/S) Sales
- SC Total Instructed Imbalance Energy (IIE)
- SC Uninstructed Energy (UE)

For CT 575 the components of the calculation are as follows:

Price Component:

- Settlements, Metering and Client Relations Rate

Billable Quantity Component:

- SC Settlement Charges/Payments

3. Explanation of Charge Type Calculations

The below equations are simplified to aid the reader in understanding the various concepts, and are not intended to capture every potential scenario or nuance of each Charge Type algorithm. For the actual detailed calculations, refer to the ISO Settlement Charge Matrix and/or the Settlements Guide documents posted on the ISO Website.

**Dispute Submittal Guide: ISO Administrative Charges****CT 522:**

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \text{Congestion Mgmt Rate} * \sum |\text{Net Final H/A Inter-zonal NFU flows}| \end{aligned}$$

Where; Net Final H/A Inter-zonal NFU flows are summed for the trade month

CT 570:

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \text{Core Reliability Services Rate} * \text{SC Non-coincidental Peak Hourly Demand} \end{aligned}$$

Where;

SC Non-coincidental Peak Hourly Demand = Max (SC Hourly Metered Load + SC Hourly Real-time Export)

CT 571:

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \text{Energy Transmission Net Energy Rate} * \sum \text{SC Metered Load} \end{aligned}$$

Where; SC Metered Load is summed for the trade month

CT 572:

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \text{E\&T Uninstructed Deviation Rate} * |\sum \text{SC UE}| \end{aligned}$$

Where; SC UE is netted for each ten minute interval by SC Portfolio and summed for the trade month

CT 573:

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \text{Forward Scheduling Services Rate} * \text{Count (SC Final H/A Schedules)} \end{aligned}$$

CT 574:

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \text{Market Usage Rate} * \sum |\text{SC A/S Purchases}| + \sum |\text{SC A/S Sales}| + \sum |\text{SC Total IIE}| + \sum |\text{SC UE}| \end{aligned}$$

CT 575:

$$\begin{aligned} \text{Total Charge} &= \text{Price} * \text{Billable Quantity} \\ &= \$500.00 * 1 \end{aligned}$$

Where; The charge type is only calculated if SC Settlement Charges/Payments \neq 0



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4. Validation Sources

Charge Type 522, 571, 572, 573, 573, 575 Validation Sources

Component	How/Where to Verify
All BQ Components	GMC Wheeling and Market Uplifts Detail File - Daily GMC charge details for all Charge Types
IIE, UE, SC Metered Load, SC RT Exports	Imbalance Energy/No Pay Settlement Detail File -Imbalance and Uninstructed Imbalance Energy Detail Records
A/S Purchases and Sales	Settlement Statement File – Settlement Detail Records