

ISO Rules

Part 500 Transmission

Division 505 Legal Owners of Generating Facilities

Section 505.2 Performance Assessment for Refund of Generating Unit Owner's Contribution



Applicability

1 Section 505.2 applies to:

- (a) the **ISO**.

Requirements

Performance Assessment

2(1) The **ISO** must assess the performance of a **generating unit** or **aggregated generating facility** as follows:

- (a) subject to subsection 2(b), if the **revenue meter** of the **generating unit** or **aggregated generating facility** recorded zero metered energy in all **settlement intervals** during the previous calendar year, the performance factor is 0%;
- (b) for a site with 1 or more onsite **generating units** or **aggregated generating facilities** that supply electric energy for 1 or more onsite load assets and offers excess generation to the energy market on a net basis, if the **revenue meter** recorded zero metered energy in all **settlement intervals** because load growth at the site resulted in no export to the **interconnected electric system**, the performance factor is 100%; and
- (c) in all other cases, the performance factor is 100%.

(2) The **ISO** must assess a performance adjustment factor for a **generating unit** or **aggregated generating facility** in accordance with the following formula if, based on the **ISO**'s most recent information at the time of the performance assessment, energized MC is not equivalent to critical MC:

$$\text{performance adjustment factor} = \frac{\text{ABS}(\text{critical MC} - \text{energized MC})}{\text{critical MC}}$$

where:

- (a) ABS is absolute value;
 - (b) critical MC is, subject to subsection 2(3), the **maximum capability** of the **generating unit** or **aggregated generating facility** used to calculate the contribution of the **legal owner** of a **generating unit**; and
 - (c) energized MC is, subject to subsection 2(3), the **maximum capability** of the **generating unit** or **aggregated generating facility** that the **legal owner** submits to the **ISO** in accordance with the applicable **pool asset** registration process.
- (3)** The **ISO** must, if the **legal owner** of the **generating unit** or **aggregated generating facility** updates the critical MC or energized MC of the **generating unit** or **aggregated generating facility** with the **ISO** on or before October 30 of the year before the refund calculation, adjust critical MC or energized MC in the application of the formula in subsection 2(2) based on the information the **legal owner** provides.

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3 The **ISO** must calculate a refund for each calendar year during the refund period as follows:

$$\text{refund} = (\text{annual amount} \times \text{performance factor}) \times (1 - \text{adjustment factor})$$

where:

- (a) annual amount is as specified in the **ISO tariff**;
- (b) performance factor is the performance factor assessed in accordance with subsection 2(1) for the calendar year; and
- (c) adjustment factor is the performance adjustment factor calculated in accordance with 2(2).

Preliminary Refund Assessment

4 The **ISO** must provide a preliminary refund assessment, along with relevant input data, to the **legal owner** of a **generating unit** or an **aggregated generating facility** by January 31 of the year following the calendar year to which the refund relates.

Revision History

Date	Description
2021-XX-XX	Revisions to introduce new performance assessment methodology in response to changes to ISO tariff.
2020-01-01	Revisions to clarify "generating facility" as "generating unit or aggregated generating facility"; and applicability to a solar aggregated generating facility.
2016-01-29	Initial release.