

ISO Rules

Part 500 Transmission

Division 505 Legal Owners of Generating Facilities

Section 505.2 Performance Criteria 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 use the performance criteria in this Section 505.2, in accordance with section 29(5) of the *Transmission Regulation*, to assess the satisfactory performance of a **generating unit** or an **aggregated generating facility**, for which a **market participant**:

- (a) has paid to the **ISO** a **legal owner's** contribution for the **generating unit** or **aggregated generating facility** in accordance with subsection 4 of section 10 of the **ISO tariff**; and
- (b) may receive a refund of that contribution in accordance with subsection 5 of section 10 of the **ISO tariff**.

(2) The **ISO** must calculate the performance assessment for the 2015 calendar year and each subsequent calendar year as:

- (a) the availability assessment calculated in accordance with subsection 3, 4 or 5 below, as applicable,

multiplied by

- (b) the overcontract assessment calculated in accordance with subsection 6 below.

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

$$\text{refund} = \text{annual amount} \times \text{performance assessment},$$

where the annual amount is as specified in subsection 5(3) of section 10 of the **ISO tariff**, and the performance assessment is calculated in accordance with subsection 2(2) of this Section 505.2.

Availability Assessment for Generation Other Than Hydro, Wind, or Solar, Less Than 5 MW and Behind-the-Fence

3(1) The **ISO** must calculate the availability assessment in accordance with this subsection 3 for a **generating unit** or an **aggregated generating facility** that:

- (a) is not a hydro **generating unit**, or a wind or solar **aggregated generating facility**;
- (b) has a **maximum capability** of 5 MW or greater; and
- (c) is not a **generating unit** or an **aggregated generating facility** that is behind-the-fence and primarily intended to fully or partially serve onsite industrial load.

(2) The **ISO** must calculate the availability assessment individually for each **generating unit** or **aggregated generating facility** to which this subsection 3 applies.

(3) The **ISO** must calculate the average hourly availability for each **generating unit** or **aggregated generating facility**, where:

- (a) hourly availability (time weighted) = $\frac{\text{available capability}}{\text{maximum capability}}$; and

ISO Rules

Part 500 Transmission

Division 505 Legal Owners of Generating Facilities

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



(b) average hourly availability = $\frac{\sum \text{hourly availability for all hours of the year}}{\text{number of hours in the year}}$

(4) The **ISO** must calculate the availability assessment for each **generating unit** or **aggregated generating facility**, based on the average hourly availability as follows:

Average Hourly Availability	Availability Assessment
Less than 0.60	0%
0.60 to 0.80	$\frac{\text{average hourly availability} - 0.60}{0.20} \times 100\%$
Greater than 0.80	100%

Availability Assessment for Generation Using Hydro, Wind, or Solar Less Than 5 MW

4(1) The **ISO** must calculate the availability assessment in accordance with this subsection 4 for a **generating unit** or an **aggregated generating facility** that:

- (a) is a hydro **generating unit**;
- (b) is a wind or solar **aggregated generating facility**; or
- (c) has a **maximum capability** of less than 5 MW.

(2) The **ISO** must:

- (a) calculate the availability assessment in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement; and
- (b) apply the aggregate availability assessment to each **generating unit** or **aggregated generating facility** to which this subsection 4 applies.

(3) The **ISO** must calculate the average hourly availability in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement, over all hours in the period during which performance is being assessed, where:

- (a) for an hour during a month in which Rate STS **contract capacity** is greater than zero:

$$\text{hourly availability (time weighted)} = \frac{\text{metered energy} + \text{dispatch volume of operating reserves}}{\text{Rate STS contract capacity}};$$

- (b) for an hour during a month in which Rate STS **contract capacity** is zero:

$$\text{hourly availability} = 1.00 ; \text{ and}$$

- (c) average hourly availability = $\frac{\sum \text{hourly availability for all hours of the year}}{\text{number of hours in the year}}$

ISO Rules

Part 500 Transmission

Division 505 Legal Owners of Generating Facilities

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



(4) The **ISO** must calculate the availability assessment in aggregate for all **generating units** and **aggregated generating facilities**, excluding solar **aggregated generating facilities**, that are served under a single Rate STS **system access service** agreement, based on the average hourly availability as follows:

Average Hourly Availability	Availability Assessment
Less than 0.15	0%
0.15 to 0.25	$\frac{\text{average hourly availability} - 0.15}{0.10} \times 100\%$
Greater than 0.25	100%

(5) The **ISO** must calculate the availability assessment in aggregate for all solar **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement, based on the average hourly availability as follows:

Average Hourly Availability	Availability Assessment
Less than 0.08	0%
0.08 to 0.12	$\frac{\text{average hourly availability} - 0.08}{0.04} \times 100\%$
Greater than 0.12	100%

Availability Assessment for Behind-the-Fence Generation

5(1) The **ISO** must calculate the availability assessment in accordance with this subsection 5 for a **generating unit** or **aggregated generating facility** that is behind-the-fence and primarily intended to fully or partially serve onsite industrial load.

(2) The **ISO** must:

- (a) calculate the availability assessment in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement; and
- (b) apply the aggregate availability assessment to each **generating unit** or **aggregated generating facility** to which this subsection 5 applies.

(3) The **ISO** must calculate the average hourly availability in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement, over all hours in the period during which performance is being assessed, where:

- (a) if the **generating unit** or **aggregated generating facility** submits **offers** on a net basis:
 - (i) for an hour during a month in which Rate STS **contract capacity** is greater than zero:

$$\text{hourly availability (time weighted)} = \frac{\text{total available capacity}}{\text{Rate STS contract capacity}}; \text{ and}$$
 - (ii) for an hour during a month in which Rate STS **contract capacity** is zero:

$$\text{hourly availability} = 1.00 ;$$
- (b) if the **generating unit** or **aggregated generating facility** submits **offers** on a gross basis:

ISO Rules

Part 500 Transmission

Division 505 Legal Owners of Generating Facilities

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



hourly availability (time weighted) = $\frac{\text{available capability}}{\text{maximum capability}}$; and

(c) average hourly availability = $\frac{\sum \text{hourly availability for all hours of the year}}{\text{number of hours in the year}}$

(4) The ISO must calculate the availability assessment in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement, based on the average hourly availability as follows:

Average Hourly Availability	Availability Assessment
Less than 0.60	0%
0.60 to 0.80	$\frac{\text{average hourly availability} - 0.60}{0.20} \times 100\%$
Greater than 0.80	100%

Overcontract Assessment

6(1) The ISO must, for a **generating unit** or an **aggregated generating facility** to which this section 505.2 applies:

- (a) calculate the overcontract assessment in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement; and
- (b) apply the aggregate overcontract assessment to each **generating unit** or **aggregated generating facility** that is served under that Rate STS **system access service** agreement.

(2) The ISO must calculate the overcontract factor in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement, based on the **metered energy** supplied above Rate STS **contract capacity**, over all hours in the period during which performance is being assessed, as follows:

$$\text{overcontract factor} = \frac{\sum (\text{metered energy} - \text{Rate STS contract capacity})}{\sum \text{Rate STS contract capacity}} \times 100\%$$

hours when metered energy > Rate STS contract capacity
all hours

(3) The ISO must, in any month in which Rate STS **contract capacity** is less than 5 MW, deem Rate STS **contract capacity** to be 5 MW during that month for the calculation of the overcontract factor in subsection 6(2) above.

(4) The ISO must exclude from the calculation of the overcontract factor in subsection 6(2) above any hours in which the ISO issues a **directive** to the **legal owner** of a **generating unit** or **aggregated generating facility** to temporarily exceed the Rate STS **contract capacity** during an **emergency**.

(5) The ISO must calculate the overcontract assessment in aggregate for all **generating units** and **aggregated generating facilities** that are served under a single Rate STS **system access service** agreement, based on the overcontract factor calculated in subsection 6(2) above as follows:

ISO Rules

Part 500 Transmission

Division 505 Legal Owners of Generating Facilities

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



Overcontract Factor	Overcontract Assessment
Less than 0.01	100%
0.01 to 0.05	$\frac{0.05 - \text{overcontract factor}}{0.04} \times 100\%$
Greater than 0.05	0%

Adjustments

7 The **ISO** may make adjustments to either one or both of the hourly availability and the overcontract factor where either one or both of the hourly availability or the overcontract factor are affected by events outside the control of the **owner** of a **generating unit** or **aggregated generating facility**, including but not limited to a transmission or distribution facility outage, congestion, a **directive** issued by the **ISO** or a circumstance arising under the **ISO tariff** or an **ISO rule**.

Communication

8 The **ISO** must provide a preliminary performance assessment, along with all related 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
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.