

# 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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#### Refund of Generating Unit Owner's Contribution

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

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

where:

- (a) annual amount is as specified in the **ISO tariff**;
- (b) ~~availability performance factor~~ is the ~~availability performance~~ factor assessed ~~for the calendar year~~ in accordance with subsection ~~32(1); for the calendar year~~; and
- (c) ~~penalty adjustment~~ factor is the ~~penalty performance adjustment~~ factor calculated ~~for the calendar year~~ in accordance with ~~subsection 3(2)~~.

#### ~~Performance Assessment~~

~~3(1)~~ The **ISO** must assess the availability of a **generating unit or aggregated generating facility** as follows:

- (a) if the ~~revenue meter~~ of the ~~generating unit or aggregated generating facility~~ recorded metered energy in a ~~settlement interval~~ during the previous calendar year, availability factor is 100%;
- (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, availability factor is 0%.

(2) If the ~~maximum capability~~ of the ~~generating unit or aggregated generating facility~~ on the first day of each calendar year during the refund period is less than its critical ~~maximum capability~~, the **ISO** must assess a penalty factor as follows:

$$\text{penalty factor} = \frac{\text{ABS}(\text{critical maximum capability} - \text{energized maximum capability})}{\text{critical maximum capability}}$$

~~where:~~

- (a) ~~critical maximum capability~~ is
  - (i) ~~the maximum capability~~ of the ~~generating unit or aggregated generating facility~~ at the time the Rate STS system access service agreement is effective; or
- (d)(c) ~~energized maximum capability~~ as defined in subsection 3(2)(b), if there is no change in Rate STS at the point of supply;].

and

- (b) ~~energized maximum capability~~ is the ~~maximum capability~~ of the ~~generating unit or aggregated generating facility~~ following energization and ~~commissioning~~.

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#### 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.