

# Central Hudson Hourly Pricing Provision

July 12 – 13, 2011



## Why Are We Here?

- Commodity pricing for S.C. No. 2 full service customers (those customers purchasing their electricity requirements from Central Hudson) will now be based on the hourly Day Ahead Market Price for Zone G (Hudson Valley) as established by the NYISO



# When Will The New Pricing be Effective?

- Effective October 1, 2011 for all customers exceeding 500kW in any 2 of previous 12 months
- Effective October 1, 2012 for all customers exceeding 300kW in any 2 of previous 12 months

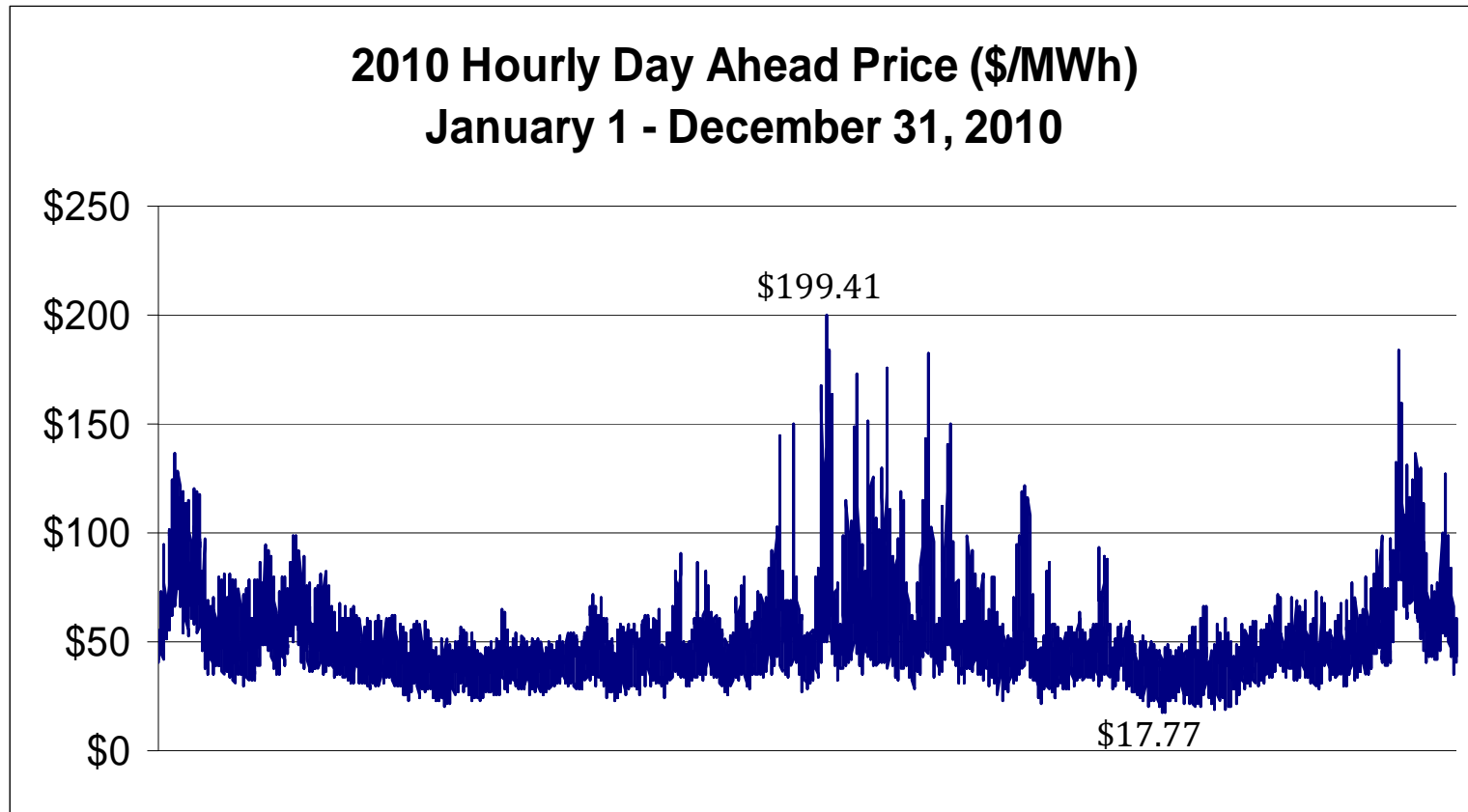


# What are the Components of HPP Supply Pricing?

- NYISO Day Ahead Market Price – Zone G
- HPP Charge
- HPP UCAP



# NYISO Day Ahead Market Price – Zone G



## NYISO Day Ahead Market Price – Zone G

- Price available on a day-ahead basis
  - Hourly pricing data from the NYISO is updated daily, at 11am, for the next day
- NYISO price available through your login to Energy Manager
- Price also available at [www.nyiso.com](http://www.nyiso.com)
  - Markets & Operations – Market & Operational Data



# HPP Charge

- A per kWh charge which includes:
  - **Energy balancing** (purchases and sales in the real time market)
  - **Ancillary services** (services necessary to support the power system)
  - Allowances for working capital and bad debt, as authorized by the PSC



# HPP UCAP

- Includes charges for **capacity** (energy required to serve peak load)
- Calculated as NYISO Spot Auction price \* UCAP Ratio set monthly by the NYISO \* customer's demand (kW) during previous NYCA peak



# HPP UCAP

- NYISO Spot Auction Price
  - The price generators are paid for capacity each month
- UCAP Ratio set monthly by the NYISO
  - % of capacity available in NY in excess of what is needed, as determined by the NYISO

[https://icap.nyiso.com/ucap/public/auc\\_view\\_spot\\_detail.do](https://icap.nyiso.com/ucap/public/auc_view_spot_detail.do)



## HPP UCAP – NYCA Peak kW

- 2010 Summer NYCA peak at July 6, 2010 5pm
- 2010 NYCA peak kW utilized May 2011–April 2012
- Beginning May 2012 HPP UCAP will be based on 2011 summer NYCA peak
- Need to know your NYCA peak kW?

Contact [EnergyManager@cenhud.com](mailto:EnergyManager@cenhud.com)

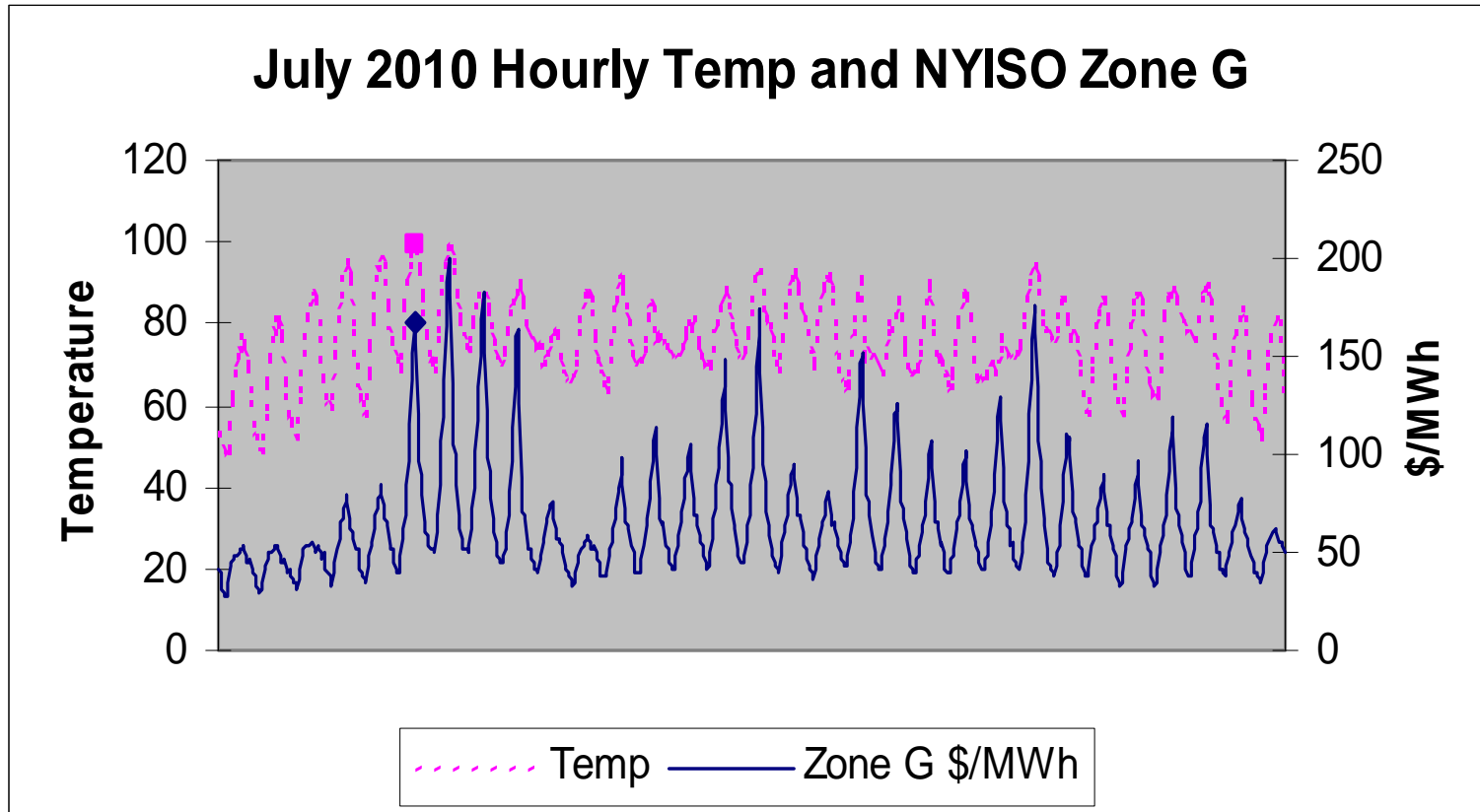


# Can I tell when the NYCA peak will be?

- No, but there are certain indicators that could signal the system may be reaching a peak:
  - Extreme Heat
  - Evening hours
  - Day Ahead Price



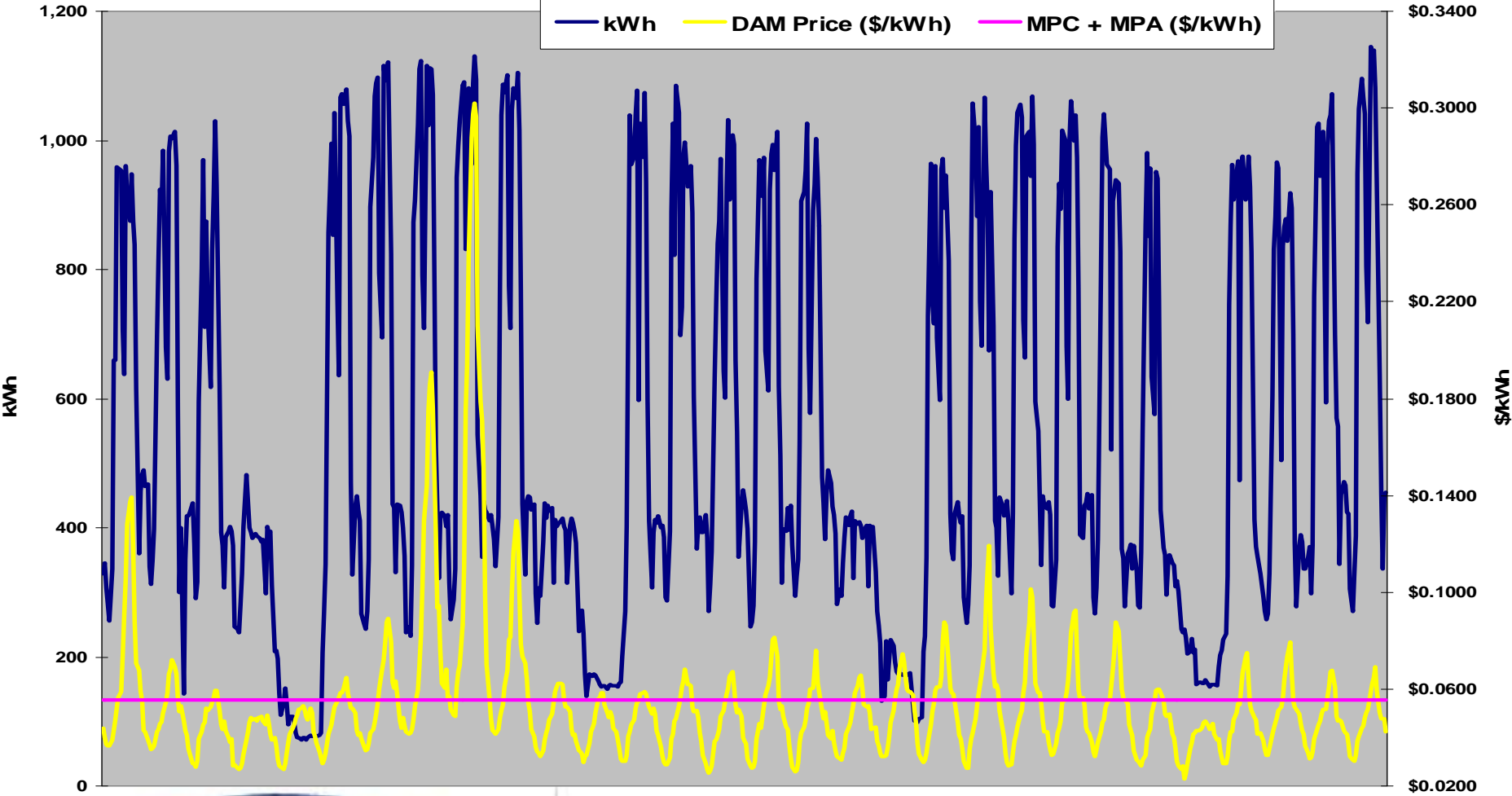
# Can I tell when the NYCA peak will be?



**How will this change what I pay?**



# Manufacturer Data - June 2011



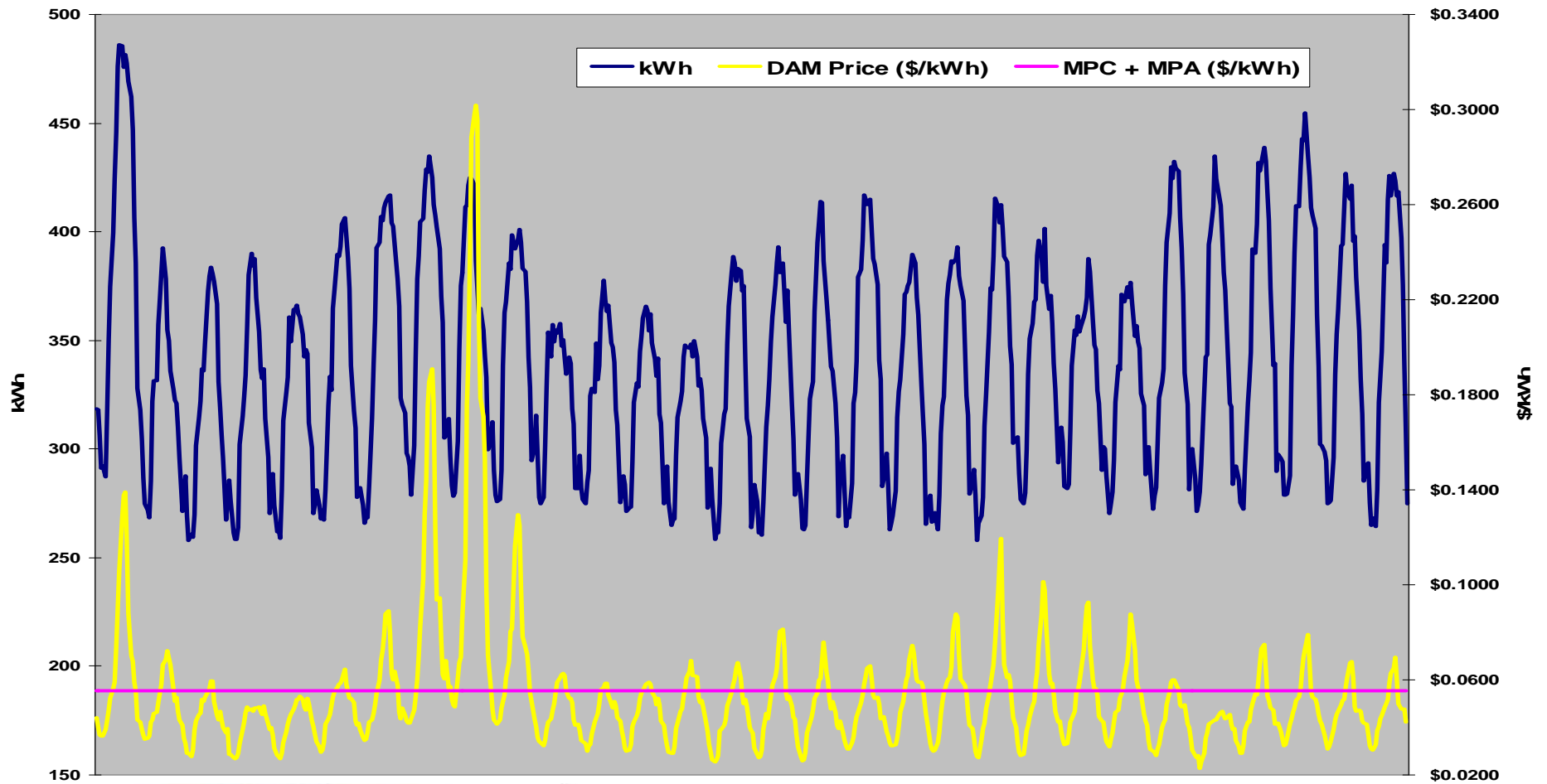
# Manufacturer Sample Bills - June 2011

Sample Bill Under Hourly Pricing Program					Sample Bill Under Market Price Charge				
For Period June 1, 2011 to June 30, 2011					For Period June 1, 2011 to June 30, 2011				
<b>Basic Service Charge</b>	1.0 Month			\$ 93.00	<b>Basic Service Charge</b>	1.0 Month			\$ 63.00
<b>Demand Delivery Charges</b>					<b>Demand Delivery Charges</b>				
Delivery Service	1,176.8 KW	@ 8.00000		9,414.40	Delivery Service	1,176.8 KW	@ 8.00000		9,414.40
Excess RKVA	321.7 RKVA	@ 0.83000		267.01	Excess RKVA	321.7 RKVA	@ 0.83000		267.01
<b>Energy Delivery Charges</b>					<b>Energy Delivery Charges</b>				
Delivery Service	398,476 KWH	@ 0.00535		2,131.85	Delivery Service	398,476 KWH	@ 0.00535		2,131.85
MFC Admin Chg	398,476 KWH	@ 0.00012		47.82	MFC Admin Chg	398,476 KWH	@ 0.00012		47.82
Transition Adj	398,476 KWH	@ 0.00005		19.92	Transition Adj	398,476 KWH	@ 0.00005		19.92
Bill Credit	398,476 KWH	@ -0.00131		(522.00)	Bill Credit	398,476 KWH	@ -0.00131		(522.00)
Sys. Benefits Chg	398,476 KWH	@ 0.00494		1,968.47	Sys. Benefits Chg	398,476 KWH	@ 0.00494		1,968.47
Purch. Power Adj	398,476 KWH	@ -0.00039		(155.41)	Purch. Power Adj	398,476 KWH	@ -0.00039		(155.41)
Misc. Charges	398,476 KWH	@ -0.00536		(2,135.83)	Misc. Charges	398,476 KWH	@ -0.00536		(2,135.83)
NYS Assessment	398,476 KWH	@ 0.00247		984.24	NYS Assessment	398,476 KWH	@ 0.00247		984.24
RDM Charge	398,476 KWH	@ -0.00029		(115.56)	RDM Charge	398,476 KWH	@ -0.00029		(115.56)
<b>Subtotal Delivery Charges</b>				11,997.91	<b>Subtotal Delivery Charges</b>				11,967.91
<b>Energy Supply Charges</b>					<b>Energy Supply Charges</b>				
MFC Supply Chg	398,476 KWH	@ 0.00021		83.68	MFC Supply Chg	398,476 KWH	@ 0.00021		83.68
NYISO DAM Hourly Pricing				24,511.60	Market Price	398,476 KWH	@ 0.05370		21,398.16
HPP Charge	398,476 KWH	@ 0.00335		1,334.89	Market Price Adj	398,476 KWH	@ 0.00164		653.50
HPP UCAP	1,177.5 KW	@ 0.74000		871.33					
<b>Subtotal Supply Charges</b>				26,801.50	<b>Subtotal Supply Charges</b>				22,135.34
<b>Total Current Charges</b>				\$ 38,799.41	<b>Total Current Charges</b>				\$ 34,103.25



NOTE: Bills reflect additional line items beginning October 1, 2011

# Grocer Data - June 2011



# Grocer Sample Bills - June 2011

Sample Bill Under Hourly Pricing Program					Sample Bill Under Market Price Charge				
For Period June 1, 2011 to June 30, 2011					For Period June 1, 2011 to June 30, 2011				
<b>Basic Service Charge</b>	1.0 Month			\$ 93.00	<b>Basic Service Charge</b>	1.0 Month			\$ 63.00
<b>Demand Delivery Charges</b>					<b>Demand Delivery Charges</b>				
Delivery Service	492.3 KW	@ 8.00000		3,938.48	Delivery Service	492.3 KW	@ 8.00000		3,938.48
Excess RKVA	39.6 RKVA	@ 0.83000		32.87	Excess RKVA	39.6 RKVA	@ 0.83000		32.87
<b>Energy Delivery Charges</b>					<b>Energy Delivery Charges</b>				
Delivery Service	244,050 KWH	@ 0.00535		1,305.67	Delivery Service	244,050 KWH	@ 0.00535		1,305.67
MFC Admin Chg	244,050 KWH	@ 0.00012		29.29	MFC Admin Chg	244,050 KWH	@ 0.00012		29.29
Transition Adj	244,050 KWH	@ 0.00005		12.20	Transition Adj	244,050 KWH	@ 0.00005		12.20
Bill Credit	244,050 KWH	@ -0.00131		(319.71)	Bill Credit	244,050 KWH	@ -0.00131		(319.71)
Sys. Benefits Chg	244,050 KWH	@ 0.00494		1,205.61	Sys. Benefits Chg	244,050 KWH	@ 0.00494		1,205.61
Purch. Power Adj	244,050 KWH	@ -0.00039		(95.18)	Purch. Power Adj	244,050 KWH	@ -0.00039		(95.18)
Misc. Charges	244,050 KWH	@ -0.00536		(1,308.11)	Misc. Charges	244,050 KWH	@ -0.00536		(1,308.11)
NYS Assessment	244,050 KWH	@ 0.00247		602.80	NYS Assessment	244,050 KWH	@ 0.00247		602.80
RDM Charge	244,050 KWH	@ -0.00029		(70.77)	RDM Charge	244,050 KWH	@ -0.00029		(70.77)
<b>Subtotal Delivery Charges</b>				5,426.15	<b>Subtotal Delivery Charges</b>				5,396.15
<b>Energy Supply Charges</b>					<b>Energy Supply Charges</b>				
MFC Supply Chg	244,050 KWH	@ 0.00021		51.25	MFC Supply Chg	244,050 KWH	@ 0.00021		51.25
NYISO DAM Hourly Pricing				13,830.80	Market Price	244,050 KWH	@ 0.05370		13,105.49
HPP Charge	244,050 KWH	@ 0.00335		817.57	Market Price Adj	244,050 KWH	@ 0.00164		400.24
HPP UCAP	565.2 KW	@ 0.74000		418.25					
<b>Subtotal Supply Charges</b>				15,117.87	<b>Subtotal Supply Charges</b>				13,556.98
<b>Total Current Charges</b>				\$20,544.02	<b>Total Current Charges</b>				\$18,953.13



NOTE: Bills reflect additional line items beginning October 1, 2011

## Excess Rkva (Reactive Demand)

- Charge imposed on customers with a Power Factor < 95% beginning October 1, 2011
- Utility must supply excess energy to serve inefficient motors
- Poor Power Factor can be improved by installing on-site equipment such as capacitors



# Excess Rkva (Reactive Demand)

1. Find your highest hourly kW for the month = \_\_\_\_\_ (A)
2. Find your highest hourly kVAR for the month = \_\_\_\_\_ (B)
3. Billed (excess) RkVA\* =  $B - (A/3)$   
*\*multiply this by \$0.83/RkVA to estimate billed charges*
4. Total RkVA =  $(A^2 + B^2)^{1/2} =$  \_\_\_\_\_ (C)
5. Power Factor =  $A / C$



# Questions?

