



Monthly RNL Cost Indices

2005-2010

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Market Analysis and Settlements
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Section 1

Average Regional Network Load (RNL) Costs vs. Average Total Wholesale Load Costs

ISO New England produces two reports presenting the movement in monthly charges to wholesale load in its jurisdiction. The first, the “Wholesale Load Cost Report,¹” details, on a Load Zone basis, the key charges to Market Participants serving wholesale load in the ISO’s Real-Time Energy and Capacity Markets. The details of the analysis are presented within that report.

Charges stemming from the ISO-administered Open Access Transmission Tariff are reported monthly in the “Regional Network Load Cost Report.²” This report details, on a Reliability Region and Network Load area basis, the charges to network load customers who utilize New England’s transmission system. Please note that the dollar totals shown in each report are developed for indicative, time-series purposes only, and do not represent actual billed amounts or actual charges to individual market participants.

RNL costs are the smaller portion of total load costs. Within this report, RNL costs are presented as a percentage of the total cost of serving load in New England during 2005-2010, both by year and by month, in addition to showing year-over-year growth in these costs during the provided time frame. It’s important to mention that data in the columns titled “Wholesale Load Costs” reflect **total** pool-wide costs developed on an hourly basis, and will therefore differ somewhat from the **average** values reported in the WLCR.

Monthly updates to this information may be found in the Monthly Regional Network Load Cost Report.

1.1 Annual RNL Costs as Percent of Total Load Costs, 2005-2010

Year	RNL Costs (\$)	Wholesale Load Costs (\$)	Total Load Costs (\$)	RNL as % of Total
2005	\$776,264,110	\$11,279,342,926	\$12,055,607,038	6.4%
2006	\$959,870,099	\$8,896,030,269	\$9,855,900,370	9.7%
2007	\$897,055,249	\$10,539,350,975	\$11,436,406,224	7.8%
2008	\$1,025,928,252	\$12,355,785,623	\$13,381,713,875	7.7%
2009	\$1,218,516,710	\$6,839,986,086	\$8,058,502,794	15.1%
2010	\$1,466,429,613	\$8,133,721,905	\$9,600,151,519	15.3%

¹ Abbreviated as “WLCR” and located at: http://www.iso-ne.com/markets/mkt_anlys_rpts/whlse_load/mnly_rpts/index.html

² Abbreviated as “RNLRCR” and located at: http://www.iso-ne.com/markets/mkt_anlys_rpts/regnl_ntwrk_cost/index.html

1.2 Annual Percent Change in Load Costs, 2006-2010

Year	RNL Costs %	Wholesale Load Costs %	Total Load Costs %
2006	23.7%	-21.1%	-18.2%
2007	-6.5% ³	18.5%	16.0%
2008	14.4%	17.2%	17.0%
2009	18.8%	-44.6%	-39.8%
2010	20.3%	18.9%	19.1%

1.3 Monthly RNL Costs as Percent of Total Load Costs, 2005-2010

Year	Month	RNL Costs (\$)	Wholesale Load Costs (\$)	Total Load Costs (\$)	RNL as % of Total
2005	Jan-05	\$57,804,270	\$855,439,944	\$913,244,214	6.30%
2005	Feb-05	\$55,690,704	\$588,544,259	\$644,234,963	8.60%
2005	Mar-05	\$64,151,373	\$770,148,669	\$834,300,042	7.70%
2005	Apr-05	\$62,495,418	\$634,498,338	\$696,993,756	9.00%
2005	May-05	\$66,572,572	\$598,226,174	\$664,798,746	10.00%
2005	Jun-05	\$81,496,261	\$855,178,997	\$936,675,259	8.70%
2005	Jul-05	\$77,515,382	\$1,068,913,354	\$1,146,428,736	6.80%
2005	Aug-05	\$70,801,464	\$1,356,640,773	\$1,427,442,237	5.00%
2005	Sep-05	\$70,325,388	\$1,226,288,949	\$1,296,614,338	5.40%
2005	Oct-05	\$45,346,453	\$1,245,519,407	\$1,290,865,860	3.50%
2005	Nov-05	\$56,665,296	\$824,641,609	\$881,306,905	6.40%
2005	Dec-05	\$67,399,529	\$1,255,302,453	\$1,322,701,982	5.10%
2006	Jan-06	\$85,826,281	\$840,315,945	\$926,142,227	9.30%
2006	Feb-06	\$80,886,727	\$706,765,460	\$787,652,187	10.30%
2006	Mar-06	\$81,577,883	\$713,973,553	\$795,551,435	10.30%
2006	Apr-06	\$72,691,814	\$627,401,510	\$700,093,325	10.40%
2006	May-06	\$67,677,796	\$655,901,366	\$723,579,162	9.40%
2006	Jun-06	\$94,949,519	\$748,359,940	\$843,309,459	11.30%
2006	Jul-06	\$94,042,669	\$909,319,953	\$1,003,362,623	9.40%
2006	Aug-06	\$104,139,791	\$1,073,304,867	\$1,177,444,658	8.80%
2006	Sep-06	\$78,269,824	\$531,743,923	\$610,013,747	12.80%
2006	Oct-06	\$64,311,060	\$642,103,894	\$706,414,954	9.10%
2006	Nov-06	\$69,391,415	\$720,408,667	\$789,800,082	8.80%

³ The notable decline in RNL costs in 2007 relative to 2006 was due to a sharp year-over-year decline in the cost of Reliability Agreements, representing the termination of several of those arrangements that were largely enabled by transmission upgrades to the New England system.

Year	Month	RNL Costs (\$)	Wholesale Load Costs (\$)	Total Load Costs (\$)	RNL as % of Total
2006	Dec-06	\$66,105,320	\$726,431,191	\$792,536,511	8.30%
2007	Jan-07	\$65,750,439	\$810,104,087	\$875,854,526	7.50%
2007	Feb-07	\$70,349,316	\$961,419,101	\$1,031,768,418	6.80%
2007	Mar-07	\$72,405,605	\$862,243,878	\$934,649,483	7.70%
2007	Apr-07	\$57,703,679	\$786,771,669	\$844,475,347	6.80%
2007	May-07	\$70,290,495	\$821,049,149	\$891,339,644	7.90%
2007	Jun-07	\$91,832,988	\$819,214,115	\$911,047,104	10.10%
2007	Jul-07	\$89,007,147	\$904,786,985	\$993,794,132	9.00%
2007	Aug-07	\$92,495,898	\$998,194,937	\$1,090,690,835	8.50%
2007	Sep-07	\$82,365,727	\$801,595,331	\$883,961,058	9.30%
2007	Oct-07	\$64,935,034	\$765,945,467	\$830,880,500	7.80%
2007	Nov-07	\$69,150,412	\$767,493,814	\$836,644,226	8.30%
2007	Dec-07	\$70,768,509	\$1,240,532,442	\$1,311,300,951	5.40%
2008	Jan-08	\$81,113,541	\$1,137,677,328	\$1,218,790,869	6.70%
2008	Feb-08	\$77,633,228	\$941,971,063	\$1,019,604,291	7.60%
2008	Mar-08	\$69,612,038	\$978,853,517	\$1,048,465,555	6.60%
2008	Apr-08	\$58,354,242	\$1,021,984,892	\$1,080,339,134	5.40%
2008	May-08	\$58,917,074	\$1,148,792,447	\$1,207,709,521	4.90%
2008	Jun-08	\$117,198,553	\$1,411,691,582	\$1,528,890,134	7.70%
2008	Jul-08	\$111,490,331	\$1,618,874,505	\$1,730,364,836	6.40%
2008	Aug-08	\$101,504,672	\$970,297,506	\$1,071,802,178	9.50%
2008	Sep-08	\$100,341,780	\$849,749,737	\$950,091,517	10.60%
2008	Oct-08	\$77,073,183	\$725,183,025	\$802,256,208	9.60%
2008	Nov-08	\$80,096,845	\$748,484,340	\$828,581,186	9.70%
2008	Dec-08	\$92,592,765	\$802,225,681	\$894,818,446	10.30%
2009	Jan-09	\$88,926,804	\$936,119,634	\$1,025,046,437	8.70%
2009	Feb-09	\$88,800,240	\$625,779,371	\$714,579,610	12.40%
2009	Mar-09	\$86,656,477	\$541,776,944	\$628,433,421	13.80%
2009	Apr-09	\$80,249,207	\$430,036,066	\$510,285,274	15.70%
2009	May-09	\$78,999,727	\$449,130,803	\$528,130,530	15.00%
2009	Jun-09	\$109,508,466	\$445,859,693	\$555,368,159	19.70%
2009	Jul-09	\$129,425,647	\$496,993,372	\$626,419,019	20.70%
2009	Aug-09	\$142,761,584	\$654,803,161	\$797,564,745	17.90%
2009	Sep-09	\$102,596,722	\$409,026,927	\$511,623,649	20.10%
2009	Oct-09	\$96,534,375	\$523,352,856	\$619,887,231	15.60%
2009	Nov-09	\$98,261,435	\$475,306,173	\$573,567,607	17.10%

Year	Month	RNL Costs (\$)	Wholesale Load Costs (\$)	Total Load Costs (\$)	RNL as % of Total
2009	Dec-09	\$115,796,026	\$851,801,086	\$967,597,112	12.00%
2010	Jan-10	\$112,935,142	\$866,528,603	\$979,463,745	11.50%
2010	Feb-10	\$108,090,277	\$667,471,804	\$775,562,081	13.90%
2010	Mar-10	\$102,541,503	\$525,700,266	\$628,241,770	16.30%
2010	Apr-10	\$91,450,502	\$449,506,652	\$540,957,154	16.90%
2010	May-10	\$121,581,363	\$636,508,973	\$758,090,336	16.00%
2010	Jun-10	\$140,308,294	\$699,316,541	\$839,624,835	16.70%
2010	Jul-10	\$156,796,182	\$1,001,916,138	\$1,158,712,320	13.50%
2010	Aug-10	\$147,843,868	\$842,458,562	\$990,302,430	14.90%
2010	Sep-10	\$149,741,661	\$640,738,535	\$790,480,196	18.90%
2010	Oct-10	\$107,560,684	\$418,724,140	\$526,284,824	20.40%
2010	Nov-10	\$106,610,749	\$537,521,876	\$644,132,625	16.60%
2010	Dec-10	\$120,969,388	\$847,329,815	\$968,299,203	12.50%

Section 2

Average RNL Costs by Major Cost Category

RNL Costs are broken down into the following three major cost categories, according to provisions in the OATT:

- **Infrastructure** cost category —recovers the costs associated with the use of pool transmission facilities (PTFs).
- **Reliability** cost category —recovers the costs associated with maintaining certain power system reliability services, such as voltage control, system restoration services, and Reliability Agreements.
- **Administrative** cost category —recovers the costs associated with the administration of power system reliability, such as ISO dispatch and control costs, participating transmission owner (PTO) local control center (LCC) costs, and other mandated cost-recovery items.

Further descriptions of these cost categories and their sub-components are provided within the Historical and Monthly Regional Network Load Cost reports located on the ISO Web site.

The following table shows monthly RNL and RNL costs by major category for each month of 2005-2010. The costs are expressed in \$/MW-Month of regional network load. Monthly updates to this information may be found in the Monthly Regional Network Load Cost Report.

2.1 New England-level RNL Costs by Major Category (\$/MW-Month), 2005-2010

Year	Month	Charges			RNL (Mw-Month)	Rate		
		Infra-structure	Reliability	Admini-strative		Infra-structure	Reliability	Admini-strative
2005	Jan-05	\$30,823,484	\$23,704,870	\$3,275,916	21,955	\$1,404	\$1,080	\$149
2005	Feb-05	\$27,879,597	\$24,853,668	\$2,957,439	19,668	\$1,418	\$1,264	\$150
2005	Mar-05	\$28,251,836	\$32,900,753	\$2,998,785	19,942	\$1,417	\$1,650	\$150
2005	Apr-05	\$24,261,295	\$35,662,638	\$2,571,485	17,101	\$1,419	\$2,085	\$150
2005	May-05	\$23,765,062	\$40,289,992	\$2,517,518	16,742	\$1,419	\$2,407	\$150
2005	Jun-05	\$39,262,061	\$38,395,626	\$3,838,575	24,967	\$1,573	\$1,538	\$154
2005	Jul-05	\$41,946,619	\$31,465,839	\$4,102,923	26,687	\$1,572	\$1,179	\$154
2005	Aug-05	\$39,936,494	\$26,956,566	\$3,908,405	25,422	\$1,571	\$1,060	\$154
2005	Sep-05	\$35,037,806	\$31,860,691	\$3,426,892	22,290	\$1,572	\$1,429	\$154
2005	Oct-05	\$29,421,341	\$13,052,932	\$2,872,179	18,682	\$1,575	\$699	\$154
2005	Nov-05	\$29,797,215	\$23,955,265	\$2,912,816	18,946	\$1,573	\$1,264	\$154
2005	Dec-05	\$33,684,891	\$30,421,326	\$3,293,312	21,421	\$1,573	\$1,420	\$154
2006	Jan-06	\$31,767,915	\$50,853,164	\$3,205,202	20,190	\$1,573	\$2,519	\$159
2006	Feb-06	\$31,714,731	\$45,971,462	\$3,200,533	20,160	\$1,573	\$2,280	\$159
2006	Mar-06	\$30,282,560	\$48,237,132	\$3,058,191	19,264	\$1,572	\$2,504	\$159
2006	Apr-06	\$26,723,622	\$43,272,259	\$2,695,933	16,982	\$1,574	\$2,548	\$159
2006	May-06	\$30,529,468	\$34,067,630	\$3,080,699	19,405	\$1,573	\$1,756	\$159
2006	Jun-06	\$51,013,335	\$39,939,006	\$3,997,178	23,746	\$2,148	\$1,682	\$168
2006	Jul-06	\$57,666,624	\$31,854,600	\$4,521,445	26,860	\$2,147	\$1,186	\$168
2006	Aug-06	\$59,532,350	\$39,938,017	\$4,669,425	27,739	\$2,146	\$1,440	\$168
2006	Sep-06	\$40,676,718	\$34,393,571	\$3,199,535	19,004	\$2,140	\$1,810	\$168
2006	Oct-06	\$38,133,384	\$23,178,292	\$2,999,384	17,815	\$2,141	\$1,301	\$168
2006	Nov-06	\$40,964,004	\$25,274,942	\$3,152,469	18,676	\$2,193	\$1,353	\$169
2006	Dec-06	\$44,483,264	\$18,196,731	\$3,425,325	20,292	\$2,192	\$897	\$169
2007	Jan-07	\$45,854,853	\$16,242,454	\$3,653,132	20,912	\$2,193	\$777	\$175
2007	Feb-07	\$46,613,209	\$20,022,847	\$3,713,260	21,267	\$2,192	\$942	\$175
2007	Mar-07	\$46,189,377	\$22,537,149	\$3,679,079	21,071	\$2,192	\$1,070	\$175
2007	Apr-07	\$38,653,985	\$15,971,488	\$3,078,205	17,630	\$2,193	\$906	\$175
2007	May-07	\$43,769,932	\$23,035,651	\$3,484,913	19,959	\$2,193	\$1,154	\$175
2007	Jun-07	\$59,510,928	\$27,314,352	\$5,007,709	25,580	\$2,326	\$1,068	\$196
2007	Jul-07	\$56,863,806	\$27,356,799	\$4,786,542	24,450	\$2,326	\$1,119	\$196
2007	Aug-07	\$59,935,965	\$27,516,407	\$5,043,526	25,763	\$2,326	\$1,068	\$196
2007	Sep-07	\$51,691,072	\$26,324,294	\$4,350,360	22,222	\$2,326	\$1,185	\$196
2007	Oct-07	\$44,913,279	\$16,239,659	\$3,782,096	19,319	\$2,325	\$841	\$196

Year	Month	Charges			RNL (Mw- Month)	Rate		
		Infra- structure	Reliability	Admini- strative		Infra- structure	Reliability	Admini- strative
2007	Nov-07	\$43,781,573	\$21,681,432	\$3,687,407	18,836	\$2,324	\$1,151	\$196
2007	Dec-07	\$48,413,695	\$18,278,066	\$4,076,748	20,824	\$2,325	\$878	\$196
2008	Jan-08	\$49,791,514	\$26,665,734	\$4,656,292	21,413	\$2,325	\$1,245	\$217
2008	Feb-08	\$46,706,057	\$26,559,227	\$4,367,944	20,087	\$2,325	\$1,322	\$217
2008	Mar-08	\$42,220,195	\$23,441,709	\$3,950,135	18,166	\$2,324	\$1,290	\$217
2008	Apr-08	\$38,866,943	\$15,850,896	\$3,636,403	16,723	\$2,324	\$948	\$217
2008	May-08	\$41,002,714	\$14,078,133	\$3,836,227	17,642	\$2,324	\$798	\$217
2008	Jun-08	\$94,218,875	\$17,555,292	\$5,424,385	25,839	\$3,646	\$679	\$210
2008	Jul-08	\$89,157,568	\$17,199,768	\$5,132,995	24,451	\$3,646	\$703	\$210
2008	Aug-08	\$79,955,967	\$16,945,467	\$4,603,239	21,928	\$3,646	\$773	\$210
2008	Sep-08	\$79,933,815	\$15,806,002	\$4,601,964	21,922	\$3,646	\$721	\$210
2008	Oct-08	\$63,554,888	\$9,859,302	\$3,658,993	17,430	\$3,646	\$566	\$210
2008	Nov-08	\$69,113,719	\$7,004,099	\$3,979,027	18,954	\$3,646	\$370	\$210
2008	Dec-08	\$75,413,091	\$12,831,771	\$4,347,903	20,639	\$3,654	\$622	\$211
2009	Jan-09	\$73,023,798	\$11,749,214	\$4,153,791	19,985	\$3,654	\$588	\$208
2009	Feb-09	\$72,778,290	\$11,882,124	\$4,139,826	19,918	\$3,654	\$597	\$208
2009	Mar-09	\$70,264,114	\$12,395,550	\$3,996,813	19,230	\$3,654	\$645	\$208
2009	Apr-09	\$65,377,826	\$11,152,514	\$3,718,868	17,893	\$3,654	\$623	\$208
2009	May-09	\$63,739,428	\$11,634,628	\$3,625,671	17,444	\$3,654	\$667	\$208
2009	Jun-09	\$92,805,973	\$12,409,263	\$4,293,230	18,578	\$4,996	\$668	\$231
2009	Jul-09	\$111,614,311	\$12,648,028	\$5,163,309	22,343	\$4,996	\$566	\$231
2009	Aug-09	\$124,385,605	\$12,621,867	\$5,754,112	24,899	\$4,996	\$507	\$231
2009	Sep-09	\$90,284,118	\$8,136,036	\$4,176,568	18,073	\$4,996	\$450	\$231
2009	Oct-09	\$85,012,334	\$7,589,347	\$3,932,694	17,017	\$4,996	\$446	\$231
2009	Nov-09	\$88,004,833	\$6,185,474	\$4,071,128	17,617	\$4,996	\$351	\$231
2009	Dec-09	\$102,383,261	\$8,676,487	\$4,736,278	20,495	\$4,996	\$423	\$231
2010	Jan-10	\$98,374,735	\$9,186,425	\$5,373,982	19,692	\$4,996	\$467	\$273
2010	Feb-10	\$94,930,380	\$7,974,072	\$5,185,825	19,003	\$4,996	\$420	\$273
2010	Mar-10	\$89,343,874	\$8,316,982	\$4,880,647	17,885	\$4,996	\$465	\$273
2010	Apr-10	\$80,815,309	\$6,220,442	\$4,414,752	16,177	\$4,996	\$385	\$273
2010	May-10	\$112,313,043	\$3,132,921	\$6,135,399	22,482	\$4,996	\$139	\$273
2010	Jun-10	\$129,544,317	\$3,946,352	\$6,817,624	23,980	\$5,402	\$165	\$284
2010	Jul-10	\$144,221,324	\$4,984,815	\$7,590,042	26,697	\$5,402	\$187	\$284
2010	Aug-10	\$136,310,397	\$4,359,762	\$7,173,708	25,232	\$5,402	\$173	\$284
2010	Sep-10	\$138,029,951	\$4,447,506	\$7,264,204	25,551	\$5,402	\$174	\$284

Year	Month	Charges			RNL (Mw- Month)	Rate		
		Infra- structure	Reliability	Admini- strative		Infra- structure	Reliability	Admini- strative
2010	Oct-10	\$97,092,984	\$5,357,915	\$5,109,784	17,973	\$5,402	\$298	\$284
2010	Nov-10	\$97,238,602	\$4,254,700	\$5,117,448	18,000	\$5,402	\$236	\$284
2010	Dec-10	\$110,020,969	\$5,158,265	\$5,790,155	20,366	\$5,402	\$253	\$284

Document History

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