

NYISO Consumer Interest Liaison Weekly Summary

February 17 – February 21, 2020

Notices:

- *On January 18, 2020, the NYISO announced the election of David R. Hill to its Board of Directors, effective April 21, 2020. The selection of Mr. Hill is the result of the NYISO's stakeholder process in which representatives from each market sector join together to conduct a national search and recommend potential directors to the Board. [View Press Release here](#)*
- *This is to inform you that the start date for **the first Expedited Deliverability Study will be March 20, 2020** ("EDS Start Date"). The [Notice of EDS Start Date](#) is posted on the NYISO website at the link below under the "Interconnection Projects" folder and "Notices to Market Participants" subfolder. [Link to NYISO Website](#)*
- *On February 21, 2020, NYISO submitted a 205 filing regarding technical enhancements to the procedures for annually updating the ICAP Demand Curves in the years between the tariff-prescribed periodic reviews. You can view a copy of the filing [here](#) under the **Recent Filings** heading, and on FERC's eLibrary at [FERC.gov](#).*

Meeting Summaries:

Wednesday, February 19, 2020

Joint Market Issues/Installed Capacity/Price Responsive Load Working Group

Comprehensive Mitigation Review: Part A Enhancements

Lorenzo Seirup of the NYISO presented an updated proposal for Part A enhancements to the Buyer-Side Mitigation (BSM) process. Prior to the start of the presentation, Mr. Seirup recognized that FERC would be issuing several Orders related to mitigation on February 20, 2020, the day following the February 19, 2020 ICAP/MIWG/PRLWG meeting. Since Mr. Seirup had participated in the preparation of the NYISO filings, he offered stakeholders the opportunity to discuss any issues addressed in the filings. Mr. Seirup also noted that, based on how FERC rules on these pending Orders, the NYISO proposal may need to change from the proposal being presented at today's meeting.

Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings.

Mr. Seirup began by reviewing the current proposal and provided a timeline to illustrate the process. Additional detail was presented to clarify which years of the Mitigation Study Periods (MSPs) an Examined Facility (EF) would be included in the Part A test, dependent upon the year the EF is determined to be exempt. Mr. Seirup also noted that Renewable & Self Supply Exemptions would be granted to eligible EFs that have not received an exemption under the Part A or Part B tests. Those Renewable and Self-Supply resources would not count toward the Renewable 1000 MW cap. Other topics presented for discussion with stakeholders included:

- **Chronological testing for resources in Expedited Deliverability Studies (EDS)**
 - *Examined Facilities in an EDS may “go first” and be tested before Examined Facilities in the Class Year*
- **Ordering of PPRs & Renewable Exemption resources**
 - *Renewable Exemption Applicants are ordered normally (by Unit net CONE) in the proposed Part A testing process and in Part B*
 - *Mr. Seirup suggested modifications to address the concern of under mitigation*
- **Part A exemptions under negative outlook conditions**
 - *Ideas such as multi-year testing or a requiring an EF pass a subsequent year were discussed but the NYISO believes there are important considerations that counter-balance concerns, and is not proposing any changes to its proposal*
- **Grouping & Exceptions – solicitation of feedback**
 - *Mr. Seirup acknowledged that despite being in a “fast-build” category, some EFs should be evaluated as part of Group 2 and noted stakeholder feedback*
- **Renewable Exemption Cap**
 - *The NYISO is not proposing to change the “common Mitigation Study Period,” and as such will refer to the Part B Mitigation Study Period under the proposed revisions.*
- **Sunset provisions**
 - *NYISO is still evaluating*

Some stakeholders suggested that, due to the complexity of the Part A timeline potential scenarios, the NYISO should prepare a document detailing the possibilities of ordering issues and timing of inclusions in the Group 1 and Group 2 MSP test process. Stakeholders also suggested that this proposed document would help developers understand the process in the future.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/10888557/Feb19%20Revisions%20to%20Part%20A%20Exemption%20Test.pdf/f3750429-fc3e-cab1-d665-d67abace9506>

2020 Project: Locational Marginal Pricing of Capacity Concept Design Proposal

Pallas LeeVanSchaick of Potomac Economics (MMU) continued the presentation from February 6, 2020 on the Locational Marginal Pricing of Capacity proposal. At the February 6, 2020 ICAPWG/MIWG meeting, Mr. LeeVanSchaick outlined the initial concept of the proposal but was not able to complete the presentation due to time constraints. The concepts of determining the Cost of Reliability Improvement (CRI) and the Marginal Reliability Impact (MRI) were reviewed with stakeholders as they are the basic components used to determine a capacity clearing price for each zone and technology.

Mr. LeeVanSchaick next explained the steps used for the monthly capacity auction and settlement calculation. The calculation uses GE MARS software in an iterative process to determine the clearing price at each specific location. The price is then evaluated based on the type of resource (*e.g.*, wind, solar, storage, etc.). Mr. LeeVanSchaick also explained the steps to determine a clearing price for external resources, inserting an Implied MRI for each proxy location.

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A separate calculation was provided to illustrate the process to determine a transfer limit for each constrained interface. Additionally, a market clearing price will be determined using MARS as the clearing price per MWh suppliers are paid. The prices paid may not equal the clearing price per MW that Load Serving Entities are charged.

In response to a stakeholder question on the complexity of the price determination, Mr. LeeVanSchaick noted that in his opinion, the complexity will be advantageous to send accurate price incentives as the grid evolves to a large number of small suppliers throughout the system.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/10888557/Slides%20for%20CLMP%20Presentation%20N%20o%202b%20021920.pdf/e14a8d4e-a7b3-2cea-c4ef-f7a626268fad>

FERC Filings

February 21, 2020

NYISO 205 filing to provide technical enhancements to the procedures for annually updating the ICAP Demand Curves in the years between the tariff-prescribed periodic reviews

February 19, 2020

NYISO filing on behalf of Consolidated Edison Company of New York ("Con Edison") of an amended interconnection agreement (SA 1162) between Con Edison and the Port Authority of New York and New Jersey

February 18, 2020

NYISO compliance filing to fulfill the directives of the December 20, 2019 "Order on Compliance Filing" regarding Energy Storage Resources (Order No. 841)

FERC Orders

February 20, 2020

FERC order accepted May 22, 2019 Order No. 845 compliance filing subject to a further compliance filing to be made within 60 days

February 20, 2020

FERC Letter Order accepted the large generator interconnection agreement (SA 2500) between Niagara Mohawk Power Corporation and Covanta Niagara I, LLC

Filings and Orders:

http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp