NYISO Consumer Interest Liaison Weekly Summary

June 15 – June 19, 2020

Notices:

- *The NYISO has posted the following materials to the **Installed Capacity Market page** relevant to the currently ongoing ICAP Demand Curve reset:*
  - ***Stakeholder comments provided by Mark Younger regarding Level of Excess Adjustment Factors***
  - ***Draft appendices to Analysis Group's DCR Draft Report providing additional information on Technological Parameters, Financial Parameters, Level of Excess Adjustment Factors, and Net EAS Revenues (for Thermal Units)***

  These materials can be found on the Installed Capacity Market page under Installed Capacity Data/Reference Documents/2021-2025 Demand Curve Reset/Draft Report. Draft appendices can also be found with the meeting materials for the June 10, 2020 ICAPWG.

- ***The NYISO Board will be conducting a new search for two NYISO Board member vacancies.** As part of that new search, the Board Selection Subcommittee (BSSC) will need to be convened, which is composed of two members from each of the NYISO Governance Committee Sectors. Please provide two representatives from your sector to serve on the Board Selection Subcommittee to Leigh Bullock at lbullock@nyiso.com by June 26.*

- *The NYISO anticipates that the **implementation of the Energy Storage Resource (ESR) participation rules will occur between August 19, 2020 and September 30, 2020**. The software is expected to be ready, including completion of testing and necessary training, by August 19, 2020. However, implementation of such a large software change in the summer months must be coordinated around weather and system conditions. The NYISO will provide formal notice to the FERC and stakeholders of the expected ESR implementation date at least two weeks prior to implementation. Although the ESR implementation had been tracking towards the end of June 2020 for implementation, software, testing and training requirements necessitate moving the go-live date to August. We appreciate your patience as we prepare for a seamless integration of new resources into the NYISO wholesale markets.*

Meeting Summaries:

Tuesday, June 16, 2020

Management Committee

Motion #1:

Motion to approve the draft April 15, 2020 Management Committee meeting minutes.

The motion passed unanimously.

Motion #2:

The Management Committee ("MC") hereby approves revisions to the NYISO Market Administration and Control Area Services Tariff ("MST") sections 2, 5.10, and 5.11, as presented at the June 16, 2020 MC meeting.

The motion passed unanimously.

Thursday, June 18, 2020

Budget and Priorities Working Group

Solar on Dispatch Knowledge Session

Ben Tidd of the NYISO explained how existing dispatchable wind market rules can be applied to Wholesale Market Solar (WMS) resources. The project is reflective of the Grid in Transition effort to assist in efficiently managing increasing numbers of intermittent resources. Mr. Tidd began his presentation by explaining that currently there is only one WMS in NYCA that operates like a PURPA resource that is not offered as a flexible resource, is exempt from under-generation penalties, and is compensated at its telemetered output.

In applying the existing dispatchable wind market rules to WMS resources, the WMS resources will submit flexible offers indicating their willingness to generate at various price levels. They will also receive, and be expected to respond to, NYISO economic dispatch instructions (down only) when prices are below their offer. The applicable Dispatchable Solar (and Wind) market rules consist of:

- *Submit flexible real-time offers*
- *Not eligible for Day Ahead Margin Assurance Payment (DAMAP)*
- *Must be able to respond to economic curtailment signals from the NYISO (via their Transmission Owner)*
- *Eligible for over-generation charges when subject to economic curtailment signals*

Incorporating WMS resource offer prices into the real-time economic dispatch is expected to minimize the magnitude and duration of necessary resource limitations that would otherwise be implemented through less-efficient out-of-market curtailments and allow WMS to set price. This also avoids the scenario where WMS resources may self-direct curtailments at negative prices, since their economic willingness to generate will automatically be reflected in their dispatch instructions.

The project will be part of the 2021 project prioritization process for a 2021 implementation. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/13113011/02%2020200618_BPWG_Solar_On_Dispatch.pdf/a3d38846-a98a-11bc-004f-97b41d174563

2020 Market Projects

Brian Hurysz of the NYISO presented an update on the selection of market projects for 2021. Mr. Hurysz started by reviewing the survey process and provided further clarification to voting rules. Next, Mr. Hurysz reviewed the market projects candidate list, highlighting changes to project candidates and updating the cost information. A historical budget comparison was provided with the reminder that the 2021 values includes all proposed projects.

A stakeholder noted that as a result of reduced revenues due to Covid-19 impacts, the NYISO should consider a reduced project budget for 2021. Another stakeholder noted that reducing the project budget is difficult due to the requirements of the Climate Leadership and Community Protection Act (CLCPA). It was also noted that the level of mandatory and continuing projects takes up a large portion of the project budget for 2021.
The stakeholder scoring survey was included with the meeting materials for stakeholder review. The deadline for completing the scoring survey will be June 26, 2020. To see the complete presentation, please go to: https://www.nyiso.com/bpwg?meetingDate=2020-06-18

2020 Enterprise Projects
Brian Hurysz of the NYISO also presented the 2021 enterprise projects for stakeholder review. Project costs for all projects was provided and Mr. Hurysz noted that there were no changes to the project descriptions since the most recent presentation. Enterprise projects are not included in the stakeholder scoring survey and are provided for informational purposes. To see the complete list of project descriptions and updated cost information, please go to:
https://www.nyiso.com/bpwg?meetingDate=2020-06-18

Friday, June 19, 2020
Electric System Planning Working Group/Transmission Planning Advisory Subcommittee
2020 RNA: 1st Pass NYISO Base Case Assessments Results
Laura Popa of the NYISO presented the summary of the preliminary, 1st pass, base case results for the 2020 Reliability Needs Assessment (RNA). The objective of providing stakeholders the 1st pass Reliability Needs is to offer an opportunity, prior to the final RNA, for stakeholders' input regarding updates in projects and plans. This step in the process helps in mitigating any identified 1st pass Reliability Needs. The 2020-2021 Reliability Planning Process (RPP) starts with the 2020 RNA, followed by the Comprehensive Reliability Plan (CRP).
Ms. Popa led a review of the Summer Peak Load forecast assumptions for the years 2020 – 2030, including a High Load scenario. The components used to develop the Gold Book forecast were provided for stakeholders.
Ms. Popa next led a review of the inclusion rules used for the proposed new generation and transmission. A stakeholder suggested that the NYISO should include a scenario with additional generation from the interconnection queue due to the large number of projects and increasing activity anticipated in NY State procurements. Ms. Popa explained that the NYISO will use the recently updated inclusion rules specified in the tariff.
Generation additions and deactivations were provided by the year of status change. Load and capacity totals were provided and discussed with stakeholders through 2030.
Ms. Popa reviewed the Resource Adequacy RNA 1st Pass Results:

- *2026: LOLE at 0.10 (0.097) d/y is at criterion*
- *2027: Criterion violation (i.e., LOLE>0.1 days/year) observed through 2030*
- *Removal of Area J peakers drives the increase in LOLE – removed approximately 1,400 MW by 2025*
    - *The LOLE increase from 2026 to 2030 is due to load growth*

Compensatory MW amounts were provided for each Zone. Resource adequacy compensatory megawatt amounts are determined by adding generic "perfect capacity" resources to zones (or combination of zones) to address the shortfall.

Next, Ms. Popa presented and discussed the Transmission Security RNA 1st Pass results with stakeholders. For N-1-1-0 Reliability Needs were identified starting in Year 5 (2025) and increase through Year 10 (2030).
A timeline of the 2020 RNA process was provided. The next step is scheduled for the July 6, 2020 ESPWG/TPAS meeting, when Transmission Owners and NYISO will present project status updates that may potentially mitigate some or all the identified 1st pass Reliability Needs. The NYISO will seek Board of Directors' approval in November 2020. To see the complete presentation, please go to: https://www.nyiso.com/documents/20142/13200831/02%202020RNA_1stPassRN.pdf/8a0de336-bd24-1260-dc4b-5df58cdb049f

2020 RNA: Con Edison's Local System Base Case Assessments Results
Martin Paszek of Con Edison presented the preliminary results for the Local System Base Case Assessment for the 1st Pass of the NYISO 2020 RNA. Mr. Paszek noted Transmission Load Areas (TLA) that were observed to have deficiencies and explained the cause and timing of the deficiencies. ConEdison is conducting analyses to identify solutions.
To see the complete ConEdison presentation, please go to:
https://www.nyiso.com/documents/20142/13200831/03%202020%20RNAConEd%20Local%20System%20Base%20Case%20Assessments%20Results.pdf/17424cd7-3cef-3637-2388-5a27654af266

2020 RNA: Central Hudson's Local System Base Case Assessments Results
Richard Wright of Central Hudson Gas and Electric (CHG&E) presented the preliminary Local System Base Case Assessments results for the 2020 RNA. Mr. Wright provided the preliminary assessment of impacts resulting from retiring peaker plants. It was noted that without the Coxsackie and South Cairo CTs, there would be no reserve capability for local transformer outages. CHG&E is conducting analyses to identify solutions. To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/13200831/04%202020%20RNA%20Cen%20Hud%20Local%20System%20Base%20Case%20Assessments%20Results.pdf/a79d83a2-5621-be5c-c850-2fe42fef2eaa

2020 RNA: 70x30 Assumptions
Laura Popa, Keith Burrell and Michael Welch of the NYISO presented the assumptions to be used in the 2020 RNA 70x30 scenarios. The RNA 70x30 scenarios will be built off of the 2019 Congestion Assessment and Resource Integration Study (CARIS) Phase I, 70x30 scenarios assumptions. Ms. Popa noted the Climate Act or CLCPA, which mandates that 70% of New York State's end-use energy be generated by renewable energy systems by 2030 ("70x30"), and reviewed the established targets. In response to a stakeholder question, Ms. Popa explained that the scenario will be for the Year 2030, and not include the years leading up to 2030.
Mr. Welch presented the two load variations that will be used for the 70x30 scenarios:

- CARIS 70x30 "Base Load"
  - 2002 load shape scaled up to Y2028 energy forecast from the 2019 Gold Book
  - Same load shape used in all MARS load levels
- CARIS 70x30 "Scenario Load":
  - 2002 load shape scaled to match CARIS 70x30 Scenario Load Forecast
  - Same load shape used in all MARS load levels

Mr. Welch continued the discussion with the modeling of external resources and removed generation (deactivated generation removed from the model), as well as a definition of the renewables mix for 2030.

Mr. Burrell presented the Transmission Security assumptions to be used in the 70x30 scenarios. Load, external interface, removed generation and renewable generation additions and locations were described and discussed with stakeholders. Transmission security will assess various dispatches of renewable resources and different load levels under steady state.
To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/13200831/05%202020RNA_70x30ScenariosAssumptions%20presentation.pdf/96802d74-1f84-8995-e14c-5ec88956a317

AC Transmission Public Policy Transmission Project Cost Allocation
Philip Chorazy of the NYISO presented NYISO's proposed design for a "more granular" approach to allocate 75% of project costs. The New York State Public Service Commission (PSC), in its December 17, 2015 AC Transmission PPTN order, adopted an approach whereby 75% of project costs are to be allocated to the economic beneficiaries of reduced congestion, while the other 25% of the costs are to be allocated to all customers on a load-ratio share. The PSC ordered the NYISO to "...apply its expertise and design a more granular cost allocation [of the 75%] among downstate entities."
The overall concept is to allocate costs to Load Zones based on relative reduction in energy-related payments for loads. The basic methodology is *Zonal Net Benefit = Load LBMP Impact + TSC and NTAC Impact (due to effects on TCC market revenues).*
Mr. Chorazy provided the assumptions used to determine the cost allocation for Segment A of the AC Transmission Public Policy Transmission Project. The Economic Beneficiaries Allocation was provided by NYISO Zone for the period 2024 through 2033. Mr. Chorazy presented the final zonal allocations for the Segment A of the AC Transmission Public Policy Transmission Project.
To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/13200831/AC%20Transmission%20Cost%20Allocation.pdf/9b8f8c8b-0a9e-cef1-2cf7-ba5cf1051566

FERC Filings

June 19, 2020
NYISO filing of proposed tariff revisions addressing sustainability of operating reserves and energy storage resource schedules during reserve pickups.

June 18, 2020
NYISO and Consolidated Edison Company of New York, Inc. ("Con Edison") joint 205 filing of a large generator interconnection agreement (SA 2535) between NYISO, Con Edison, and NRG Berrians East Development LLC

June 18, 2020
IRC comments regarding FERC's Proposed Policy Statement re Waiver of Tariff Requirements in PL20-7-000

June 15, 2020
NYISO filing on behalf of Niagara Mohawk Power Corporation of compliance revisions to its wholesale Transmission Service Charge under Attachment H to the NYISO OATT

FERC Orders

June 18, 2020

FERC letter order accepted the joint 205 filing by NYISO and New York State Electric and Gas Corporation ("NYSEG") of a small generator interconnection agreement (SA 2527) among NYISO, NYSEG and Duke Energy Renewables Solar re: Scipio Solar facility, effective 4/6/20 as requested.

June 18, 2020
Letter Order accepted small generator interconnection agreement (SA 2526) between NYISO, NYSEG, and Duke Energy Renewables Solar, LLC effective April 6, 2020, as requested

June 17, 2020
Letter order accepted NYPA Attachment 2 to Rate Schedule 10 of the NYISO OATT effective July 1, 2020, as requested.

June 17, 2020
Letter order accepted energy storage resource participation model revisions and directed a compliance filing at least two weeks prior to the proposed effective date, specifying the actual effective date.

June 15,2020
Letter Order accepted engineering and procurement agreement (SA 2531) between Niagara Mohawk Power Corporation and NY Transco

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