

NYISO Consumer Interest Liaison Weekly Summary

June 1 – June 5, 2020

Notices:

An updated version of the State of the Market Report has been posted under the May 27 MC Meeting material. [State of the Market Report](#)

Meeting Summaries:

Tuesday, June 2, 2020

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

New York City Steam Exemption

Christopher Hargett of Consolidated Edison (Con Edison) presented a request for changes to the NYC steam production exemption for efficiency projects that increased the potential MW output without changing the operating characteristics.

Over the past several years, Con Edison has completed a number of projects resulting in efficiency improvements in the operation of the East River 6 unit. Con Edison is proposing to revise the Tariffs to increase the MW exemption cap by 10 MW, to a total of 533 MW. The posted Tariff revisions also propose the following change to clarify the description of the applicable generators following the 2005 East River Repowering:

“And/or ~~topping or extraction turbine~~ Generators utilized in replacing or repowering existing steam supplies from such units.”

To see the complete Con Edison presentation, please go to:

<https://www.nyiso.com/documents/20142/12891716/2%20ER6MWIncreaseNYISO.pdf/340dd32e-f588-1393-76a0-6c0a68257cf7>

Reserves for Resource Flexibility

Ethan Avallone presented an update to the Reserves for Resource Flexibility project. At the April 27, 2020 MIWG meeting, stakeholders requested that the NYISO provide additional information regarding the proposed 500 MW increase to the SENY 30-minute reserve requirement. The requested information included:

- *Ratings for the applicable facilities*
- *The frequency of forced outages for the lines in question*

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- *An assessment of the frequency of the applicable binding transmission constraints*

The transmission constraints most often binding into SENY, and their current summer ratings are Leeds – PleasantVly 345 - 92 and the Athens – PleasantVly 345 - 91 lines. Normal, Long Term Emergency (LTE) and Short Term Emergency (STE) ratings for the lines were provided. The NYISO analyzed a summer case with transmission facility flow into SENY at the limits to establish the proposed 500 MW of additional SENY 30-minute reserve.

The NYISO examined outages of the applicable lines and found that there were four outages during the 2015 to 2019 period and, though infrequent, forced outages of these lines can and do occur at any time. Mr. Avallone noted that during a Thunder Storm Alert (TSA), the NYISO operates the transmission system as if the worst first contingency has already occurred per the NYSRC reliability rules and the NYISO Transmission and Dispatching Operations Manual.

The NYISO analyzed five years of historical binding transmission constraint data from January 1, 2015 to December 31, 2019 for the DA and RT markets. Mr. Avallone provided charts that reflected the frequency of transmission constraints. There were also times that lines approached but did not meet constrained conditions and, in response to a stakeholder request, NYISO will consider quantifying the frequency of that condition.

The NYISO believes that the short-term impact of this proposal will be limited. Mr. Avallone explained that 97.1% of Day Ahead (DA) intervals in 2019 had 1,800 MW or more of SENY 30 - minute reserves procured, while 256 DA intervals in 2019 had less than 1,800 MW procured in SENY. In the Real-Time Dispatch (RTD), 96.5% of RTD intervals had 1,800 MW or more of SENY 30-minute reserve procured while 3,730 RTD intervals had less than 1,800 MW procured in SENY. Once this project is implemented, prices will more transparently reflect the value of the additional reserve as needed for reliability today, and help the NYISO to prepare for a future with increased grid uncertainty.

Discussions on the proposal with stakeholders will continue with presentation to the BIC for approval in late June or early July 2020. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12891716/3%20Reserves_for_Resource_Flexibility_FINA_L.pdf/89165cef-43da-e54f-19f4-770728ccdc4d

Consumer Impact Analysis: Reserves for Resource Flexibility

Tariq Niazi of the NYISO presented the Consumer Impact Analysis for the Reserves for Resource Flexibility proposal. The Reserves for Resource Flexibility proposal is part of the NYISO Grid in Transition effort. The NYISO is proposing to procure an additional 500 MW of 30-minute reserves in the SENY reserve region (zones G-K) at all times in both the Day-Ahead and Real-Time Markets, shifting the current locational reserve procurements. The effort does not propose to increase the 2,620 MW level of 30-minute total reserves procured statewide (NYCA).

Mr. Niazi began with a review of the project and explained the benefits of the enhancement. It was also noted that the impending consumer impact analyses for the Ancillary Services Shortage Pricing and More Granular Operating Reserves proposals will include the impacts from this analysis to reflect the cumulative impacts of the three projects, as requested by stakeholders. A stakeholder expressed a desire to delay the upcoming approval votes on each project until the cumulative impacts are provided.

Mr. Niazi presented the methodology used to determine the cost impact of the proposal. The NYISO re-ran select market days during the period from July 2019 through April 2020. The following revisions were included in the market software re-runs:

- *Increasing the SENY 30-minute reserve requirement to 1,800 MW*

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- *Assigning a \$25/MWh shortage pricing value to the additional 500 MW of SENY 30-minute reserves; current 1,300 MW requirement will retain a shortage price value of \$500/MWh.*

The NYISO compared prices from the re-run cases to the original prices to determine representative impact percentages. The representative impact percentage values were determined for each hour of the day for each Load Zone. The representative impact percentage values were used to estimate the consumer impact due to changes in DAM energy prices (LBMP, reserves, and regulation).

A stakeholder noted that the NYISO is increasing the shortage pricing value from \$25 to \$40 in the Ancillary Services Shortage Pricing proposal and, therefore, should offer analysis using the pending value of \$40. Mr. Niazi responded that the change to the higher price will be addressed in the consumer impact analysis for the Ancillary Services Shortage Pricing proposal, whereas the cost impact of the Reserves for Resource Flexibility proposal will be more clearly represented using the current \$25 value.

The NYISO estimates the short run annual consumer impact from the Reserves for Resource Flexibility proposal to be \$330,000, annually. Since the impact above does not include any cost reduction for potential BPCG savings, a stakeholder asked if the BPCG value could be included. Mr. Niazi explained that the impacts on BPCG varied significantly across the market days that were analyzed and the impacts tend to be specific to the resource schedules for a particular day. As a result, the NYISO did not extrapolate the data to estimate an average level of potential DAM BPCG savings. In analyzing the cost impact to the Installed Capacity market, the minimal change to the net EAS revenue offset values did not result in any change to the resulting reference prices for the 2020- 2021 ICAP Demand Curves. As a result, no potential impact was identified for the capacity market. The analysis also provided the impact on system reliability, transparency and the environment. To see the complete consumer impact analysis, please go to:

<https://www.nyiso.com/documents/20142/12891716/4%20CIA%20-%20Reserves%20for%20Resource%20Flexibility.pdf/2f4dc147-8904-b325-3c34-ebf9bc304525>

ESR Bidding Rules for ICAP Suppliers with an EDL

Sarah Carkner of the NYISO presented updates to the Energy Storage Resource (ESR) bidding rules for Installed Capacity (ICAP) suppliers with an Energy Duration Limitation (EDL). As part of the NYISO's filing for the Distributed Energy Resource and Expanding Capacity Eligibility models, FERC directed the NYISO to allow ESRs that are ICAP Suppliers to bid either ISO-Managed or Self-Managed in the DAM. At the March 6, 2020 ICAP working group meeting, the NYISO proposed to require the ESR ICAP Supplier to Bid, Schedule, Notify (B/S/N) its full range (withdrawal to injection) as part of its obligations as an ICAP Supplier.

Ms. Carkner explained that the NYISO is proposing to require all ESR ICAP Suppliers with an Energy Duration Limitation to B/S/N the full injection range for all hours during the Peak Load Window and B/S/N the full withdrawal range for all hours outside of the Peak Load Window. ESRs with an Energy Duration Limitation will have a revised availability calculation, as compared to ESR ICAP Suppliers without a daily-run time limitation:

- *The availability calculation for ESRs with an Energy Duration Limitation will be calculated over the Peak Load Window, consistent with proposed rules*
- *The availability calculation for ESRs with an Energy Duration Limitation should not reflect the LOL Availability component since the bidding obligation during the Peak Load Window does not extend to the withdrawal range*

In response to a question on additional bidding options, Ms. Carkner explained that the above bidding rules are minimum bid requirements, and bids can be submitted with the full range of injection

through withdrawal values if applicable. Ms. Carkner also noted that the NYISO has not received registration information from ESRs without an EDL.

The NYISO is seeking stakeholder feedback on the proposal and will return to a future ICAPWG/MIWG meeting with proposed tariff language for discussion with stakeholders. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/12891716/5%20ESR%20Bidding%20for%20ICAP%20Suppliers%20with%20EDL.pdf/110ceca7-65d6-420f-51fb-3fb8da32dec3>

BSM Renewable Exemption Study Candidate Technologies

Amanda Myott of the NYISO presented the BSM Renewable Exemption study candidate technologies. Based on the tariff, in each ICAP Demand Curve Reset Filing Year, the NYISO must conduct a periodic review to determine the technology types that should be Exempt Renewable Technologies:

“The ISO will determine, for each Mitigated Capacity Zone, which candidate intermittent renewable technologies have (a) high development costs and (b) a low capacity factor, such that considering (a) and (b) there is limited or no incentive and ability to develop the candidate intermittent renewable technology in order to artificially suppress capacity prices¹. The ISO’s periodic review shall provide for: (a) The ISO’s preliminary identification of candidate intermittent renewable technologies for stakeholder review and comment²”

The candidate studies include:

- **Ground Mounted Solar PV**
 - *Project Size: 1 - 10 MW*
- **Ground Mounted Solar PV**
 - *Project Size: 10 - 50 MW*
- **Ground Mounted Solar PV**
 - *Project Size: Greater 50 MW*
- **Wind Onshore 2 - 4 MW Wind Turbine Generator (WTG)**
 - *Project Size: 2 - 50 MW*
- **Wind Onshore 2 - 4 MW WTG**
 - *Project Size: 50 - 200 MW*
- **Wind Offshore 6 - 12.5 MW WTG**
 - *Project Size: up to 400 MW*
- **Wind Offshore 6 - 12.5 MW WTG**
 - *Project Size: 400 - 800 MW*
- **Run of River Hydro**
 - *Project Size: 1 - 10 MW*
- **Landfill Gas (LFG)**
 - *Project Size: 2 - 10 MW*

Ms. Myott noted that the NYISO will be returning to a fall working group to provide the draft list of exempt technologies for stakeholder and Market Monitoring Unit review and comment. To see the complete presentation, please go to:

¹ Market Services Tariff -- 23.4.5.7.13.2.2

² Market Services Tariff -- 23.4.5.7.13.2.3

Thursday, June 4, 2020

Joint Transmission Planning Advisory Subcommittee/Electric System Planning Working Group Study Scopes under Consideration for Recommendation for OC Approval

Q#755

NY Ocean Grid Shoreham
Transmission Project 320kV – Offshore Wind
800 MW
Suffolk County, NY

Approved for OC Review and Approval

Q#803

Yonkers Grid
Battery Storage
100 MW W/S
Westchester County, NY

Approved for OC Review and Approval

Q#803

Yonkers Grid Optional
Battery Storage
100 MW W/S
Westchester County, NY

Approved for OC Review and Approval

Q#860

Rosalen Solar
Solar Generation
350 MW W/S
Wayne County, NY

Approved for OC Review and Approval

Q#909

Massena Load
200 MW Load W/S
Lawrence County, NY

Approved for OC Review and Approval

Q#951

Cayuga Grid
Battery Storage
100 MW W/S
Erie County, NY

Approved for OC Review and Approval

Q#966
Suffolk County Storage
Battery Storage
224 MW W/S
Suffolk County, NY
Approved for OC Review and Approval

Q#979
North Country Data Center
Load Expansion
185 MW Increase – Total 435 MW W/S
Lawrence County, NY
Approved for OC Review and Approval

Q#982
West Babylon BESS
Battery Storage
50 MW W/S
Suffolk County, NY
Approved for OC Review and Approval

Q#987
NY Wind Holbrook 2
Offshore Wind Generation
924 MW W/S
Suffolk County, NY
Approved for OC Review and Approval

Q#995
Alabama Solar
Solar Generation
130 MW W/S
Genesee County, NY
Approved for OC Review and Approval

Study Reports under Consideration for Recommendation for OC Approval

Q#716
Moraine Solar
Solar Generation
93.55 MW W/S
Allegany County, NY
Approved for OC Review and Approval

Class Year 2019 Update

Ed Cano of the NYISO updated the status of Class Year 19 (CY19). All milestone dates for CY19 were updated and provided. To see the updated timetable, please go to:

Expedited Deliverability Study 2020-01

Thinh Nguyen of the NYISO provided updates to the Expedited Deliverability Study for 2020-2021. Mr. Nguyen reviewed the six participants in the Expedited Study:

Queue Pos.	Project Name	CRIS Request (MW)	Type/ Fuel	Zone	Interconnection Point	Utility
581	Hills Solar	20	S	E	Fairfield - Inghams 115kV	NM-NG
584	Dog Corners Solar	20	S	C	Aurora Substation 34.5kV	NYSEG
586	Watkins Rd Solar	20	S	E	Watkins Rd - Ilion 115kV	NM-NG
669	Clay Solar	20	S	C	Clay - Lockheed 115kV	NM-NG
670	Skyline Solar	20	S	E	Campus Rd - Clinton 46kV	NM-NG
758	Sithe Independence	56.6	CC	C	Sithe 345kV Substation	NM-NG

Mr. Nguyen reviewed the Expedited Deliverability Study process and provided an updated timeline for the current process. The report will be sent to the OC for approval. To see the complete presentation, please go to: https://www.nyiso.com/documents/20142/12898532/05ba_EDS-2020-01_Slides_v0_TPAS-June2020_FinalDraft.pdf/e42e543d-6266-43f0-cd3c-f8bc7814e3ba

NYISO Climate Change Phase II Study

Paul Hibbard and Charles Wu of the Analysis Group (AG) presented updates to the Climate Change Phase II study for stakeholder review and discussion. Mr. Hibbard began with a review of the inputs and load assumptions for the study, through 2040, highlighting changes to the inputs.

Charts were provided to illustrate the changes to the Reference Case and spell out Resource Set scenarios for the CLCPA. Results reflect periods of resource deficiencies during times of low wind power output and high load for both cases.

AG provided a comparison of the climate change study resource set with the NYISO Grid in Transition study resource set, the Grid in Transition study is an economic study. The Brattle Group is running a model of economic investment and retirements of power plants to identify the potential path leading to a resource mix through 2040 to answer the question:

“What are the impacts of the Grid in Transition resource mix in 2040 during winter, summer, and shoulder seasons when used in the Analysis Group reliability model?”

The analysis indicated the following differences in Climate Phase II vs the Grid in Transition resource sets:

- *Tradeoff between transmission and dispatchable generation*
 - *Higher assumed transmission limits in Climate Phase II resource set*
 - *Higher assumed gas dispatchable resources in Grid in Transition resource set*
- *Location of solar units in Grid in Transition concentrated in Zone F, likely due to transmission constraints*

An appendix was included with a detailed resource comparison for stakeholder review.

Mr. Wu then led a discussion on the Disruption Case modeling. An initial climate disruption case list was provided and discussed with stakeholders. This initial case list includes:

- *Extreme heat wave*
- *Extreme cold wave/icing event*
- *Wind output reduction/outage*

- *Solar output reduction/outage*
- *Hurricane/wind storm*
- *Drought/intensive rainfall*
- *Reduced initial stored energy*

Examples of potential case outputs were provided for discussion with stakeholders. AG will return to a future working group with actual study results for stakeholder review.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12898532/07_TPAS-ESPWG_Analysis%20Group%20Climate%20Change%20Phase%20II%202020.06.04.pdf/c2e3219e-6307-00d3-daa3-4589f07bd489

2020 Reliability Planning Timeline

Kevin DePugh of the NYISO led a review of the reliability planning timeline for 2020. Mr. DePugh highlighted the following Reliability Needs Assessment (RNA) milestones:

- *June 19 ESPWG/TPAS: present preliminary (“1st pass”) RNA results*
- *July 6 ESPWG/TPAS: Transmission Owners and NYISO’s presentations of projects status updates, relevant to mitigating the identified 1st pass Reliability Needs, if any*
- *July 6, 2020: lock down assumptions for final RNA*
- *July 23 ESPWG/TPAS: RNA scenarios preliminary results, as available*
- *August-September ESPWG/TPAS: review final results and draft RNA*
- *October OC & MC: Market Monitoring Unit review and OC and MC votes*
- *November: NYISO’s Board of Directors approval and publishing of final RNA Report*

Mr. DePugh noted that the early December working group meetings will provide stakeholders the opportunity to present project status updates (e.g., local transmission plans, generation additions, demand changes), which may reduce or eliminate the Reliability Needs noted in the final RNA.

In January 2021, if necessary, the NYISO would issue solicitation of solutions to remaining Reliability Needs.

The Short-Term Assessment of Reliability (STAR) will commence July 15, 2020, with the first quarterly assessment. The first STAR Report will be issued by October 14, 2020.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12898532/08_2020RNA_Timeline_June_4_2020ESPWG_TPAS.pdf/20d4c69b-ddbe-7695-3962-b8b139780303

2019 CARIS 1 Report

Jason Frasier of the NYISO presented the 2019 CARIS 1 report. Mr. Frasier led an overview of the report format prior to highlighting changes from the Draft report, posted following the May 22, 2020 ESPWG meeting.

The report will be presented to the June 24, 2020 Business Issues Committee meeting prior to presentation for governance action at July 1, 2020 Management Committee meeting.

To see the complete report, please go to:

https://www.nyiso.com/documents/20142/12898532/09_2019%20CARIS_ESPWG_Presentation_v20200601.pdf/2d53bfc8-1fad-20cf-b485-c7dbbb06fff4

FERC Filings

June 5, 2020

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Answer to protests of NYISO's Part A Enhancements to the Buyer-Side Market Power Mitigation Rules tariff revisions.

FERC Orders

June 5, 2020

FERC order accepted a large generator interconnection agreement between NYISO and Consolidated Edison Company effective March 26, 2020, as requested

June 5, 2020

Letter Order accepted a Large Generator Interconnection Agreement (SA 25200 between NYISO and Consolidated Edison regarding East River 1

June 4, 2020

Letter Order accepted Order Nos. 845 and 845-A compliance filing regarding revisions to the Large Generator Interconnection Agreement and Large Generator Interconnection Procedures effective April 20, 2020, as requested

June 1, 2020

Order granted waiver request of Services Tariff Section 4.4.1.2.1 for a period for up to eight months, not to extend beyond December 31, 2020.

Filings and Orders:

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