NYISO Consumer Interest Liaison Weekly Summary

March 9 – March 13, 2020

Notices:

- *The **monthly Generator Status Update** document has been posted on the NYISO's website. The posting is located in the Generator Status Update folder under the Planning Documents & Resources section at the following link:* ***Generator Status Update***

Meeting Summaries:

Tuesday, March 10, 2020

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

2021-2025 ICAP Demand Curve Reset: Level of Excess Adjustment Factors Methodology

Ryan Patterson of the NYISO presented the methodology for the determination of the Level of Excess Adjustment Factors (LOE-AFs) for the 2021-2025 Demand Curve Reset (DCR). The LOE-AFs are used to estimate the tariff prescribed Energy and Ancillary Service (EAS) revenues from the historic prices derived in the "as found" system.

The Analysis Group (AG) proposes to use the same methodology for determining the LOL-AFs that was used in the last DCR process. AG will use the 2019 CARIS Phase 1 base case for the required GE MAPS runs. A matrix of assumptions was provided for stakeholder review.

Two sets of MAPS runs will be conducted:

- The first run will include the as-found system
- The second run will be conducted with the prescribed LOE assuming a 300 MW peaking unit

Additional runs will be performed at a later date to determine LOE-AFs specific to the prescribed level of excess conditions for the specific peaking plant options proposed for each ICAP Demand Curve. Additional modeling runs will also be conducted to provide information used in connection with the procedures for determining Locational Minimum Installed Capacity Requirements (LCRs).

To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/11250398/DCR%20LOEAFs%2003102020%20ICAPWG.pdf/ffe5e808-8696-cedb-2842-569df8550c43

Locational Marginal Pricing of Capacity: Implementation Issues and Market Impacts

Pallas LeeVanSchaick of Potomac Economics (MMU) presented analysis results for the proposal to develop a locational marginal price for Installed Capacity. Mr. LeeVanSchaick began with a review of the proposal concepts, referring to presentations from the February 6 and February 20, 2020 ICAPWG/MIWG meetings.
Mr. LeeVanSchaick described the tool used to simulate the GE MARS resource adequacy program. Minor differences between the MMU tool and GE MARS tool were explained. Mr. LeeVanSchaick noted that the MMU tool results have consistently been within 1% of the GE MARS results and explained the likely cause for the minor difference in results.
The assumptions used in the simulation were provided to stakeholders, highlighting the sources for the assumptions.
The locational capacity price (C-LMP) calculation was reviewed with stakeholders and the resulting prices were provided. Prices were depicted by price to the supplier and the price paid by load. Simulation prices varied by location and were compared to the capacity price established with the current methodology. Total cost of capacity to consumers was lower with the C-LMP methodology than in the current market design in the simulation. The MMU will return to the ICAPWG for further discussion on March 30, 2020.
To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/11250398/MMU%20Slides%20re%20CLMP%20%20Mar%2010%20ICAPWG__3-05-2020.pdf/ce154f88-4870-c0d8-d1d0-1ec463bef3c5

BSM Renewable Exemption Cap Proposal

Shaun Johnson of the NYISO presented the proposal for compliance with the FERC Order to develop a new cap for intermittent resources exempted from Buyer Side Mitigation (BSM). The compliance filing to FERC is due March 23, 2020.
Mr. Johnson explained the concept for the Renewable Exemption MW cap (RE Cap) that NYISO will use to develop the compliance filing. The following issues will be considered for the calculation proposal:

- Load forecast changes (Based on existing BSM process)
- Subset of resource retirements
- Impacts of additional renewable resources on the URM (New process – Unforced Reliability Margin)
- Market pricing impact threshold (defined by a $0.50/kW-mo. threshold for the Mitigation Study Period)

An example of each consideration above was provided for stakeholder discussion. Mr. Johnson noted that the examples were initial thoughts presented primarily to generate discussion and input. Considerable feedback was received throughout the discussion of the examples for consideration in the next presentation.
The concept of a "bank" carryover to subsequent Class Year cap was also discussed with stakeholders. The purpose of the bank is to ensure that any MWs derived from retirements or derived from the impact on requirements due to the entrance of renewable resources (URM Impact) remain available to renewable resources in subsequent class years.
NYISO will consider stakeholder feedback and return with a refined proposal at the March 18, 2020 ICAPWG/MIWG for discussion prior to the March 23, 2020 compliance filing to FERC. To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/11250398/20200310%20NYISO%20-%20BSM%20Renewable%20Exemption%20Cap%20Proposal_approved.pdf/52085bff-dab8-c05e-76aa-28374a3c8f38

ESR Mitigation Update

Nicholas Shelton of the NYISO presented proposed tariff language updates to coordinate with the Energy Storage Resource development. Mr. Shelton led a review of the updates made from the initial February 26, 2020 proposal and explained the reasons for the changes.

Mr. Shelton highlighted the updated tariff language including:

- *Generator offer caps, mitigation and reference levels*
- *Day-Ahead Margin Assurance Payments*
- *Method for setting feasible Day-Ahead and real-time schedules*
- *ICAP Supplier bidding requirements*

The updates will be included in a single 205 filing.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/11250398/ESR%20Tariff%20Updates%20-%20Follow%20Up.pdf/edf2213f-a451-e208-68ad-25653037e5da

Wednesday, March 11, 2020

System Operation Advisory Subcommittee

NYISO Operations Report – February 2020

Peak Load

The peak load for the month was 21,027 MW, which occurred on Friday, February 14, 2020, HB18.

Reserve requirements were as follows:

Reserve	10 Sync	Non-Sync	30 Min
Requirement	655	1,310	1,965
For Hour	1,495	3,064	5,654
DSASP Cont.	57	0	57

Major Emergencies:

None

Alert States -- Alert State was declared on 2 occasions:

1 – Emergency Transfer Declared

1 – Exceeding Central East Voltage Contingency Limit

Alert state was declared 8 times during February of 2019

Thunder Storm Alerts

0 TSA was declared in February 2020 for a total of 0.0 hours

Reserve Activations – 5

There were 7 Reserve Activations during February of 2019

Emergency Actions

None

TLR3 Declared – 0 for a total of 0.0 hours

FERC Filings

March 11, 2020

NYISO filing of a request for extension of time to submit compliance tariff revisions concerning the proposed Self Supply Exemption under its BSM Rules

March 11, 2020
NYISO filing of a notice of compliance plan and a conditional waiver to authorize past SCR implementation between February 2017 and February 2020

FERC Orders

March 11, 2020
FERC Letter Order accepting three enhancements to the existing Competitive Entry Exemption

March 10, 2020
FERC Letter Order accepted an executed nonconforming Development Agreement (SA 2510) among the NYISO, Niagara Mohawk Power Corporation and New York Transco

Filings and Orders:

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