

NYISO Consumer Interest Liaison Weekly Summary

May 25 – May 29, 2020

Notices:

- On May 28, 2020, the NYISO reported that electricity supplies in New York State are expected to be adequate this summer, with a total of 41,319 megawatts (MW) of power resources available to meet forecasted peak demand conditions.
 - "The state's grid is well-equipped to handle forecasted summer demand," said Wes Yeomans, Vice President of Operations for the NYISO. "The NYISO operates the grid to meet reliability rules that are among the strictest in the nation and are designed to ensure adequate supply."

Meeting Summaries:

<u>Tuesday, May 26, 2020</u> Management Committee Motion #1:

The Management Committee ("MC") hereby approves the proposed changes to Section 4.4.3.1.1 of the NYISO's Market Administration and Control Area Services Tariff, as presented to the MC on May 27, 2020, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act. *Motion passed unanimously*

Wednesday, May 27, 2020 Budget and Priorities Working Group 2020 Budget vs Actual Status

Patrick Kelly of the NYISO presented the 2020 year-to-date budget vs. actual status. Rate Schedule 1 recoveries are \$2.2M below budgeted revenues through April. Year-to-date budgeted costs vs. actual costs through April reflect a \$2.2M budget under-run. Estimates of the Covid-19 impact to the budget were provided and discussed with stakeholders. To see Mr. Kelly's complete presentation, please go to:

https://www.nyiso.com/documents/20142/12800807/02%20Budget%20vs%20Actual.pdf/f31e729e-7b08-bacb-d55a-1a145f7d3374

Rate Schedule 1 - Allocation of NYISO Budget

Christopher Russell of the NYISO presented the language included in Rate Schedule 1 (RS1) requiring a vote by the Management Committee in Q3 2020 to determine whether a new Cost of Service Study should be conducted to evaluate the Rate Schedule 1 allocation between withdrawals and injections.

Mr. Russell led a review of the past changes to revenue allocation and noted that the current allocation is 72% Withdrawals /28% Injections, with rebates provided for recoveries from non-physical transactions.

A Management Committee vote in 2016 resulted in the tariff language below:

"If the Management Committee vote in the third calendar quarter of 2016 discussed in (ii) above determines that a study should not be conducted, the current 72%/28% cost allocation shall remain unchanged until such point in time as the Management Committee determines that a study shall be conducted and the results of that study warrant changing the percentage allocation between Withdrawal Billing Units and Injection Billing Units. If the Management Committee vote in the third calendar quarter of 2016 discussed in (ii) above determines that a study should not be conducted, the Management Committee will revisit the issue of conducting a study annually in the third calendar quarter of each year using the same voting standard (i.e. the study shall be performed unless 58% of the Management Committee vote in the third calendar quarter of each year using the same vote in the third calendar quarter of each gene using the same vote in the third calendar quarter of each gene using the same votes not to commission the study) that was applied to the Management Committee vote in the third calendar quarter of each gene using the same vote in the third calendar quarter of each gene using the same vote in the third calendar (i.e. the study shall be performed unless 58% of the Management Committee vote in the third calendar quarter of 2016 discussed in (ii) above."

Votes were conducted in 2017, 2018 and 2019 where the motion to not conduct a study was approved.

Mr. Russell also provided cost and noted time spent in the working group on the most recent study, 2011, for stakeholder consideration. The vote on whether to perform a cost allocation study will be conducted at the July 29, 2020 Management Committee meeting. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12800807/03%20RS1%20Study%20Vote.pdf/b1efd2dffe82-b8c1-796a-bdc844c9996b

5 Minute Transaction Scheduling

Scott Leuthauser of Hydro Quebec, US, (HQUS) presented the proposal to allow 5-minute scheduling of transactions at the HQUS proxy.

Mr. Leuthauser discussed the benefits of 5-minute transaction scheduling, focusing on the flexibility it will provide for balancing the contributions of intermittent resources. The project would also assist in facilitating the provision of other ancillary services. Additionally, Mr. Leuthauser noted that the project aligns with the goals discussed in the December 2019 Grid in Transition Whitepaper. The project was prioritized as a 2020 deliverable for "Study Complete" with a "Market Design Complete" deliverable in 2021. HQUS is requesting stakeholder support for "Market Design Complete" for the 2021 project prioritization process.

A stakeholder requested that HQUS provide additional clarity on the potential performance of the interface equipment prior to the conclusion of stakeholder survey voting.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12800807/04%205min%20dispatch%202021_MP.pdf/894 7e653-f7bb-7a75-35cb-413007ee5ec3

2021 Market Project Updates, Cost & Stakeholder Survey

Brian Hurysz of the NYISO presented market project updates, cost and benefit data, and the proposed stakeholder survey for the 2021 project priority process. Mr. Hurysz began the presentation with a review of stakeholder comments and the responses provided by the NYISO.

Mr. Hurysz also presented the stakeholder project prioritization survey for 2021 and reviewed the rules and dates for submission.

Stakeholder Scoring Survey Enhancements for 2021 include:

- Each organization will be assigned a unique code to access their survey that will be included in email to MC representative
- MC representative can provide others the ability to access survey by sharing code
- Anyone with survey code can submit the survey
- There will be a comment section after each project as well as at the end of survey to supplement scoring information
- Once submitted, the link and code will no longer provide access the survey
 - The survey link and code can be reset if there is a need to revise after submission
 - Contact Brian Hurysz or Member Relations for any survey related issues including any changes to the contact survey recipient

A draft of the survey was included with the BPWG materials for review with the updated project descriptions. All finalized project cost and benefit information is to be posted by June 12, 2020, with the posting of the June 18, 2020 BPWG meeting materials. The official survey will be distributed following the conclusion of the BPWG meeting on June 18, 2020.

The deadline to submit surveys is June 26, 2020 with the results to be reviewed at the July 8, 2020 BPWG meeting. In response to a stakeholder question, Mr. Hurysz clarified that non-voting members of the committee structure are allowed to vote on the stakeholder survey.

Mr. Hurysz led a review of the updated project candidate list with estimated cost data. Comments are encouraged and can be provided until June 10, 2020, for incorporation into June 18, 2020 presentation.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12800807/05%20Market%20Project%20Updates%20Costs %20Survey.pdf/867f2ec7-9741-97a4-64b9-8c16ccd7a223

2020 Project Schedule Milestone Update

Michael DeSocio and Diane Peluso of the NYISO updated the 2020 project schedule milestones. Mr. DeSocio provided status updates for the following market products:

On Schedule

Complete

Complete

Complete

Complete

At Risk/Delayed

At Risk/Delayed

- CRIS Tracking
- Enhanced BSM Mitigation Study Period
- Locational Marginal Pricing of Capacity (SOM) Complete
- Tailored Availability Metric
- Carbon Pricing
- 5 Minute Transaction Scheduling
- Ancillary Services Shortage Pricing (SOM)
 - Reserves for Resource Flexibility

Mr. DeSocio noted projects that will be discussed in the working groups through the near future:

- BSM Renewables Exemption Study
- Demand Curve Reset

- Comprehensive Mitigation Review
- Ancillary Services Shortage Pricing (SOM)
- Grid in Transition Discussion
- Hybrid Storage Model
- Reserves for Resource Flexibility

Ms. Peluso provided status updates for the project implementations:

- FERC Form1 Redesign
- Transactions Modifications and Confirmation Tool On Schedule
- Relocating the IESO Proxy Bus
- DER Participation Model
- Dual Participation
- ACC Control Room Renovations
- GFER Upgrade

Ms. Peluso noted projects that will be progressed by the implementation teams through the near future:

On Schedule

At Risk/Delayed

At Risk/Delayed

Complete

Complete On Schedule

- Rate Schedule 12 Settlement
- Dual Participation
- Expanding Capacity Eligibility
- Climate Change Impact and Resilience Study

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12800807/2020%20Project%20Schedule%20Milestone%2 0Update.pdf/7fa2cd49-8eca-176b-5861-adbb03df37c5

Note: 2020 Master Plan -- Reliability and Markets for the Grid of the Future

The draft 2020 Master Plan was posted with the meeting materials for stakeholder review. To see the complete draft report, please go to:

https://www.nyiso.com/documents/20142/12800807/2020_Master_Plan_DRAFT.pdf/99c93bb9b26e-d470-ce04-79f7cd37e5ed

FERC Filings

May 29, 2020

NYISO compliance filing in response to 5/12/20 order to exclude State Program language from the SCR Offer Floor located in MST Section 23.4.5.7.5

May 28, 2020

NYISO filing of errata to properly locate two tariff sections within the NYISO's and Commission's eTariff databases

FERC Orders

May 26, 2020

Order granting certain incentives and accepting LSPG-NY's Formula Rate, suspending them for a nominal period to be effective May 27, 202, subject to refund, and establishing hearing and settlement judge procedures

Filings and Orders:

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