

NYISO Consumer Interest Liaison Weekly Summary

October 12 – October 16, 2020

Notices:

- The Short-Term Assessment of Reliability for 2020 Quarter 3 has been posted to the following link: Short-Term Assessment of Reliability for 2020 Quarter 3
- The 2020 Fall Economic Conference will be held by Webex on October 21, 2020 from 11:00 am until 3:00 pm. Adam Kamins from Moody's Analytics will present the National Economic Outlook and the NY State Economic Outlook. The agenda has been posted <u>here</u>. Additional material will be posted in advance of the meeting.
- 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: <u>Generator Status Update</u>

Meeting Summaries:

<u>Wednesday, October 14, 2020</u> Business Issues Committee <u>Motion #1:</u> Motion to approve the Minutes of the July 15, 2020 and August 12, 2020 BIC meetings *Motion passed unanimously with abstentions*

Thursday, October 15, 2020Operations CommitteeMotion #1The Operating Committee ("OC") hereby approves the Winter 2020-2021 Operating StudyReport as presented and discussed at the October 15, 2020 OC meeting.

The motion passed unanimously by show of hands.

Motion #2:

The Operating Committee (OC) hereby approves the revisions to the Ancillary Services Manual as presented and discussed at the October 15, 2020 OC meeting.

The motion passed unanimously by show of hands with an abstention.

Motion #3:

WHEREAS, the ESPWG and TPAS have held a series of meetings with NYISO Staff to discuss and review the studies and analyses underlying the NYISO's findings regarding Reliability Needs in New York State; and

WHEREAS, NYISO Staff has provided a draft Reliability Needs Assessment ("RNA") Report dated October 7, 2020, including Appendices, for the October 15, 2020 Operating Committee ("OC") meeting; and

WHEREAS, NYISO Staff has incorporated modifications to this document based on comments received at ESPWG/TPAS meetings from February through October, 2020, and has made a presentation of its findings based on this RNA Report at the October 15, 2020 OC meeting. NOW, THEREFORE, based on the presentation made by the NYISO at the October 15, 2020 OC meeting and the information available and presented by the NYISO to the Market Participants as of this time, the OC hereby concurs with the RNA Report as presented at the October 15, 2020 OC meeting.

The OC hereby further recommends that the Management Committee concur with the 2020 RNA Report and recommend approval of the 2020 RNA Report by the NYISO's Board of Directors. *The motion passed unanimously by show of hands.*

Motion #4a:

The Operating Committee (OC) hereby approves the Q#787 Levy Grid Interconnection System Reliability Impact Study report as presented and discussed at the October 15, 2020 OC meeting. *The motion passed unanimously by show of hands.*

Motion #4b:

The Operating Committee (OC) hereby approves the Q#840 Swiftsure Storage Interconnection System Reliability Impact Study report as presented and discussed at the October 15, 2020 OC meeting.

The motion passed unanimously by show of hands.

Motion #5a:

The Operating Committee (OC) hereby approves the Q#869 Tabletop Solar Interconnection System Reliability Impact Study scope as presented and discussed at the October 15, 2020 OC meeting. *The motion passed unanimously by show of hands.*

Motion #5b:

The Operating Committee (OC) hereby approves the Q#941 Southampton Battery Interconnection System Reliability Impact Study scope as presented and discussed at the October 15, 2020 OC meeting.

The motion passed unanimously by show of hands.

Motion #5c:

The Operating Committee (OC) hereby approves the Q#1031 Mill Point Solar Interconnection System Reliability Impact Study scope as presented and discussed at the October 15, 2020 OC meeting.

The motion passed unanimously by show of hands.

Motion #5d:

The Operating Committee (OC) hereby approves the Q#1040 Riverline Energy Center Interconnection System Reliability Impact Study scope as presented and discussed at the October 15, 2020 OC meeting.

The motion passed unanimously by show of hands

Friday, October 16, 2020

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

Hybrid Storage: Tariff Revisions for Co-located Storage Resources (CSR)

Kanchan Upadhyay of the NYISO reviewed tariff revisions for Co-located Storage Resources (CSR). A stakeholder requested that the NYISO present the complete market design in one place since the design changed several times as the project progressed. The NYISO noted the suggestion for consideration.

Prior to reviewing tariff changes, Ms. Upadhyay continued with the discussion of CSR settlement design. The ISO annual budget charges and annual FERC fees will be assessed on the total MWh injections and withdrawals by CSR units. This treatment is consistent with the proposal that the two units in the CSR participation option participate as distinct resources in the wholesale market. Ms. Upadhyay presented and discussed changes to the following Market Services Tariff sections:

- MST 2.1 Definitions
- MST 15 Rate Schedules
- MST 23.3 Att H ISO Market Power Mitigation Measures

With regard to new or revised definitions included in the Market Administration and Control Area Services Tariff (MST), NYISO will make conforming changes to Open Access Transmission Tariff (OATT) definitions, or will add a cross-reference in the OATT to the term defined in the MST. Redlined tariff revisions were posted with the meeting materials.

NYISO will return to future working groups to discuss Tariff revisions to other sections. The NYISO anticipates a Q1 2020 FERC filing with a Q4 2020 market implementation. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/16124862/2%20Hybrid%20Storage_Energy%20tariff%20I CAPWG%20MIWG%20101620.pdf/fcc7cf12-efe1-9c41-a09b-1921da66ebbf

Installed Capacity Manual Revisions

Sarah Carkner, Emily Conway, and Yvonne Huang of the NYISO reviewed the revisions to the Installed Capacity Manual necessary to incorporate the Expanding Capacity Eligibility and Tailored Availability Metric rulesets in addition to updating the initial Unforced Capacity percentage for wind resources.

Ms. Conway presented the revisions to the ICAP Manual to accommodate the Expanding Capacity Eligibility and Tailored Availability Metric rulesets, including changes to Sections 1, 2.5, 4.1.1, 4.2, 4.4.9, 4.4.10, 4.5, and 4.8. Ms. Carkner presented the revisions to ICAP Manual Attachments D, J, and M to accommodate the Expanding Capacity Eligibility and Tailored Availability Metric rulesets. The revisions were detailed and discussed with stakeholders. Feedback from stakeholders was noted for NYISO consideration.

Ms. Huang continued the presentation with a discussion to gather stakeholder feedback to proceed with updating the initial Unforced Capacity percentage (UCAP percentage) for wind resources in the Installed Capacity Manual. The NYISO proposed to update the initial wind UCAP percentage as the current percentage is based on an analysis that is outdated and used simulated wind data. For onshore wind, the NYISO proposes to update the initial UCAP percentage by using historical data and aligning with calculations for the existing:

- Actual production data of onshore wind resources are available since 2013
- Calculate the historical annual UCAP percentage per season, with the output during the 6 or 8 Peak Hours
- NYISO considers using the 5-year historical average to establish the initial wind UCAP%

For offshore wind, the NYISO proposes to update the initial Unforced Capacity (UCAP) percentage in early 2021, after the NERL releases the new simulated data. Ms. Huang provided historical data for onshore wind profiles that will be used to assign the initial UCAP percentages and currently available simulated data for offshore wind to demonstrate the calculation.

The NYISO intends to continue discussion on the proposal through 2020 and seek governance approval in Q1 2021. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/16124862/3%20Proposed%20ICAP%20Manual%20Revisi ons%20101620.pdf/96b8a42d-86d1-a658-7ecc-b8a8d8a44920

Ancillary Services Shortage Pricing

Zachary Stines of the NYISO presented the revised proposal for the interaction of Scarcity Pricing and Supplemental Reserves. During SCR/EDRP (Special Case Resource/Emergency Demand Response Program) activations, the NYISO initially proposed to maintain the procurement target for any supplemental 30-minute reserves with an assigned shortage pricing value of \$10/MWh. In response to stakeholder feedback, the NYISO proposes to revise its initial proposal regarding the interaction of the scarcity pricing logic with any applicable 30-minute supplemental reserve requirements that may be implemented in the future. During SCR/EDRP activations, the NYISO's updated proposal would maintain the proposed \$10/MWh shortage pricing value for only the quantity of 30-minute supplemental reserves, if any, that exceeds the applicable scarcity reserve requirement(s).

Two scenarios were provided and discussed to illustrate the functioning of the proposal.

Mr. Stines went on to review proposed revisions to the Market Administration and Control Area Services Tariff (MST) Sections 15.4.7(k), 15.4.7(l), 15.4.7(m), 15.4.7(n), and 15.4.7(o) to address the updated proposal regarding the interaction of the scarcity pricing logic with any applicable 30-minute supplemental reserve requirements during SCR/EDRP activations in real-time.

The NYISO is currently working with its vendor to estimate the implementation which will inform the timeline for the different aspects of the proposal. To see the complete presentation, please go to: https://www.nyiso.com/documents/20142/16124862/4%20Ancillary%20Services%20Shortage%20Pr icing%2010162020%20MIWG_final.pdf/0230ac6e-390b-4a09-43b2-49b33c9afd86

FERC Filings

October 16, 2020

NYISO exigent circumstances filing of tariff revisions to address a Gas Pricing Logic Alignment Issue affecting the net Energy and Ancillary Services revenue offset values embedded in 2017-2021 Installed Capacity demand curves

October 16, 2020

NYISO 205 filing on behalf of Niagara Mohawk Power Corporation ("Niagara Mohawk") of an amended Engineering & Procurement Agreement (SA 2531) between Niagara Mohawk and New York Transco, LLC

FERC Orders

October 13, 2020

Letter Order accepted SGIA (SA 2545) effective August 18, 2020, as requested Issued October 7, 2020 Order conditionally accepted compliance filing and directed further compliance

Filings and Orders:

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