

NYISO Consumer Interest Liaison Weekly Summary

May 11 – May 15, 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: <u>Generator Status Update</u>
- The review period for revisions made to UG-01 Market Participants User's Guide has concluded and the final version has been posted to the <u>Manuals, Technical Bulletins &</u> <u>Guides webpage</u>, under the User's Guide folder. The additions to the Market Participants User's Guide (UG-01) include responsibilities of Market Participants engaged in dual participation.
- The NYISO has posted the following materials to the Installed Capacity Market page (<u>www.nyiso.com/installed-capacity-market</u>) relevant to the currently ongoing ICAP Demand Curve reset:
 - Stakeholder comments provided by the City of New York regarding Executive Order 52
 - The first draft of the thermal Net EAS model used in calculating net EAS revenue offsets for use in the demand curve model

Both of these materials can be found on the Installed Capacity Market page under Installed Capacity Data/Reference Documents/2021-2025 Demand Curve Reset.

Meeting Summaries:

Monday, May 11, 2020

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

Comprehensive Mitigation Review

Sarah Carkner of the NYISO led an appraisal of the Comprehensive Mitigation Review. The objective of this project for 2020 is to modify the NYISO Installed Capacity (ICAP) market

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framework in a balanced manner that preserves competitive price signals and economically efficient market outcomes required to maintain system reliability and enables the Climate Leadership and Community Protection Act (CLCPA) goals.

Ms. Carkner presented the options reviewed by the NYISO and highlighted projects completed toward achieving these goals:

- BSM Enhancements
 - Enhancements to the Part A Exemption Test
- Renewable Exemption Limits

The NYISO has received valuable feedback from stakeholders through this process and is looking into stakeholder suggested options for this effort:

- CRIS+
 - Pair transferable CRIS rights with existing resource's BSM exemption
- Multiple Value Pricing
 - Incorporate a model that co-optimizes over several variables (e.g. specific to resource type, zero carbon resources, etc.)
- Forward Clean Energy Market
 - New market intended to procure certain percentage of generation from qualifying renewable resources

NYISO is open to receiving other ideas that have not yet been raised for consideration.

In response to a stakeholder question, Ms. Carkner noted that the Forward Clean Energy Market was a project suggestion received from a market participant. It was suggested by the NYISO that all stakeholders with concepts/proposals are encouraged to present those concepts at a near future ICAP Working Group.

The project goal for the Comprehensive Mitigation Review is to develop a Market Design Complete in 2020. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12465245/Comprehensive%20Mitigation%20Review.pdf/3 3e65dde-9ede-4ae9-5565-c854c6db5e65

Hybrid Storage Interconnection Proposal

Kanchan Upadhyay and Amanda Myott of the NYISO presented the proposed interconnection process options for the Hybrid Storage Resources (HSRs) participation model.

It was proposed that all of the new/proposed facilities planning to interconnect as a hybrid resource, all resources behind the same point of interconnection (POI) may be included in a single

interconnection request. Ms. Upadhyay provided a review of ERIS (Energy Resource Interconnection Service) awards for the three HSR participation options:

- Option 1: Distinct Resources:
 - Separate ERIS for each unit, limited to minimum of capability of the inverter(s) or capability of the respective unit
- Option 2: Aggregate Hybrid Resource
 - Single, combined ERIS limited to minimum of capability of the inverter(s) or total capability of combined units
- Option 3:Hybrid ESR
 - Single, combined ERIS limited to minimum of capability of the inverter or capability of the storage component

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Consistent with current practice for storage resources, NYISO will evaluate multiple scenarios under various system conditions, including scenarios with combined max injection and with the energy storage withdrawing energy from the system at its maximum capability.

Ms. Upadhyay provided examples of ERIS awards for the three options for discussion with stakeholders. Some stakeholders requested that the NYISO provide additional examples at a future ICAP Working Group meeting to help clarify ERIS in cases of varying capabilities within a facility. Amanda Myott of the NYISO continued the presentation with a review of the HSR Installed Capacity Market (ICAP) participation model options. Citing the above three participation options, Ms. Myott explained the process for awarding CRIS (Capacity Resource Interconnection Service) amounts to resources. Ms. Myott also provided examples of CRIS awards for the three options and again, some stakeholders requested additional examples for further clarity.

Ms. Myott also presented the proposed rules for determination of a Material Modification in the HSR interconnection process. If an existing facility (or a proposed queue project that are not currently proposed as an HSR) proposes additions/modifications to become an HSR, they will be subject to a material modification review. The NYISO is working on transition rules to enable projects that currently have separate positions in the Interconnection Queue to combine and proceed under a single Interconnection Request as an HSR.

In response to a stakeholder question, Ms. Myott noted that the NYISO will discuss mitigation aspects of the differing model options later in the process.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12465245/Hybrid%20Storage%20Interconnection_0511%2 0MIWG_ICAPWG_FINAL.pdf/0740db02-ac07-e7f4-42b4-0b17da0e82eb

Transmission Congestion Contract - Proposed Improvement

Joseph Wadsworth of Vitol, Incorporated (Vitol) presented a proposal to enhance the NYISO Transmission Congestion Contract (TCC) products. Building on a prior proposal by market participant Calpine Energy to develop separate On Peak and Off Peak TCCs, Vitol proposes an additional product; Weekend/Holiday TCCs.

The Vitol proposal would change the TCC product from a 24 hours a day, 7 days a week product into 3 smaller products:

- On-peak TCC
 - Non-holiday weekday peak hours (HE 8 23)
- Weekend/holiday peak TCC
 - Weekend and holiday peak hours (HE 8 23)
- Overnight off-peak TCC:
 - Overnight hours for all days (HE 24 and 1 7)

Mr. Wadsworth provided an example where, under the Vitol proposal, a solar owner (or other intermittent) could tailor their hedge by purchasing a weekday peak TCC and a weekend/holiday peak TCC to cover its daytime congestion risk.

In response to a stakeholder question, Vitol stated that it is working with the NYISO to consider whether the traditional 24 hour TCCs would continue to be sold. Also, Mr. Wadsworth noted further conversations with the NYISO regarding cost and complexities that need to be considered in the potential development of this enhancement. Another stakeholder noted that if the 24 hour TCC product was no longer available, it may make the TCC market less flexible for some market participants.

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To see the complete presentation, please go to: <u>https://www.nyiso.com/documents/20142/12465245/Vitol%20-</u> %20TCC%20Improvement%20Proposal.pdf/a58c1ee3-0984-a6dd-b239-b2db8ba42d1c

<u>Tuesday, May 12, 2020</u>

System Operations Advisory Subcommittee

<u>NYISO Operations Report – April 2020</u>

Peak Load

The peak load for the month was 16,595 MW, which occurred on Thursday, April 16, 2020, HB20. Reserve requirements were as follows:

Reserve	10 Sync	Non-Sync	30 Min
Requirement	655	1,310	1,965
For Hour	1,206	2,509	6,070
DSASP Cont.	65	0	65

Major Emergencies:

None

Alert States -- Alert State was declared on 5 occasions:

2 – Emergency Transfer Declared

3 - Exceeding Central East Voltage Contingency Limit

Alert state was declared 14 times during April of 2019

Thunder Storm Alerts

0 TSA was declared in April 2020 for a total of 0.53 hours

<u>Reserve Activations</u> – 1

There were 6 Reserve Activations during April of 2019

Emergency Actions

None

TLR3 Declared – 0 for a total of 0.0 hours

<u>Thursday, May 14, 2020</u>

Budget and Priorities Working Group

Transmission Congestion Contract - Proposed Improvement

Joseph Wadsworth of Vitol, Inc. (Vitol) presented the proposal to enhance the NYISO Transmission Congestion Contract (TCC) products. The Vitol proposal would change the TCC product from a 24 hours a day, 7 days a week product into 3 smaller products:

- On-peak TCC
 - Non-holiday weekday peak hours (HE 8 23)
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 - Weekend and holiday peak hours (HE 8 23)
- Overnight off-peak TCC:
 - Overnight hours for all days (HE 24 and 1 7)

As in an earlier Vitol presentation, stakeholders suggested that it is vital to maintain the 24 hour TCC product to reduce unnecessary complexity. Stakeholders also discussed which specific hours should be included in the various product definitions.

In response to a question on the deadline for submitting projects, Brian Hurysz of the NYISO noted that the deadline for identifying new projects was May 14, 2020. Stakeholders have time following the project proposal identification deadline to work with the NYISO to refine details.

<u>Tailored Availability Metric Enhancements – Requested by Central Hudson, Con Edison, National</u> <u>Grid, New York Power Authority, and O&R</u>

Michael Cadwalader, on behalf of Central Hudson, Con Edison, National Grid, New York Power Authority, and O&R, presented a proposal to build upon the work performed in the Tailored Availability Metric project. For resources whose UCAP rating is based upon their availability, it will identify and assess further improvements to the procedures used to calculate the amount of UCAP that such resources qualify to provide.

The objective is to develop and implement a market design that provides more effective incentives for resources to be available during hours when their when their availability significantly affects reliability, by tying their compensation for capacity more closely to their availability at those times. Further improvements to the Tailored Availability Metric will enhance its ability to provide better incentives for Capacity suppliers to be available at the times when it is most important for them to be available, thereby enhancing reliability and reducing the cost of meeting the reliability objectives. The proposed project will be included in the 2021 Project Priority Process.

<u>CRIS Expiration: Impact of Public Policy Transmission Projects and "Grandfathered" CRIS Facilities</u> Erin Hogan of the Utility Intervention Unit (UIU) division of New York State Department of State presented a proposal to modify CRIS Deliverability Rights retention rules to reflect the impact of Public Policy Transmission Projects (PPTP). A retired generator whose deliverability benefited from a PPTP should not be allowed to retain CRIS for the amount that is equal to the level of CRIS obtained as a result of the PPTP. Some exceptions or specific provisions may be warranted in certain circumstances to maintain equity between the ratepayer and generator, for instance if a generator actively plans to resume operations such as a repowering, or if it transfers CRIS rights to load. This project will seek to further enhance and provide additional clarification to the CRIS expiration rules. Further enhancements to the CRIS expiration rules will prevent retention of CRIS Deliverability Rights by facilities whose deliverability capability benefited from ratepayer investments but are now retired and no longer participating in the Installed Capacity market. The proposed project candidate will be included in the Project Prioritization Process for 2021.

Note: The Project Candidate submission forms for the three stakeholder projects above are available for review at: <u>https://www.nyiso.com/bpwg</u>

2021 Proposed Market Projects

Brian Hurysz of the NYISO presented the proposed market project candidates for the 2021 Project Prioritization Process. Mr. Hurysz led a brief review of the Project Prioritization Process, term definitions and timeline prior to presenting feedback received from stakeholders on the prior presentation. Project status and/or description changes resulting from feedback were reviewed. Mr. Hurysz highlighted projects that have been added and/or revised as he reviewed the list of proposed market project candidates by product area.

Written feedback on project descriptions and project type categorization may be provided by May 20, 2020 for incorporation into May 28th presentation. Feedback can be sent to Brian Hurysz at <u>bhurysz@nyiso.com</u> or through a call to his cell phone at 518-461-6405. Stakeholder advocacy and the draft scoring survey are scheduled for the May 28, 2020 BPWG meeting.

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To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12565174/Proposed%202021%20Market%20Projects%20 Pres%20Revised.pdf/e86943fa-7cf2-a776-b08c-d5f0c720a9e8

2021 Proposed Enterprise Projects

Brian Hurysz of the NYISO presented the proposed enterprise project candidates for the 2021 Project Prioritization Process.

Mr. Hurysz highlighted projects that have been added and/or revised as he reviewed the list of proposed enterprise project candidates by product area.

Written feedback on project descriptions and project type categorization may be provided by May 20, 2020 for incorporation into May 28th presentation. Feedback can be sent to Brian Hurysz at <u>bhurysz@nyiso.com</u> or through a call to his cell phone at 518-461-6405. Stakeholder advocacy and the draft scoring survey are scheduled for the May 28, 2020 BPWG meeting.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12565174/Proposed%202021%20Enterprise%20Projects.p df/b816d83b-f5e3-736e-8444-22e5f475bf2c

Note: The complete lists of market and enterprise project candidate descriptions are included with the meeting materials at: <u>https://www.nyiso.com/bpwg?meetingDate=2020-05-14</u>

<u>Thursday, May 14, 2020</u>

Meter Task Force

ESR Uploads and Meter Inventory

Chris Russell and Michelle McLaughlin of the NYISO presented updates to the Settlement Data Exchange (SDX) required for compliance with FERC Order 841.

The Limited Energy Storage Resources (LESRs) Upload and Download templates have been repurposed for use with both LESRs and Energy Storage Resources (ESRs). This revision enables a meter authority to upload and download dual channel generator billing quality hourly injection MW values and hourly withdrawal MW values by PTID.

Mr. Russell also noted other upload and download templates that are affected by the revisions for stakeholder reference.

Ms. McLaughlin continued the presentation with a discussion of Meter Service Entity (MSE) meter inventory. Ms. McLaughlin noted that approved MSEs are required to complete an MSE Meter Inventory template within 30 days for all resources for which they are providing metering and/or meter data services. The MSE Meter Inventory is to be updated as new resources are added, removed, or there are meter device information changes.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/12587183/MTF_MSE%20Meter%20Inventory_05_15_202 0%20CR.pdf/1ae68bb7-a4b1-f5bc-ecf7-54883bcbed0c

FERC Filings May 13, 2020

NYISO answer to certain arguments in the comments and protests filed in response to the NYISO's Renewable Exemption Limit proposal

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FERC Orders

May 14, 2020

Letter Order granted the request for waiver of the timing requirement in OATT Section 6.1.2.5 that revenue from non-physical market activity be used to recover a RS1 shortfall

May 12, 2020

Order directing compliance filing to omit State Program Language from the tariff

Filings and Orders:

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

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