

NYISO Consumer Interest Liaison Weekly Summary

January 13 – January 17, 2020

Notices:

- *The Hudson Ave 3 Generator Deactivation Assessment has been posted to the following link: [Generator Deactivation Assessment](#)*
- *On January 15, 2020 the NYISO posted its **Annual Report on Demand Response Programs in the New York Control Area**. View a copy of the report [here](#).*
- *As described in the "[Relocating the IESO Proxy Bus](#)" presentation at the January 15, 2020 Business Issues Committee meeting, the NYISO currently anticipates **the IESO proxy bus change from the Bruce 500 kV station to the Beck 220 kV station occurring in the Energy Market Model updates deployed in the April 2020 timeframe**. Based on this current expectation, TCC Market Operations will conduct the February 2020, March 2020, and April 2020 Balance-of-Period Auctions with the IESO proxy bus represented at the Bruce 500 kV station. The NYISO will provide notice of IESO proxy bus modeling changes in advance of implementation in TCC auction rounds.*

Meeting Summaries:

Monday, January 13, 2020

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

Hybrid Storage Model

Amanda Myott of the NYISO introduced the Hybrid Storage Model project to stakeholders. The objective of the project is to create a participation model for large paired/co-located front-of-the-meter generator and energy storage resources (*i.e.* Hybrid Storage Resources). This project seeks to explore a market participation model for use cases such as:

- *Renewable resources co-located with small energy storage resources.*
- *Renewable resources co-located with large energy storage resources.*

- *Thermal resources co-located with energy storage resources.*
- *Renewable and thermal resources paired with energy storage resources via financial contracts*

Ms. Myott described the scope of the project, explaining that the process will explore aspects ranging from participation in the wholesale markets to metering and settlements.

Some stakeholders commented that due to the complexity of the intended resources, it may be advantageous to conduct parallel discussions in the Operating Committee’s working groups for thorough coordination.

Ms. Myott compared and contrasted the Hybrid Storage Model with the Distributed Energy Resource (DER) and the Energy Storage Resource (ESR) participation models for stakeholder clarity.

A timeline was provided with the goal of Market Design Complete anticipated in Q3 2020. A Consumer Impact Analysis is included as part of the timeline. When asked for a potential implementation date, Ms. Myott explained that it will depend on the complexity of the market design and will be determined as the project progresses.

In response to a stakeholder question, Ms. Myott informed stakeholders that the NYISO has considered the approaches of other ISO/RTO’s Hybrid Storage Resource participation models for background and best practices.

Stakeholder input is encouraged as the NYISO develops the participation model. The discussion will continue in February 2020. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/10252714/Hybrid%20Storage%20Model_MIWG_Jan%2013%202019.pdf/caf29abe-a431-a2d1-358d-43326153824a

Hybrid Resources as Power Plants

Mark Ahlstrom of Energy Systems Integration Group (ESIG) presented an overview of Hybrid Resources designed as power plants. Mr. Ahlstrom began by describing the explosive growth of Solar plus Storage projects under development throughout the US electrical markets. ESIG defines a Hybrid Resource as:

“A combination of multiple technologies that are physically and electronically controlled by the Hybrid Owner/Operator behind the point of interconnection (“POI”) and offered to the grid as a single resource at that POI “

For this discussion, Solar PV was used as a generation example, although the concept may apply to a broad range of resources. Solar plus Storage includes two major classifications; AC Coupled and DC Coupled. Mr. Ahlstrom compared and contrasted the two while noting that the DC Coupled option offers higher efficiencies.

The concept combines Solar PV generation coupled with energy storage. The Solar PV resource is sized larger than the energy storage portion of the project. Mr. Ahlstrom detailed the concept and provided illustrations to demonstrate that the larger Solar PV resource allows charging of the storage resource through the solar peak period to extend (shift) the energy or ancillary service contribution of the Hybrid Resource. Rapid advances in the capability of hardware and software have provided flexibility of the resource to react to the needs of the system and offer several different products in a short time period as required.

Mr. Ahlstrom outlined several benefits to the System Operators and to the Hybrid Resource Operators which contribute to the viability of the concept. A link was provided for additional details and research on the concept at: <https://www.esig.energy/hyflex-hybrids-and-emerging-flexible-resources/>. To see the complete presentation, please go to: <https://www.nyiso.com/documents/20142/10252714/Ahlstrom%20-%20Hybrids%20Resources%20ESIG%2020191030.pdf/2aaafc5b-dd44-b03f-8f68-a6c2150ef557>

2020-2021 Capability Year Locational Minimum Installed Capacity Requirements

Kevin Osse of the NYISO presented the Final Locational Capacity Requirement (LCR) values for the 2020-2021 Capability Year. The NYISO determines the LCRs annually using a target loss of load expectation (LOLE) of 0.100, recognizing the New York State Reliability Council's 18.9% IRM. The final 2020-2021 Capability Year LCRs are:

- G-J Locality Zone G-J 90.0%
- New York City Zone J 86.6%
- Long Island Zone K 103.4%

Mr. Osse noted that the Long Island LCR was set by its Transmission Security Limit (TSL). The final LCR report is posted with the meeting materials and includes the TSLs for the 2020-2021 Capability Year. Notable changes in the 2019-2020 and 2020-2021 study inputs and methods were presented for stakeholder discussion.

To see the Locational Minimum Installed Capacity Requirements Study for the 2020–2021 Capability Year please go to: https://www.nyiso.com/documents/20142/10252714/LCR2020_Report.pdf/a1b83a70-5c13-f42e-d564-85c255a7d446

To see the complete LCR presentation, please go to: <https://www.nyiso.com/documents/20142/10252714/2020-2021%20Capability%20Year%20LCRs.pdf/d07ffd3b-93c3-5a64-be2e-c47b606ac18f>

Transmission Congestion Contracts Manual Revisions

Gregory Williams of the NYISO updated the Transmission Congestion Contracts (TCC) Manual. The TCC Manual was last updated in 2017.

Mr. Williams led a review of the revisions to the Historic Fixed Price TCC product in Section 7 and Attachment U of the TCC Manual. Three Technical Bulletins (TB) were incorporated into the TCC Manual:

- *Technical Bulletin #246* “PJM-NYISO Interconnection Scheduling Protocol”
- *Technical Bulletin #248* “Modeling of the Rainey PAR”
- *Technical Bulletin #249* “Modeling of the Blissville PAR”

Additional changes were made throughout the manual to aid with consistency of the use of defined terms, references to various documents and ministerial changes. Several links were updated to coincide with the redesigned NYISO public website.

The TCC Manual will be brought to the February BIC for approval of the revisions. To see the complete presentation, please go to: <https://www.nyiso.com/icapwg?meetingDate=2020-01-13>

Comprehensive Mitigation Review: Revisions to Part A Exemption Test for Public Policy Resources

Jonathan Newton of the NYISO updated the proposal to revise the Part A Exemption and the Mitigation Study Period (MSP). Mr. Newton continued the discussion from the December 19, 2019 presentation while incorporating stakeholder feedback.

Following a review of the Potomac Economics (MMU) recommendation to pursue a two-pronged approach, Mr. Newton led a discussion of the NYISO proposal. The proposal is to revise the order of the Part A Exemption Test to precede the Part B Exemption Test. The Resources would be ordered for the Part A Exemption Test by placing all Public Policy Resource (PPR) Examined Facilities before non-PPR Examined Facilities, even if the latter are lower cost. Mr. Newton explained that a PPR would be defined as a resource that is fully capable of serving electrical load in NY with zero emissions, assuming the resource is part of a statewide zero emissions electrical system. With the acknowledgement that PPR resources are entering the market, the NYISO believes granting partial exemptions may be appropriate but is still determining if and how they can be implemented. Mr. Newton noted several stakeholder comments for further consideration. The application of the Part A test would be integrated into the revisions of the MSP.

The NYISO will consider feedback received from stakeholders and continue discussions in the coming weeks. MSP discussions will continue on a parallel track.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/10252714/CMR%20Part%20A%20Rev%2001132020.pdf/4f901c4f-58a4-35e4-ef3c-c97b03bd71b0>

Wednesday, January 15, 2020

Business Issues Committee

Motion #1:

Motion to approve the December 11, 2019 BIC meeting minutes.

Motion passed unanimously with an abstention.

Motion #2:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee approve changes to the NYISO’s Market Administration and Control Area Services Tariff with regard to the modifications for calculating the gross cost of new entry composite escalation factor as presented to the BIC on January 15, 2020.

Motion passed unanimously.

Motion #3:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee (“MC”) approve revisions to Section 4.4.4 and 17.1.5 of the NYISO’s Market Administration and Control Area Services Tariff, as more fully described in the “Relocating the IESO Proxy Bus” presentation made to the BIC on January 15, 2020.

Motion passed unanimously with an abstention.

Thursday, January 16, 2020

Operating Committee

Motion #1:

The Operating Committee (OC) hereby approves the meeting minutes from December 12, 2019.
The motion passed unanimously by show of hands with an abstention.

Motion #2:

The Operating Committee (OC) hereby approves the Locational Minimum Installed Capacity Requirements for the 2020-2021 Capability Year as presented and discussed at the January 16, 2020 OC meeting.
The motion passed unanimously by show of hands.

Motion #3a:

The Operating Committee (OC) hereby approves the Q#740 Oakdale Battery Energy Storage System Reliability Impact Study (SRIS) report as presented and discussed at the January 16, 2020 OC meeting.
The motion passed unanimously by show of hands.

Motion #3b:

The Operating Committee (OC) hereby approves the Q#745 Huckleberry Ridge Storage System Reliability Impact Study (SRIS) report as presented and discussed at the January 16, 2020 OC meeting.
The motion passed unanimously by show of hands with an abstention.

FERC Filings

January 16, 2020

NYISO and PJM (collectively the RTOs) filed a motion for extension of Compliance filing deadline for implementing revisions to the M2M Entitlement Rules in NYISO PJM JOA.

January 17, 2020

NYISO filing on behalf of Niagara Mohawk Power Corporation ("NMPC") of a small generator interconnection agreement (SA 2511) between NMPC and LaChute Hydro Company, LLC

FERC Orders

January 16, 2020

FERC Letter Order accepted the Utility Services Agreement (SA 2497) between New York State Electric & Gas Corporation and NextEra Energy Transmission of New York, Inc.

Filings and Orders:

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