

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

[Problem / Opportunity](#)

At its April 29, 2020 meeting, the Management Committee approved modifications to the procedures that the ISO will use to determine the amount of unforced capacity (UCAP) that resources qualify to provide. Under Project #5 (Tailored Availability Metric (TAM)), the ISO will implement those modifications. For resources whose UCAP rating is based upon their availability, these modifications provide that the amount of UCAP each such resource qualifies to provide in each capability period will be based upon its availability during the two preceding like capability periods, in most cases. However, even with these improvements, forced outages at different times within the capability period may have roughly the same impact on the amount of UCAP that such a resource qualifies to provide. For example, as the ISO demonstrated in an example presented at the March 20, 2020 ICAPWG/MIWG meeting, an extended forced outage in July may have only a slightly larger impact than an extended forced outage in May on the amount of UCAP that a resource qualifies to provide during the summer, even though the former outage may have a much larger impact on reliability than the latter.

[Project Objective\(s\) & Anticipated Deliverable\(s\)](#)

This project will 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 these resources to be available during those hours when their availability significantly affects reliability, by tying their compensation for capacity more closely to their availability at those times.

[Project Justification](#)

Further improvements to the TAM will enhance its ability to provide better incentives for Installed 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 reliability objectives.