

# **SCR/ICAP Issues/Priorities**

**ICAP Working Group Meeting  
April 11, 2005**

# Major NYISO SCR/ICAP Topics of Interest (Not Necessarily In Order of Importance)

- **Audits/Periods** – Every SCR resource that sells/certifies UCAP in a capability period must be audited in that capability period. The NYISO is considering having two audits during this each three month “core” period (i.e., June and Aug, Dec and Feb). Audits should be conducted during summer peak hour periods (1-6 PM)
- **Mandatory responses** – Resources sold in a month during which an audit is called are obliged to respond unless they have sold in the strip auction, in which case they may respond to a subsequent audit later in the capability period. Resources that opt not to respond to an audit will have their performance counted as zero for purposes of performance calculations related to forward UCAP sales. Such zero performance data will be replaced by subsequent test data later in the capability period.
- **Performance calculations in mid-capability period** – Resources that test in mid-to late-capability period (i.e. after July) will not have their performance included in the next capability period performance metric due to delays in processing data. August test data, for example, would not be included in the performance metric until the following summer capability period.

# Major SCR/ICAP Topics of Interest (cont.)

- **Audits during months when resources not sold** – SCR resources that have not sold in a given month are treated as EDRP resources. Since EDRP resources are not called during SCR Audits, these resources will not be notified and may miss their chance to test. Need to resolve. One possibility would be to send test notices to both RIPs and CSPs (i.e. both EDRP and SCR resource aggregators), along with a message indicating that SCR resources that have not sold in the current month, but did sell earlier in the capability period should be tested.
- **Limit on in-hour excursions** – A 200 MW load reduction lasting only 15 minutes is not the same as a 50 MW reduction lasting an hour (even if the hourly average is the same). The former is not acceptable from an operations standpoint. SCRs must make every effort to avoid producing disruptive transients, both during audits and actual events. NYISO will work with RIPs as necessary. For SCRs 25 MW and larger, NYISO is proposing that excursions should be limited to no more than 25 MW in a given hour.
- **Base Lines for new or increased loads** – SCRs lacking historical load data may provide a provisional APMD, subject to confirmation during subsequent audits/events. Unsubstantiated APMDs may result in penalties and/or deratings. Most recent interval data available will be used as reasonableness guide for new loads. A list of resources with provisional APMDs will be provided to the NYISO's Market Monitoring and Performance unit for subsequent reasonableness audit.

# Major SCR/ICAP Topics of Interest (cont.)

- **Load Loss/Energy Efficiency/CHP implications** - Under current rules, “baseload” (permanent) reductions below APMD baseline levels may be claimed as SCR capacity until the following year, when new APMD will reflect the reduction. For direct metered DG/CHP the value continues indefinitely. In the latter case, the Tariff requires that LSE ICAP obligations be increased to avoid double counting. A mechanism for doing this currently does not exist. In the absence of such a mechanism, the NYISO proposes elimination of direct generator metering option. Thus, resources that reduce load via energy efficiency or CHP/baseload DG will be eligible for SCR credit in the first summer following implementation, but will afterwards have the reduction reflected in their APMD.
- **Small Customer Aggregation (SCA) Rules** – SCAs are eligible to receive UCAP credit, however the rules by which Metering and Verification protocols are proposed, reviewed, and approved are not specified in the ICAP Manual. NYISO proposes that the same rules applicable to the EDRP and DADRP SCA programs be used, with addition of a review step by the ICAP WG. In addition must modify Tariff Article 5.12.11(a) – SCR – correct to allow for small customer aggregations without interval billing meters. SCA verification rules need to include the development of appropriate capacity baselines for SCA resources.

## Major SCR/ICAP Topics of Interest (cont.)

- **Use of Load Shapes for ICAP Tags for Customers with Interval Meters** – Even where the existence of interval metering allows the determination of customers' contribution to system peak loads, some customers' ICAP tags are based on load shapes. NYISO believes the issue merits further discussion.
- **Resources cannot participate in both EDRP and SCR** – EDRP rules require confirmation that resource is not enrolled in another program, including SCR. Need to implement protocols to ensure that new SCR resources are not enrolled in a competing NYISO, LSE or TO program.
- **Make reporting of event data consistent with EDRP events** – Suggest reporting 45 days following an SCR event or audit, consistent with EDRP reporting rules. SCR and EDRP events are usually called simultaneously.