

new • york • independent • system • operator

# nyiso Installed Capacity Manual

**BLACKLINED document. Blacklined against  
current Manual.**

**Additions are underlined like this.**

**Deletions are crossed out ~~like this~~.**

Revisions to the External ICAP Section of the ICAP Manual - Allocation of External Installed Capacity Import Rights and External Installed Capacity Sales in NYISO-administered ICAP Auctions. Sections 4.9.2 and 4.9.3, below, would replace section 4.9.2 of the concurrently proposed Manual changes. If these revisions are approved, along with the concurrently proposed Manual changes, section 4.9.3 and 4.9.4 of the concurrently proposed Manual changes would be renumbered 4.9.4 and 4.9.5, respectively.

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#### **4.9.34.9.2 Allocation of External Installed Capacity Import Rights for External Unforced Capacity Supply**

The ISO ~~establishes~~ lists in Attachment B of this Manual the maximum amount of ~~Unforced Installed~~ Capacity that can be provided to the NYCA by Resources located in each neighboring Control Area ~~according to~~ and the maximum amount of Installed Capacity that can be located outside the NYCA. These figures are established in accordance with the procedures contained in Section 2.7 of this Manual. Once this amount has been determined for each neighboring Control Area and for all neighboring Control Areas combined, the allocation ~~among ISO customers of rights to External Unforced Capacity supply~~ Import Rights is done according to the following procedures.

##### **Grandfathered External Installed Capacity Import Rights**

Details concerning Grandfathered Import Rights are provided in Attachment E to this Manual.

##### **Other Allocations**

After accounting for Grandfathered External Installed Capacity ~~rights~~ Import Rights, the ISO will allocate the remaining ~~rights~~ External Installed Capacity Import Rights for External Unforced Capacity supply on a first-come, first-serve basis. ~~External Installed Capacity rights may ultimately only be used by LSEs located within the NYCA, but any~~ Any ISO Customer may submit a request for External Installed Capacity ~~rights~~ Import Rights.

Initial requests for ~~External Installed Capacity rights~~ Import Rights for one or more months within a Capability Period may be sent to the ISO during the following time period:

- Beginning at 8:00 AM ET on the first business day thirty (30) days prior to a Capability Period (strip) Auction, and
- Ending at 5:00 PM ET three (3) business days prior to the strip auction for each Capability Period.

On or about February 15<sup>th</sup> the ISO shall post the final quantity of Import Rights available for request for the following Capability Year. The quantity of rights that will be available thirty (30) days prior to the Summer and the Winter Capability Period (strip) Auctions shall be 100% of the Import Rights available, as posted by the ISO.

If Import Rights are not fully subscribed after the Capability Period (strip) Auction has concluded, the ISO will open another period of first-come, first-serve allocations prior to each Monthly Auction for the month or months in which Import Rights remain and the ISO will post the available Import Rights after each subsequent auction.

**BLACKLINED Proposed Modifications to the External ICAP Section of the ICAP Manual  
Dated July 15, 2002, Prepared for Review by the BIC at the July 24, 2002 Meeting**

For each month within a Capability Period, requests for Import Rights may be sent to the ISO during the following time period:

- Beginning at 8:00 AM EST ~~seven (7) ET~~ on the business days prior to the day following the day the ISO posts the results of each Capability Period ~~(strip auction)~~ or Monthly Auction,
- Ending at 5:00 PM EST ~~three (3) business days prior to this same auction.~~ Ending at 5:00 PM ET three (3) business days prior to the next Monthly Auction.

**Contents of Request**

Each request must contain the following information:

1. Documentation of a ~~bilateral agreement~~ Bilateral Transaction, with pricing redacted, between ~~the requesting entity~~ a qualified External Installed Capacity Supplier and either:
  - (a) a Load within the NYCA, or
  - (b) a previously qualified marketer that is not an affiliate of the External Installed Capacity Supplier;
2. The identity of the ISO Customer making the request;
3. The identity of the External Installed Capacity Supplier;
4. The name and location of the Resource (if multiple units are involved, identify each unit);
5. The Control Area in which the Resource for which the ~~Installed Capacity Supplier~~ requesting entity seeks rights is located;
6. The MW amount requested to support the Unforced Capacity sale to the NYCA from the Resource designated in (4) above;
7. The time period, in blocks of whole months, for which the ~~rights~~ External Installed Capacity Import Rights are requested;
8. E-mail address of the requesting party to which a response will be made.

The information listed above must be provided as a ~~“Request for External Installed Capacity Rights”~~ to the ISO’s Manager of Resource Reliability via facsimile ~~to the following telephone number: (518-) 356-6208-6208,~~ as a “Request for External Installed Capacity Import Rights” facsimile.

The ISO shall respond to requests for External Installed Capacity Import Rights in a timely fashion. For requests made during business hours before noon ET, the ISO will respond by noon the next business day. For requests made during business hours from noon ET to 5:00 PM ET, the ISO will respond by 5:00 PM ET the next business day.

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If the ISO determines, ~~by 5:00 PM EST on the day following receipt of an initial request (provided that this day falls during the time period for initial requests specified above)~~ that the information provided in the request is incomplete or inadequate, the ISO will immediately notify the requesting party. The requesting party may resubmit its information to the ISO no later than 24 hours after the expiration of the time period for initial requests.

Only complete requests submitted within the time periods specified above will be evaluated by the ISO. The date and time stamp provided by the ~~FAX~~facsimile machine will determine the priority for the evaluation of requests. If a request is resubmitted ~~during the specified time period,~~ for any reason, the latest time stamp will determine ~~the~~its priority.

The ISO will notify the requesting party if its request has been accepted or rejected, with reasons for rejection, ~~by 5:00 PM EST on the day if such be the case, within the time periods specified above,~~ following receipt of a complete request. If accepted, the ISO will provide a confirmation number. A rejection may be based on ~~either or both of the following:~~

- Incomplete or inadequate information; or
- Fully subscribed External Installed Capacity ~~rights~~Import Rights.

~~By 5:00 PM EST on the day following receipt of an accepted request, the requesting entity must provide the ISO with all documentation and information necessary to qualify an~~

#### **Tally of Import Rights**

~~The NYISO will maintain a tally of the available External Resource as an Installed Capacity Supplier, in accordance with the procedures contained in this Manual. By 5:00 PM EST two (2) business days prior to the Capability Period strip auction, an LSE that has procured an Import Rights for each month within a Capability Year and will post these figures on the NYISO website.~~

**4.9.3 External Installed Capacity** ~~right must provide the ISO with the information and documents described in numbers 1, 4 and 5 above. The information described in this paragraph should be forwarded as a "Certification of External Installed Capacity Rights" to the ISO Manager, Resource Reliability by facsimile to 518~~**Sales in ISO-356-6208.** ~~The ISO will verify this data with the External Control Area to ensure that there is no double counting.~~**administered Auctions**

~~By 5:00 PM EST two (2) business days prior to the Pre Capability Period Monthly Auctions, all External Installed Capacity rights should be matched between a Load in the NYCA and an External Installed Capacity Supplier. Unforced Capacity supplied by External Installed Capacity Suppliers that have claimed External may offer Unforced Capacity in ISO administered Installed Capacity auctions when External Installed Capacity Import Rights for the period associated with the applicable Installed Capacity rights, but have auction have not entered into bilateral arrangements with an LSE serving NYCA Load by that time, will be offered for sale into those Auctions at a price of \$0/MW. (The Supplier will be paid the market clearing price determined in those Auctions for the control area in which it is located for the Unforced Capacity in~~

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~~question.) Similarly, if the ISO has not received certification from an LSE which demonstrates that the rights it has secured are matched with a qualified External Installed Capacity Supplier, that LSE will relinquish those rights. been fully subscribed.~~

All purchasers of Unforced Capacity that is located in an External Control Area in an ISO-administered auction shall receive the External Installed Capacity ~~rights~~Import Rights necessary in order to permit that Unforced Capacity to count towards the Unforced Capacity requirements of ~~an~~ NYCA LSE; consequently, in order to ensure that there are sufficient ~~external~~External Installed Capacity ~~rights~~Import Rights available, the ISO shall limit the number of MW of Unforced Capacity that can be purchased ~~in from~~ any External Control Area in those auctions. In each ~~Capability~~Installed Period~~Capacity~~ auction, the ISO shall limit the number of MW of External Unforced Capacity that can be purchased ~~in any External Control Area~~ to the number of MW of External Unforced Capacity that can be provided by Installed Capacity Suppliers located in ~~that a particular~~ Control Area and the number of MW of External Unforced Capacity that can be imported to the NYCA in total, as determined in Section 2.7 and listed in Attachment B of this Manual, less all External Installed Capacity ~~rights that have been requested~~Import Rights already granted for that External Control Area, and accounting for the total number of Import Rights allocated in general, under the provisions of this ~~section~~Section 4.9 for the applicable time period.

~~In the Capability Period Monthly Auctions held before and during the Capability Period, the ISO shall limit the number of MW of Unforced Capacity that can be purchased in any External Control Area to the number of MW of Unforced Capacity that can be provided by Installed Capacity Suppliers located in that Control Area, less the number of MW of Unforced Capacity purchased in that External Control Area for that month in preceding Monthly Auctions, less all External Installed Capacity rights for that Control Area that have been used to support Bilateral Transactions for the sale of Unforced Capacity for that month from Installed Capacity Suppliers in that Control Area to Loads in the NYCA.~~

~~The ISO will reduce External Installed Capacity rights eligible to be traded in the Capability Period strip auction based on the allocations made according to the above procedures.~~

~~If External Installed Capacity rights are not fully subscribed after the Capability Period strip auction has concluded, the ISO will open another period of first come, first serve allocations prior to each Monthly Auction for which External Installed Capacity rights remain. The procedures specified above will govern any monthly first come, first serve allocations. The period for requesting these rights will open at 8:00 a.m. EST on the fifth business day prior to the auction and will close at 5:00 p.m. EST on the third business day prior to the auction.~~

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