

# Integrating Public Policy Task Force

## CHARTER

### Mission

The mission of the IPPTF is to establish an open and transparent forum for market participants, other stakeholders, members of the public, the NYISO, the New York State Department of Public Service (DPS), and the New York State Energy Research and Development Authority (NYSERDA) to explore and analyze, without presumption, sustainable policies, actions, market structures, and approaches (including but not limited to forms of carbon pricing) that, if implemented, would better align state policies and wholesale power markets in an economic and efficient manner. One potential approach is described in the report by the Brattle Group, *Pricing Carbon into NYISO's Wholesale Energy Market to Support New York's Decarbonization Goals* (Brattle Report).

### Reporting

The IPPTF will provide reports to the NYISO Market Issues Working Group (MIWG), a working group under the NYISO Business Issues Committee (BIC). Reports prepared by or for the IPPTF will also be made available to all interested parties. Any and all proposals developed by the IPPTF will be presented to and vetted by the MIWG before being considered through the NYISO's governance process. All such proposals will be accorded the same treatment as any other proposal presented to the MIWG for consideration. In particular, market participants will have the unfettered ability to suggest and adopt modifications to any proposal presented by the IPPTF.

### Objectives

1. Facilitate an open and transparent process that provides opportunities for all interested stakeholders to clearly identify the most efficient approach of harmonizing the operation of the NYISO-administered wholesale electricity markets and state energy policies.
2. Develop a workplan, by the end of January 2018, that clearly identifies the obstacles to achieving the state's policy goals and evaluates and possibly develops proposals that would harmonize New York State policy and New York wholesale energy, capacity, and ancillary services markets.

### Evaluating Approaches

1. One potential method for doing so may be to incorporate additional carbon pricing within the wholesale energy markets; and other approaches and market structures will be considered, as well as a no-action alternative to establish a baseline against which each alternative can be evaluated.

For example,

- a. In the near-term, identify the additional analyses that need to be undertaken to fully evaluate the Brattle Report and to identify and evaluate potential, alternative approaches to incorporating additional carbon pricing in the markets and other approaches and market structures to better harmonize the operation of the NYISO-administered wholesale electricity markets and state energy policies.
- b. Facilitate the discussion of various perspectives and assess potential impacts to various approaches including additional estimates of the cost of carbon in the NYISO-administered wholesale electricity markets.
- c. Determine how to measure the relative locational cost of carbon and develop a methodology or process for adjusting that cost over time.

### Participation

Participation in IPPTF is open to the NYISO stakeholders and market participants consistent with the Bylaws of the BIC. Active participation of other interested stakeholders and members of the public is encouraged in this Task Force. The NYISO and DPS will facilitate communication with and participation by all interested participants by establishing list serves, distribution lists, and by other means.

### Committee Reporting Structure

The IPPTF will be facilitated by NYISO and DPS staff. The NYISO IPPTF designee will provide status reports to the BIC on a monthly basis. The IPPTF will provide reports to the MIWG as necessary or as requested by the MIWG. All reports will be made available to the public through appropriate means. Recommendations by the joint NYISO / New York State team, market participants, or other stakeholders on any potential changes to NYISO tariffs, agreements, manuals, or any other guiding documents will be presented to the MIWG as described above and, as determined by the MIWG, considered in the NYISO's governance process consistent with the BIC and Management Committee By-Laws. Potential recommendations that may impact New York State Public Service Commission (PSC) jurisdictional matters will be addressed consistent with the requirements of the Public Service Law, State Administrative Procedure Act, and applicable PSC regulations and procedures.

### Schedule

The IPPTF will begin meeting in October 2017, with additional meetings as determined by the NYISO and DPS, with input from market participants and other stakeholders. The NYISO and DPS will be responsible for creating and distributing meeting notices and materials, and market participants and other stakeholders also may create and provide materials for distribution to the IPPTF.