

Market Operations Report

Rana Mukerji

SENIOR VICE PRESIDENT – MARKET STRUCTURES, NYISO

Business Issues Committee Meeting

November 15, 2017, Rensselear, NY

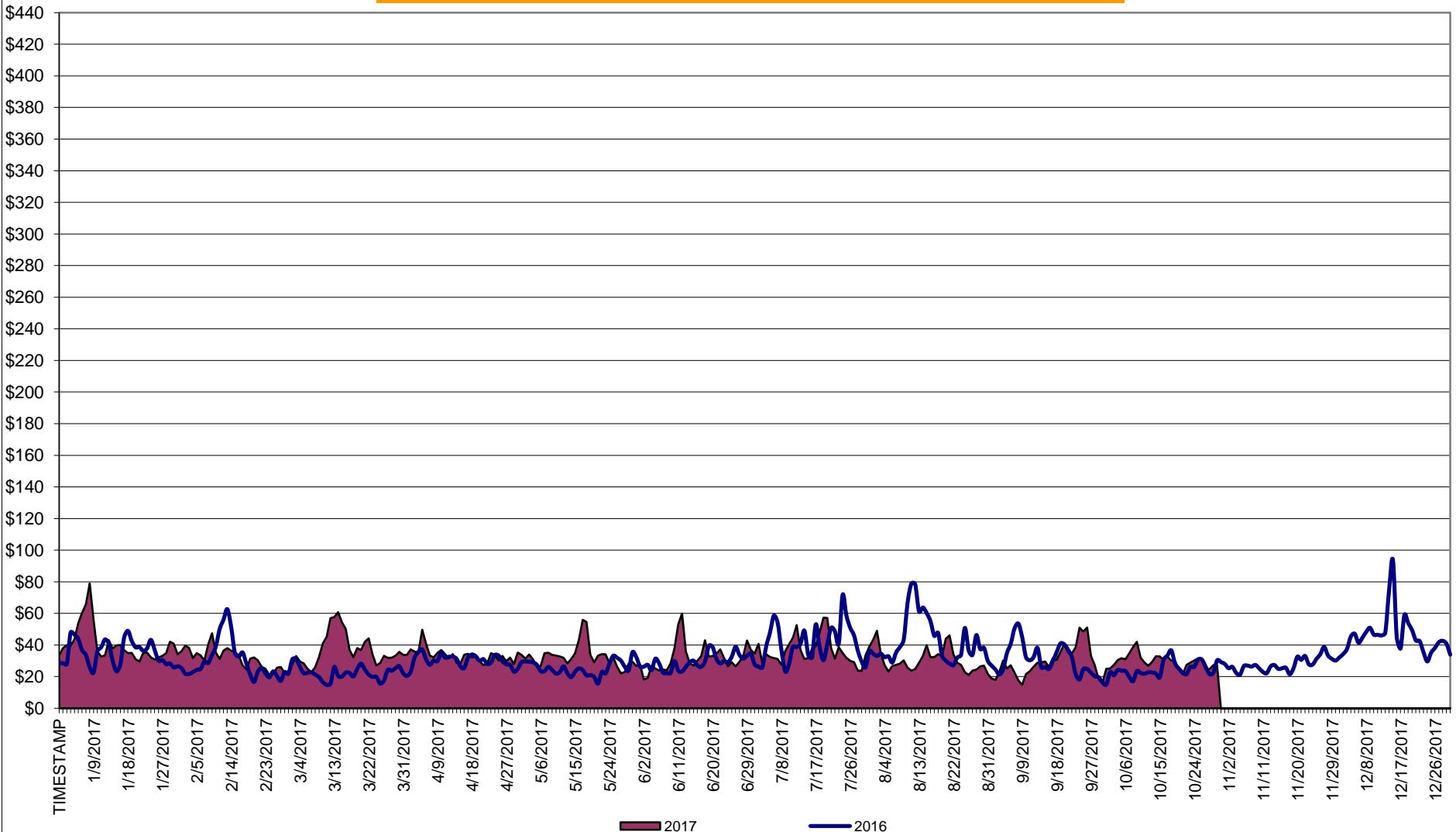


Market Performance Highlights

October 2017

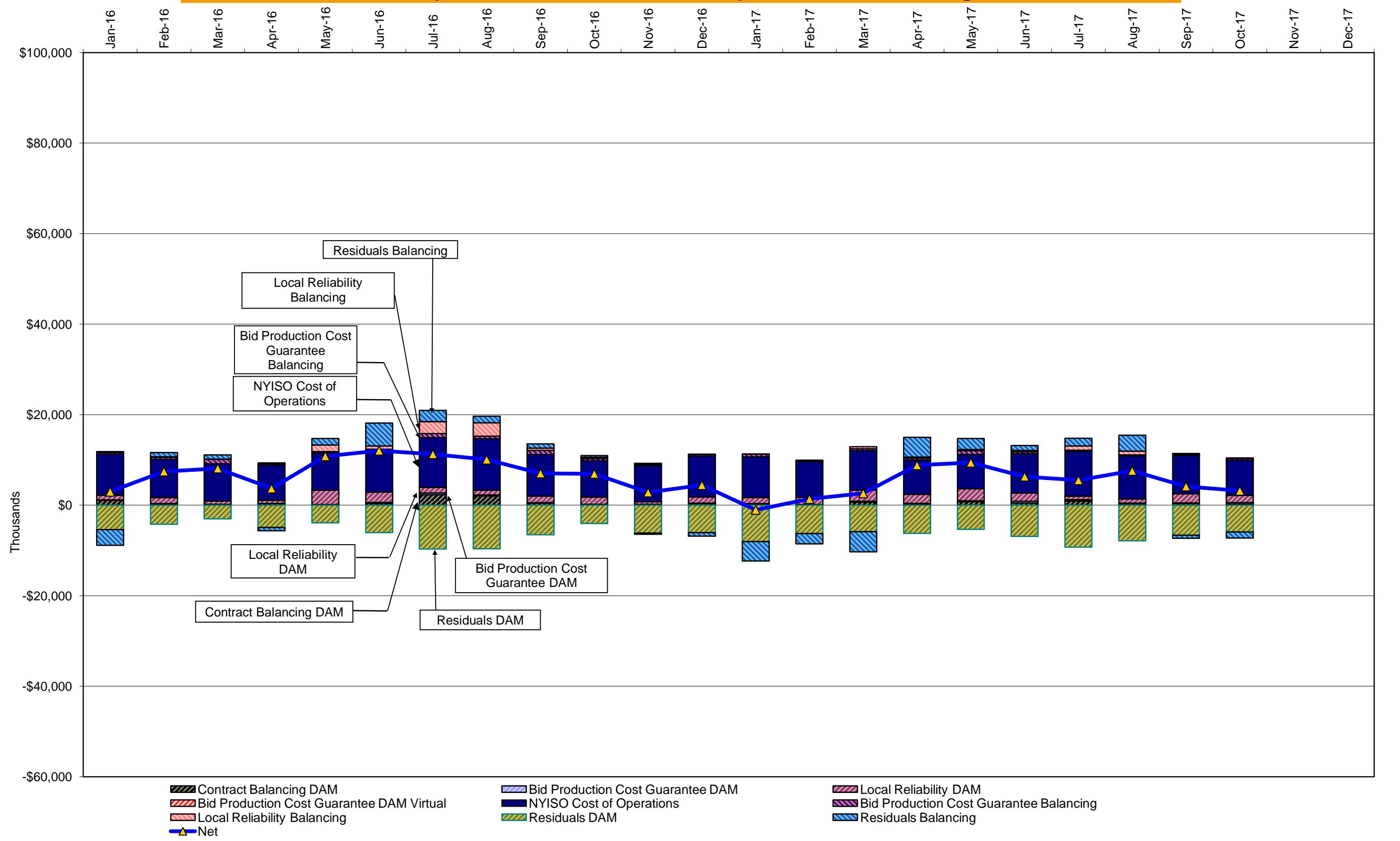
- LBMP for October is \$28.35/MWh; lower than \$29.57/MWh in September 2017 and higher than \$22.33/MWh in October 2016.
 - Day Ahead and Real Time Load Weighted LBMPs are lower compared to September.
- October 2017 average year-to-date monthly cost of \$34.89/MWh is a 4% increase from \$33.54/MWh in October 2016.
- Average daily sendout is 398 GWh/day in October; lower than 437 GWh/day in September 2017 and higher than 391 GWh/day in October 2016.
- Natural gas prices were higher and distillate prices were mixed compared to the previous month.
 - Natural Gas (Transco Z6 NY) was \$2.36/MMBtu, up from \$2.27/MMBtu in September.
 - Natural gas prices are up 100.7% year-over-year.
 - Jet Kerosene Gulf Coast was \$12.30/MMBtu, down from \$13.40/MMBtu in September.
 - Ultra Low Sulfur No.2 Diesel NY Harbor was \$12.86/MMBtu, up from \$12.80/MMBtu in September.
 - Distillate prices are up 14.9% year-over-year.
- Uplift per MWh is lower compared to the previous month.
 - Uplift (not including NYISO cost of operations) is (\$0.36)/MWh; lower than (\$0.34)/MWh in September.
 - Local Reliability Share is \$0.14/MWh, lower than \$0.16/MWh in September.
 - Statewide Share is (\$0.50)/MWh, same as (\$0.50)/MWh in September.
 - TSA \$ per NYC MWh is \$0.00/MWh.
 - Total uplift costs (Schedule 1 components including NYISO Cost of Operations) are lower than September.

Daily NYISO Average Cost/MWh (Energy & Ancillary Services)*
2016 Annual Average \$34.28/MWh
October 2016 YTD Average \$33.54/MWh
October 2017 YTD Average \$34.89/MWh



* Excludes ICAP payments.

NYISO Dollar Flows - Uplift - OATT Schedule 1 components - Data through October 31, 2017



DAM Contract Balancing amounts are for payments made to generating units to make them whole for being dispatched below their Day-Ahead schedule, as a result of out-of-merit dispatches.

DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.

DAM residuals consist of both energy and loss revenue collections and payments. By design, there is a net over collection of revenues due to the difference between the marginal losses paid to generation and the average losses charged to loads.

NYISO Markets 2017 Energy Statistics

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>DAY AHEAD LBMP</u>												
Price *	\$37.22	\$28.84	\$32.04	\$27.70	\$27.66	\$27.37	\$31.64	\$27.28	\$25.05	\$25.49		
Standard Deviation	\$13.20	\$7.97	\$11.95	\$7.66	\$9.47	\$12.37	\$13.51	\$10.60	\$12.09	\$8.53		
Load Weighted Price **	\$38.42	\$29.66	\$32.96	\$28.56	\$28.95	\$29.52	\$33.78	\$29.00	\$26.95	\$26.57		
<u>RTC LBMP</u>												
Price *	\$32.87	\$24.09	\$28.86	\$26.19	\$26.19	\$26.40	\$30.84	\$25.26	\$27.97	\$26.91		
Standard Deviation	\$14.57	\$9.52	\$13.70	\$10.36	\$21.29	\$14.76	\$18.14	\$13.08	\$27.14	\$13.40		
Load Weighted Price **	\$33.96	\$24.81	\$29.67	\$26.98	\$28.10	\$28.39	\$33.13	\$26.65	\$30.98	\$28.13		
<u>REAL TIME LBMP</u>												
Price *	\$34.61	\$25.14	\$31.21	\$29.61	\$26.56	\$26.16	\$29.47	\$24.36	\$26.08	\$25.95		
Standard Deviation	\$18.20	\$14.21	\$25.02	\$39.82	\$26.11	\$19.00	\$20.25	\$14.03	\$25.72	\$14.49		
Load Weighted Price **	\$35.80	\$25.84	\$32.21	\$30.81	\$28.64	\$28.67	\$32.11	\$25.95	\$29.13	\$27.33		
Average Daily Energy Sendout/Month GWh	431	418	419	377	383	454	498	477	437	398		

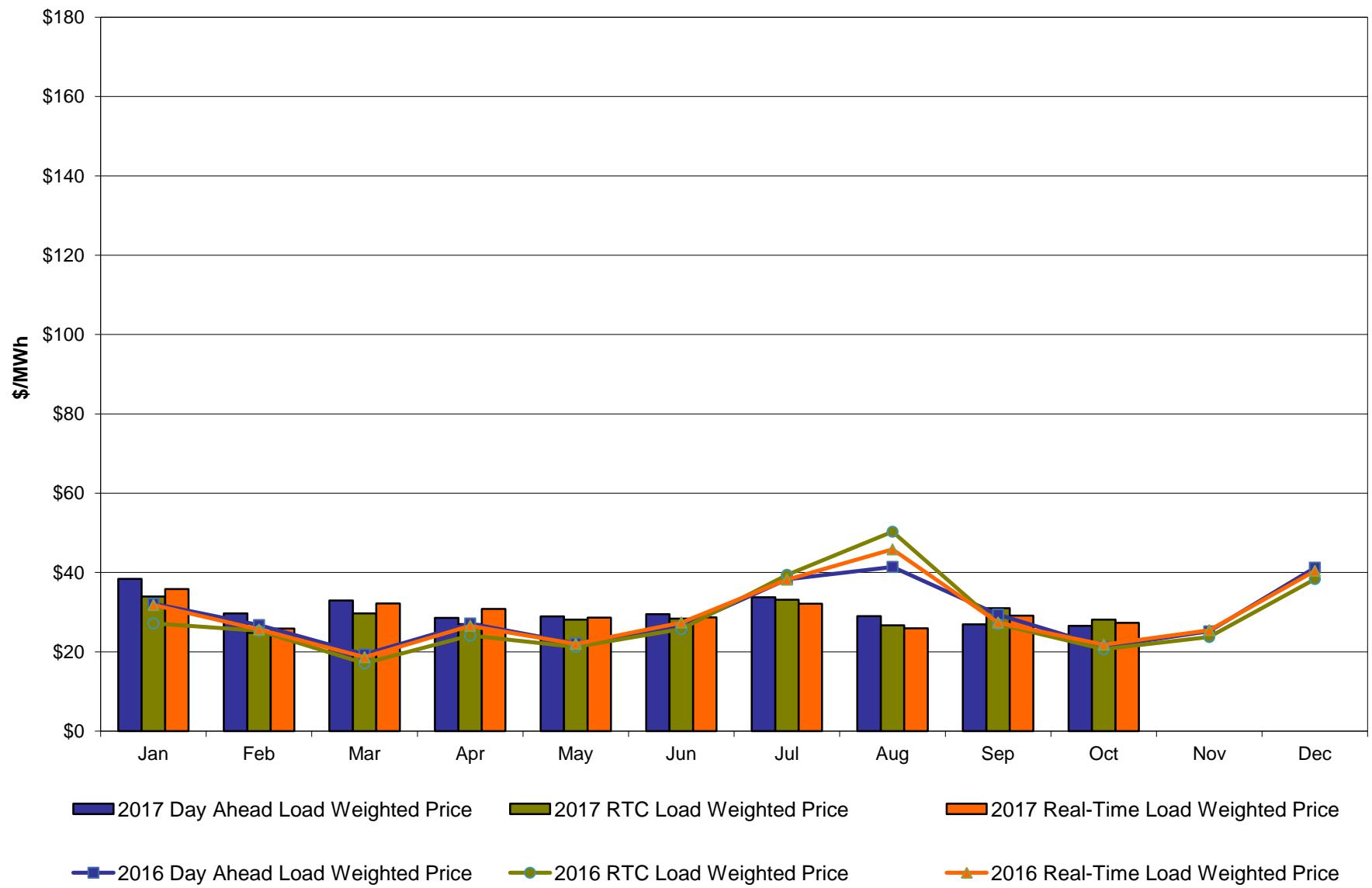
NYISO Markets 2016 Energy Statistics

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>DAY AHEAD LBMP</u>												
Price *	\$31.01	\$25.76	\$18.63	\$26.39	\$21.07	\$24.83	\$35.24	\$38.25	\$27.15	\$20.37	\$24.35	\$39.83
Standard Deviation	\$10.86	\$12.46	\$6.99	\$6.95	\$7.04	\$9.21	\$18.37	\$20.59	\$13.55	\$7.48	\$7.32	\$15.08
Load Weighted Price **	\$32.13	\$26.75	\$19.37	\$27.14	\$22.12	\$26.30	\$38.29	\$41.41	\$29.38	\$21.29	\$25.15	\$41.22
<u>RTC LBMP</u>												
Price *	\$26.12	\$24.10	\$16.41	\$23.41	\$19.96	\$24.29	\$36.22	\$45.03	\$24.70	\$19.76	\$23.02	\$37.08
Standard Deviation	\$16.06	\$17.89	\$11.32	\$9.09	\$11.44	\$16.58	\$38.04	\$70.57	\$17.46	\$8.96	\$9.49	\$16.72
Load Weighted Price **	\$27.16	\$25.29	\$17.11	\$24.10	\$21.23	\$25.73	\$39.42	\$50.28	\$26.97	\$20.64	\$23.73	\$38.35
<u>REAL TIME LBMP</u>												
Price *	\$30.15	\$24.28	\$17.84	\$25.71	\$20.67	\$25.87	\$34.40	\$40.87	\$24.90	\$20.91	\$24.72	\$39.00
Standard Deviation	\$60.09	\$18.19	\$15.06	\$16.59	\$12.84	\$19.27	\$38.56	\$52.85	\$20.70	\$12.15	\$12.71	\$20.92
Load Weighted Price **	\$31.80	\$25.61	\$18.64	\$26.57	\$21.99	\$27.39	\$38.20	\$45.82	\$27.38	\$21.81	\$25.45	\$40.42
Average Daily Energy Sendout/Month GWh	439	436	397	385	397	456	532	548	458	391	398	433

* Average zonal load weighted prices.

** Average zonal load weighted prices, load weighted in each hour.

NYISO Monthly Average Internal LBMPs
2016- 2017

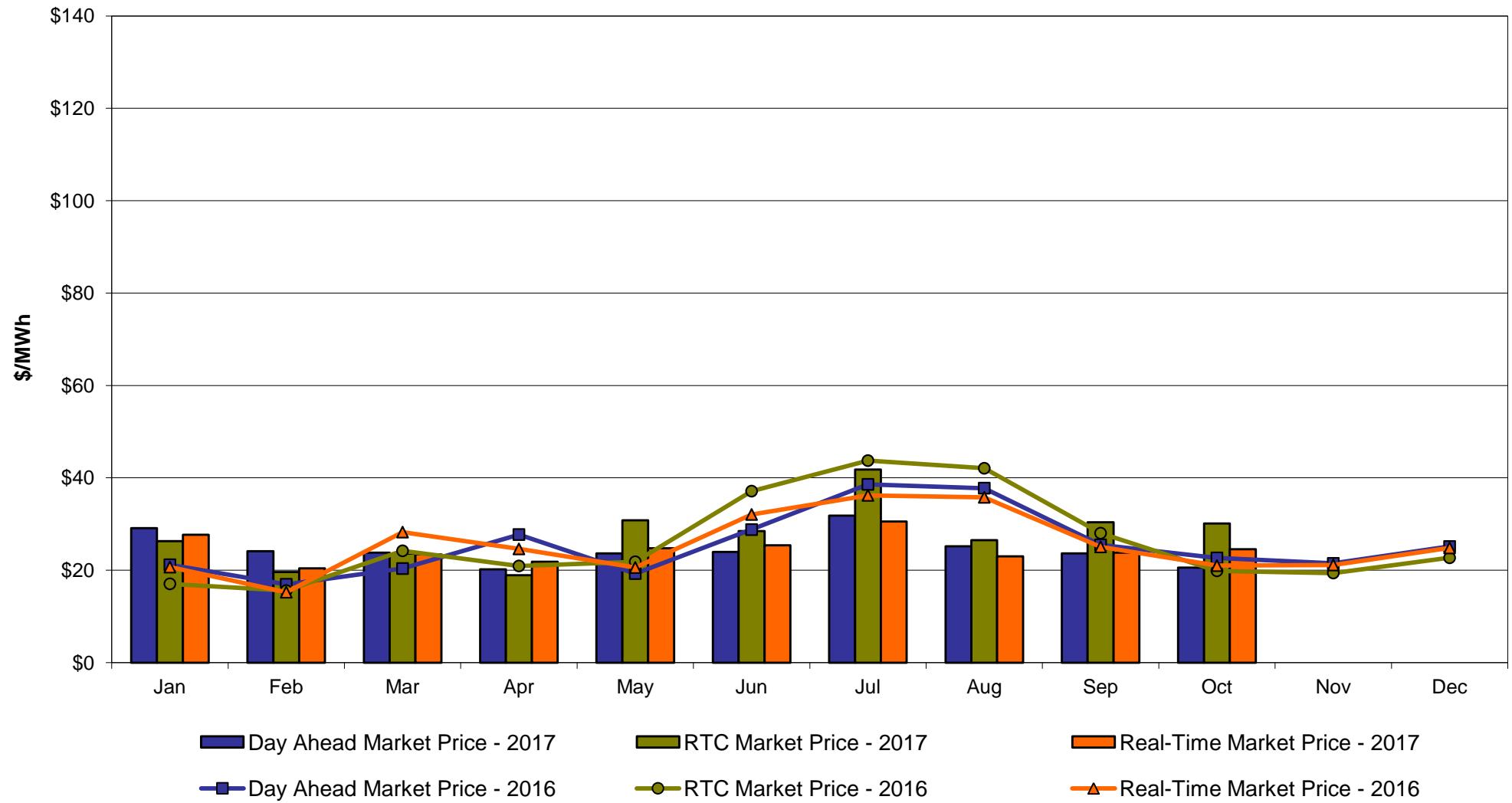


October 2017 Zonal LBMP Statistics for NYISO (\$/MWh)

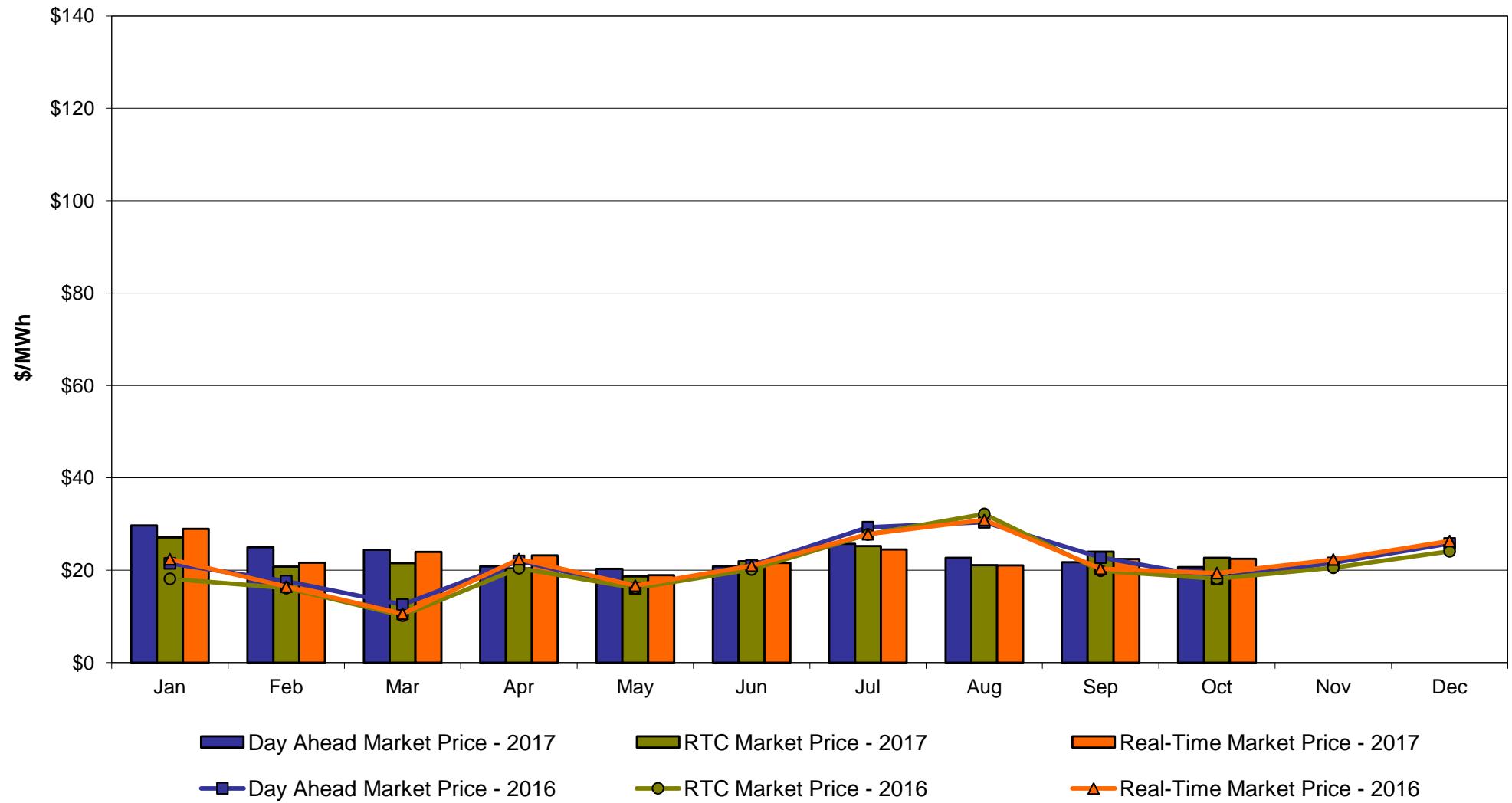
	WEST <u>Zone A</u>	GENESEE <u>Zone B</u>	NORTH <u>Zone D</u>	CENTRAL <u>Zone C</u>	MOHAWK VALLEY <u>Zone E</u>	CAPITAL <u>Zone F</u>	HUDSON VALLEY <u>Zone G</u>	MILLWOOD <u>Zone H</u>	DUNWOODIE <u>Zone I</u>	NEW YORK CITY <u>Zone J</u>	LONG ISLAND <u>Zone K</u>
DAY AHEAD LBMP											
Unweighted Price *	20.55	20.18	14.71	20.67	20.73	23.52	25.17	25.43	25.48	27.88	33.45
Standard Deviation	6.97	6.77	8.49	6.85	6.90	6.90	8.03	8.26	8.28	8.87	15.86
RTC LBMP											
Unweighted Price *	30.11	21.50	16.87	22.68	22.22	24.91	25.42	25.47	25.45	26.46	36.80
Standard Deviation	51.23	8.70	19.57	9.82	8.78	8.17	8.72	8.80	8.79	9.20	44.53
REAL TIME LBMP											
Unweighted Price *	24.57	21.59	17.48	22.48	22.42	24.71	25.35	25.39	25.37	26.66	33.48
Standard Deviation	30.40	12.10	17.61	12.79	12.60	12.65	13.24	13.29	13.28	14.13	30.38
	ONTARIO IESO	HYDRO QUEBEC (Wheel)	HYDRO QUEBEC (Import/Export)	PJM	NEW ENGLAND	CROSS SOUND CABLE	NORTHPORT- NORWALK	NEPTUNE	LINDEN VFT	HUDSON	Dennison
	<u>Zone O</u>	<u>Zone M</u>	<u>Zone M</u>	<u>Zone P</u>	<u>Zone N</u>	<u>Controllable</u> <u>Line</u>	<u>Controllable</u> <u>Line</u>	<u>Controllable</u> <u>Line</u>	<u>Controllable</u> <u>Line</u>	<u>Controllable</u> <u>Line</u>	<u>Controllable</u> <u>Line</u>
DAY AHEAD LBMP											
Unweighted Price *	19.41	15.17	15.17	24.01	26.99	31.26	29.73	29.46	28.02	28.20	14.47
Standard Deviation	6.25	7.21	7.21	7.49	10.21	11.69	10.82	10.56	8.86	9.02	8.30
RTC LBMP											
Unweighted Price *	18.35	17.91	17.91	24.52	31.34	37.11	35.59	34.06	25.73	26.24	17.04
Standard Deviation	13.43	18.92	18.92	9.21	35.53	46.08	43.95	42.84	10.05	9.05	20.08
REAL TIME LBMP											
Unweighted Price *	20.30	17.99	17.99	24.32	28.28	34.04	29.60	31.17	23.48	26.57	17.68
Standard Deviation	12.69	16.95	16.95	13.08	22.21	31.75	30.65	28.34	24.38	14.13	18.02

* Straight LBMP averages

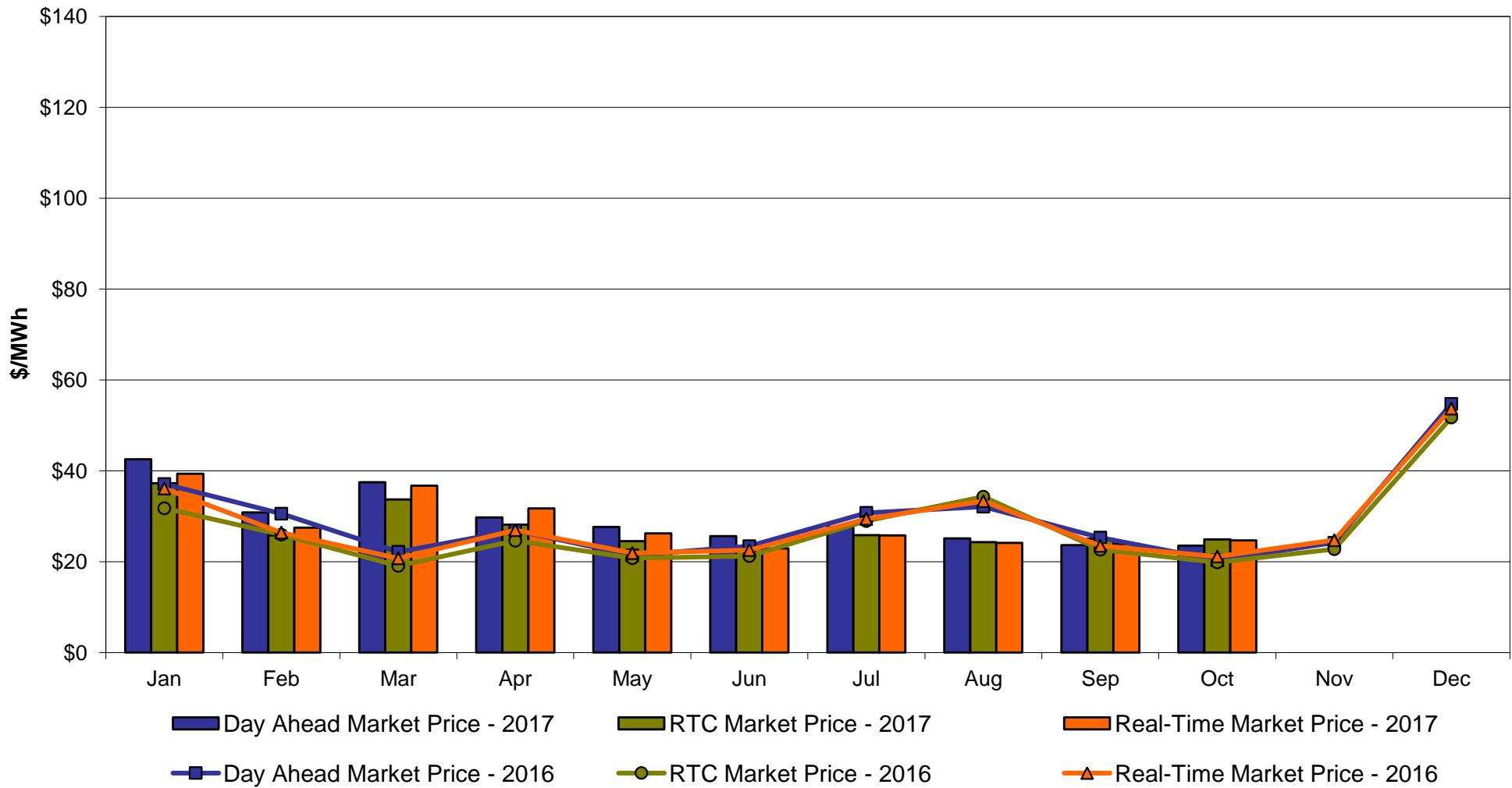
West Zone A
Monthly Average LBMP Prices 2016 - 2017



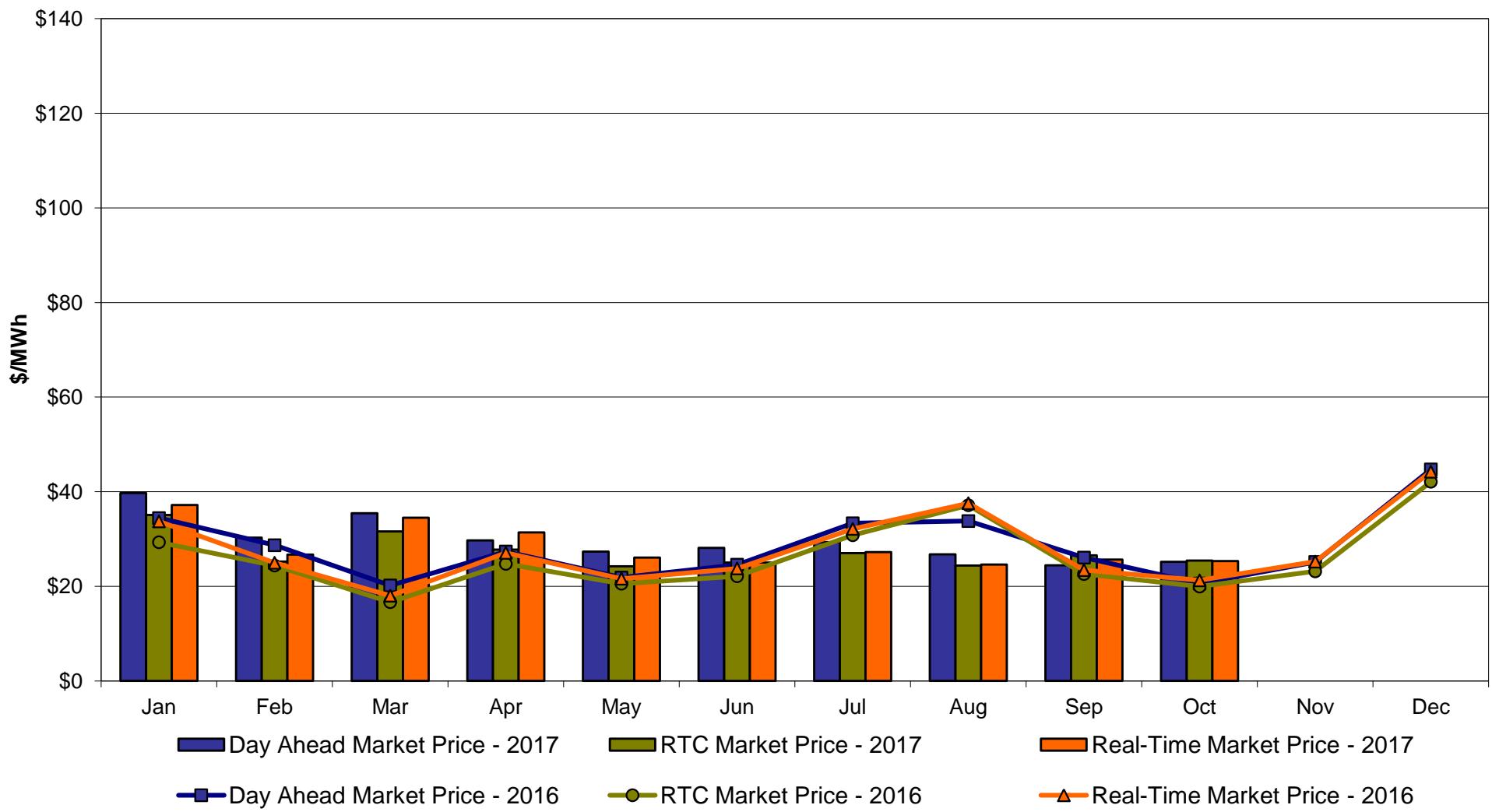
Central Zone C
Monthly Average LBMP Prices 2016 - 2017



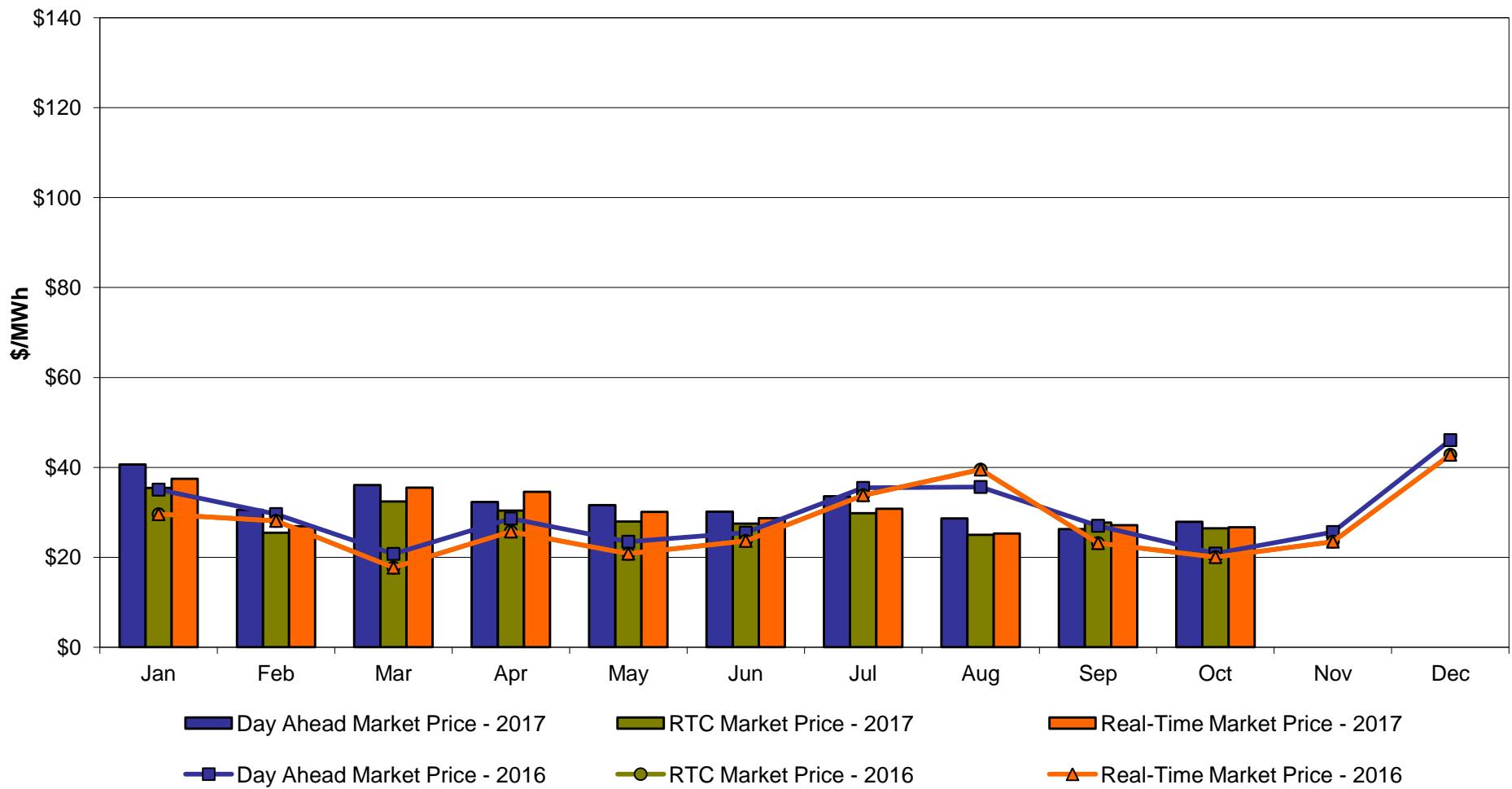
Capital Zone F
Monthly Average LBMP Prices 2016 - 2017



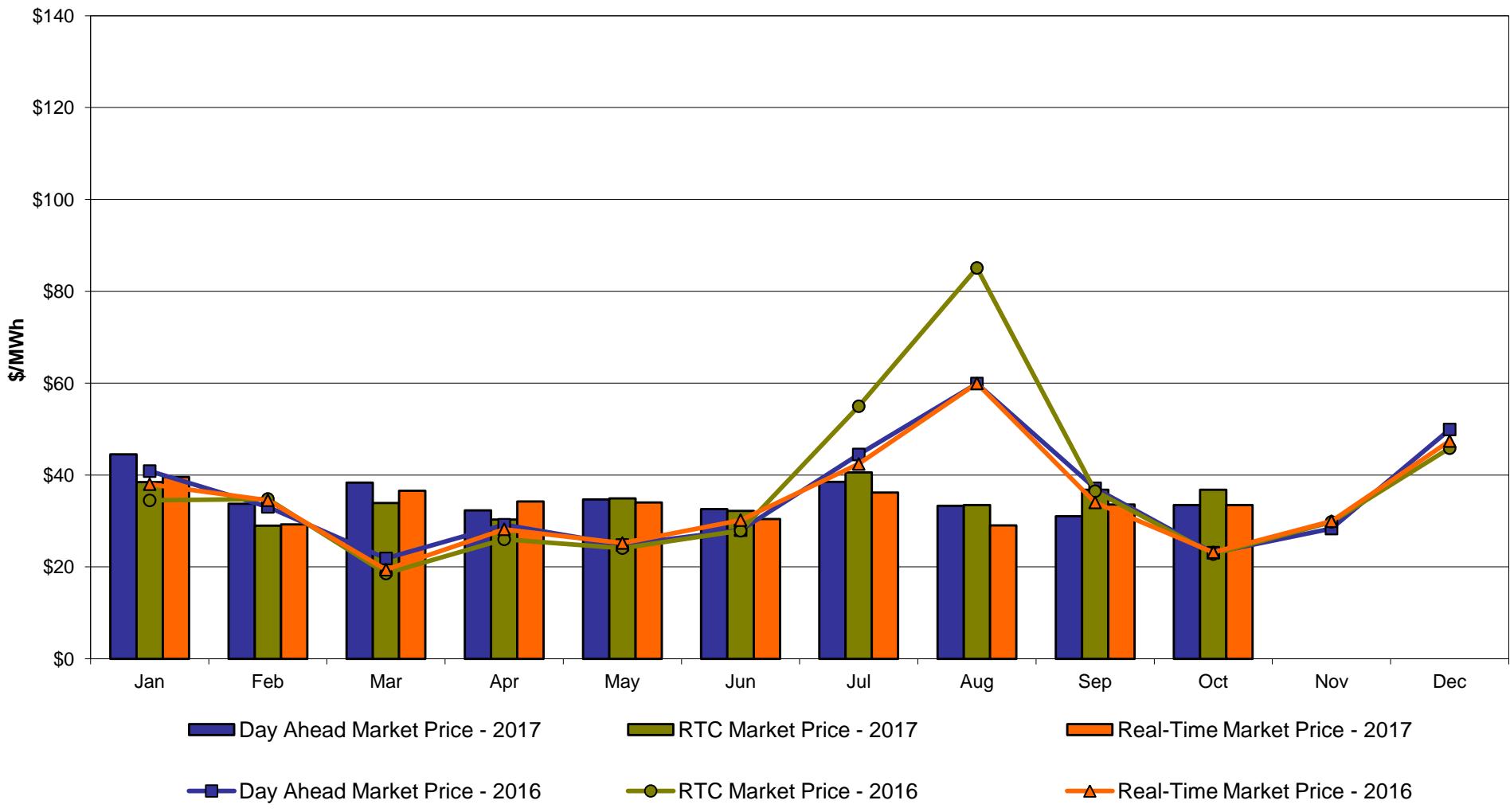
Hudson Valley Zone G
Monthly Average LBMP Prices 2016 - 2017



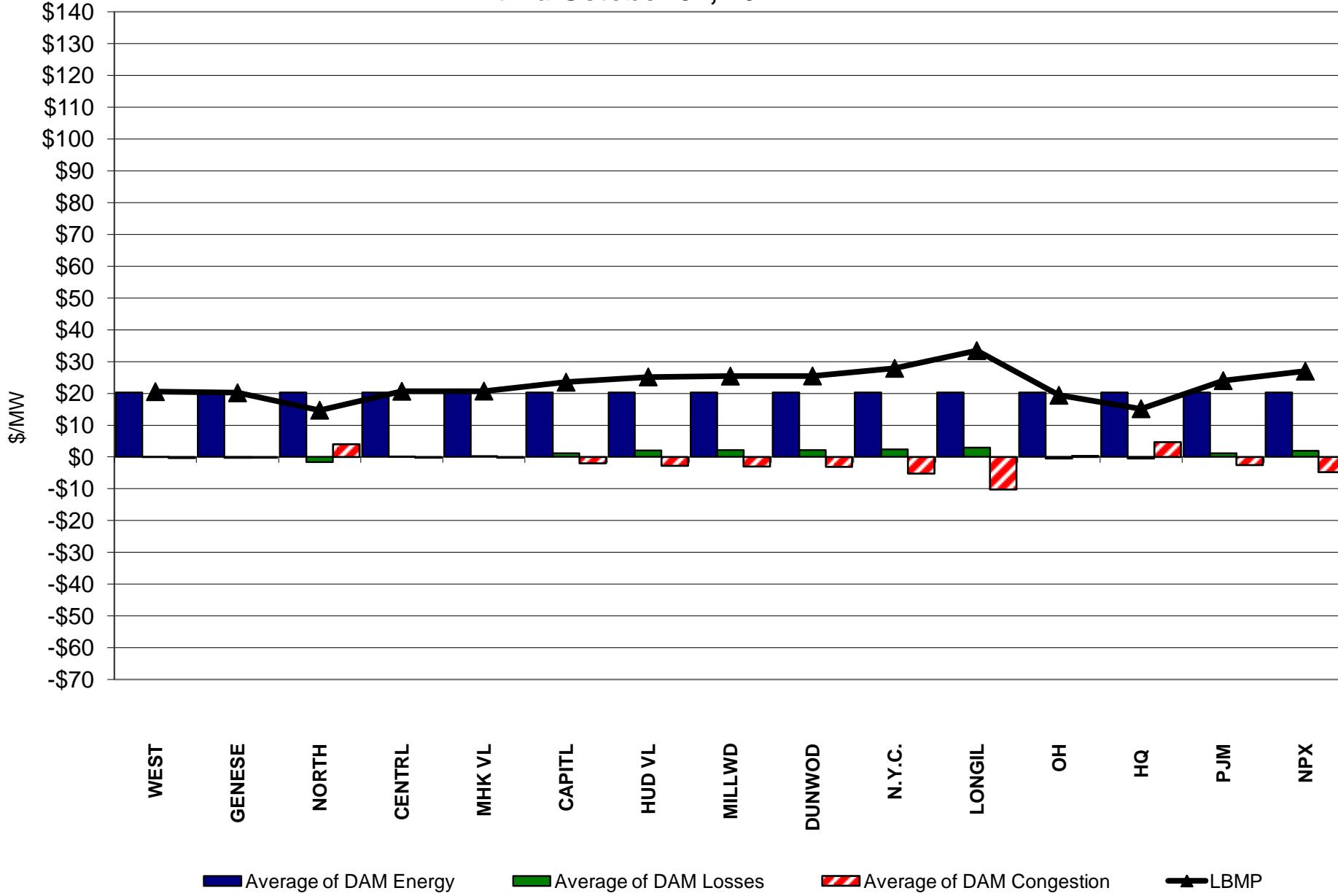
NYC Zone J
Monthly Average LBMP Prices 2016 - 2017



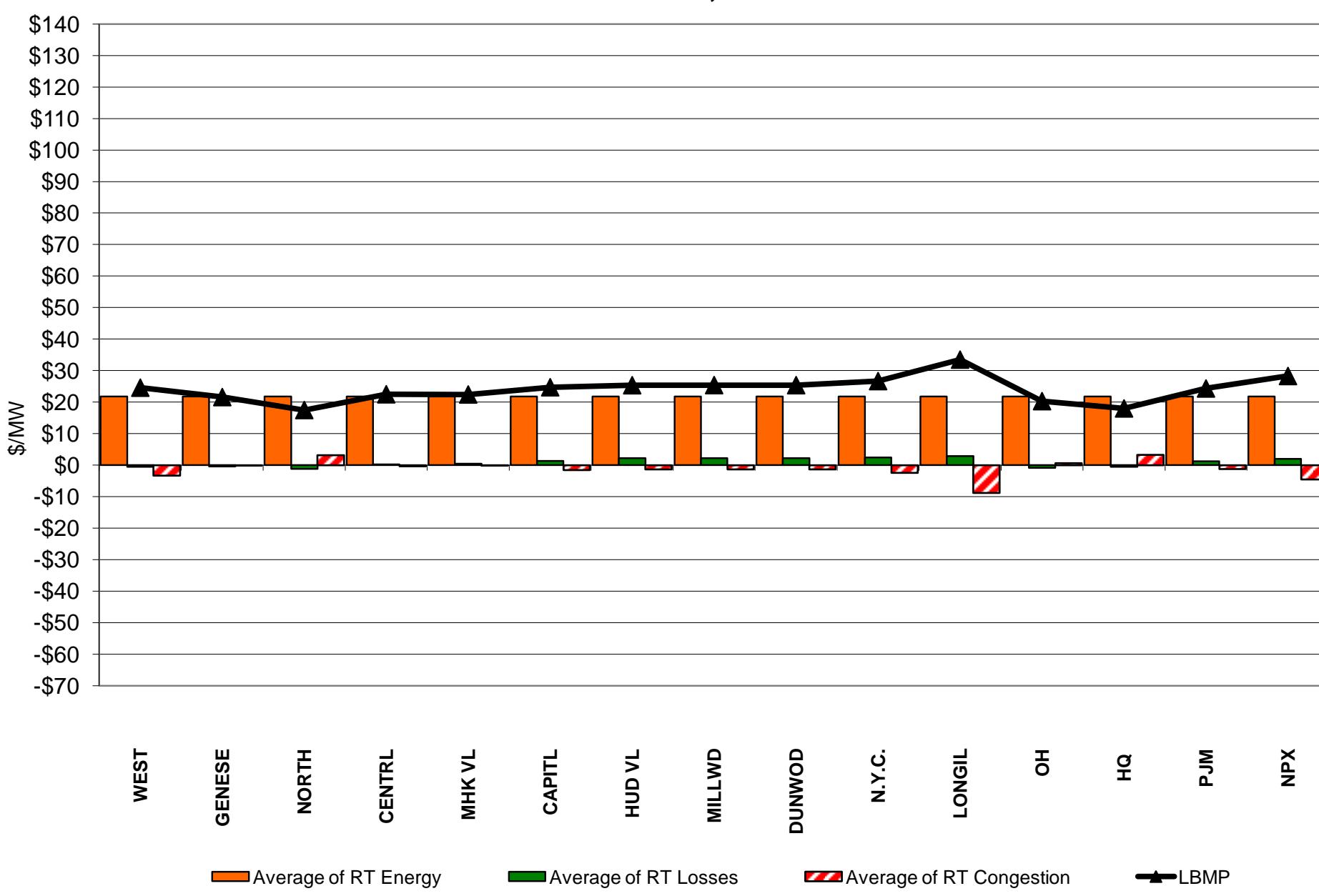
Long Island Zone K
Monthly Average LBMP Prices 2016 - 2017



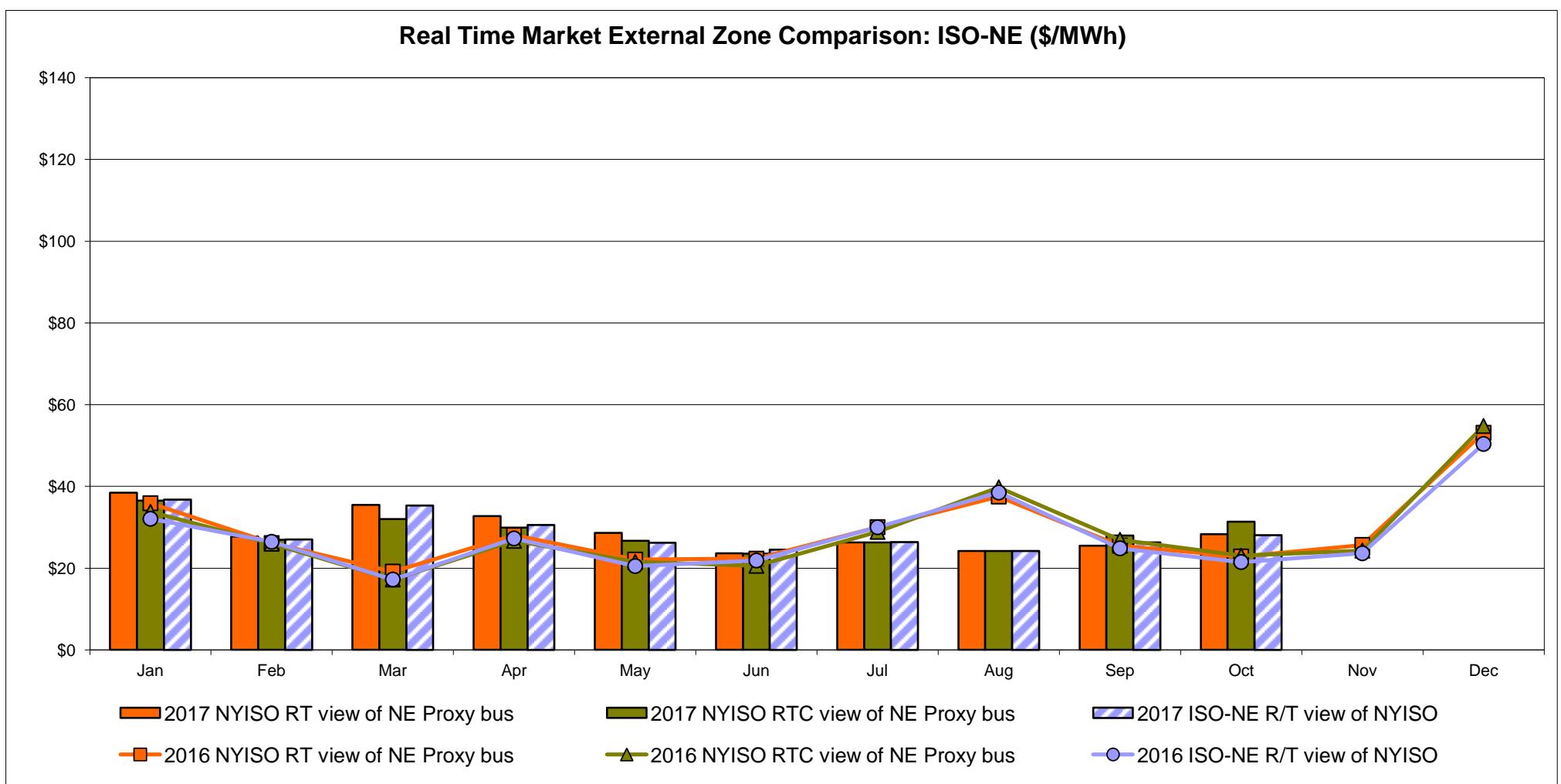
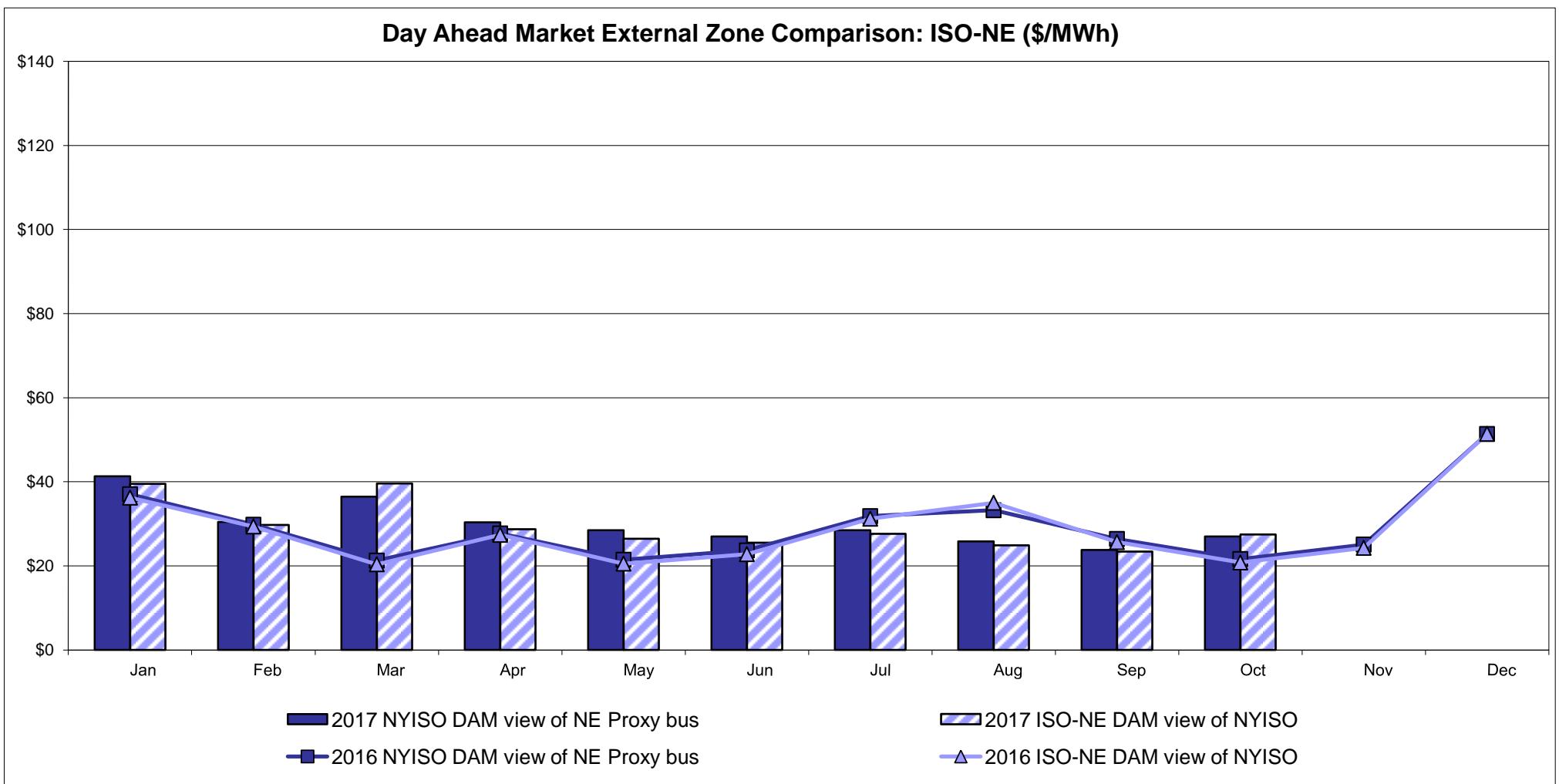
**DAM Zonal Unweighted Monthly Average LBMP Components
thru October 31, 2017**



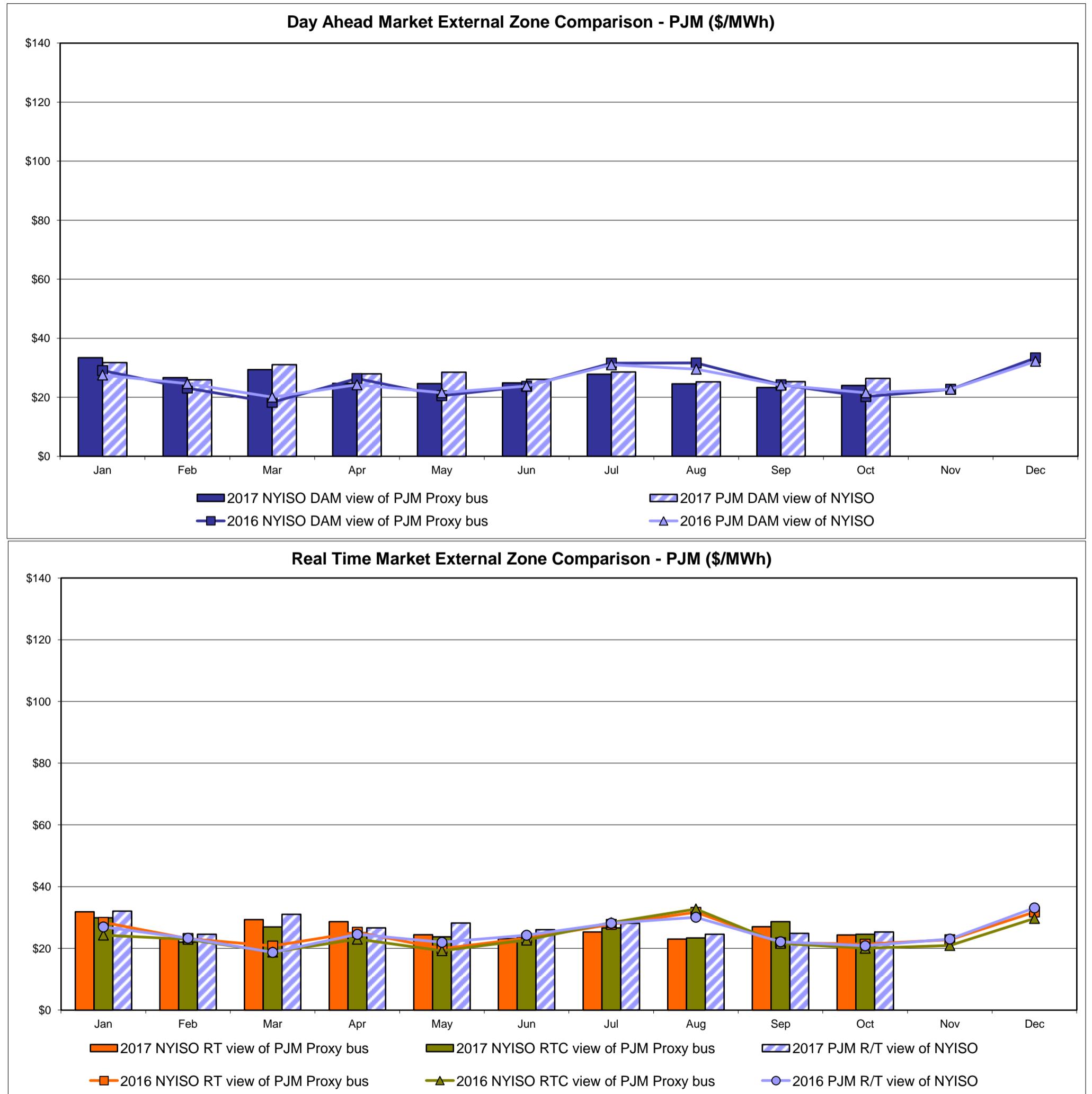
**RT Zonal Unweighted Monthly Average LBMP Components
thru October 31, 2017**



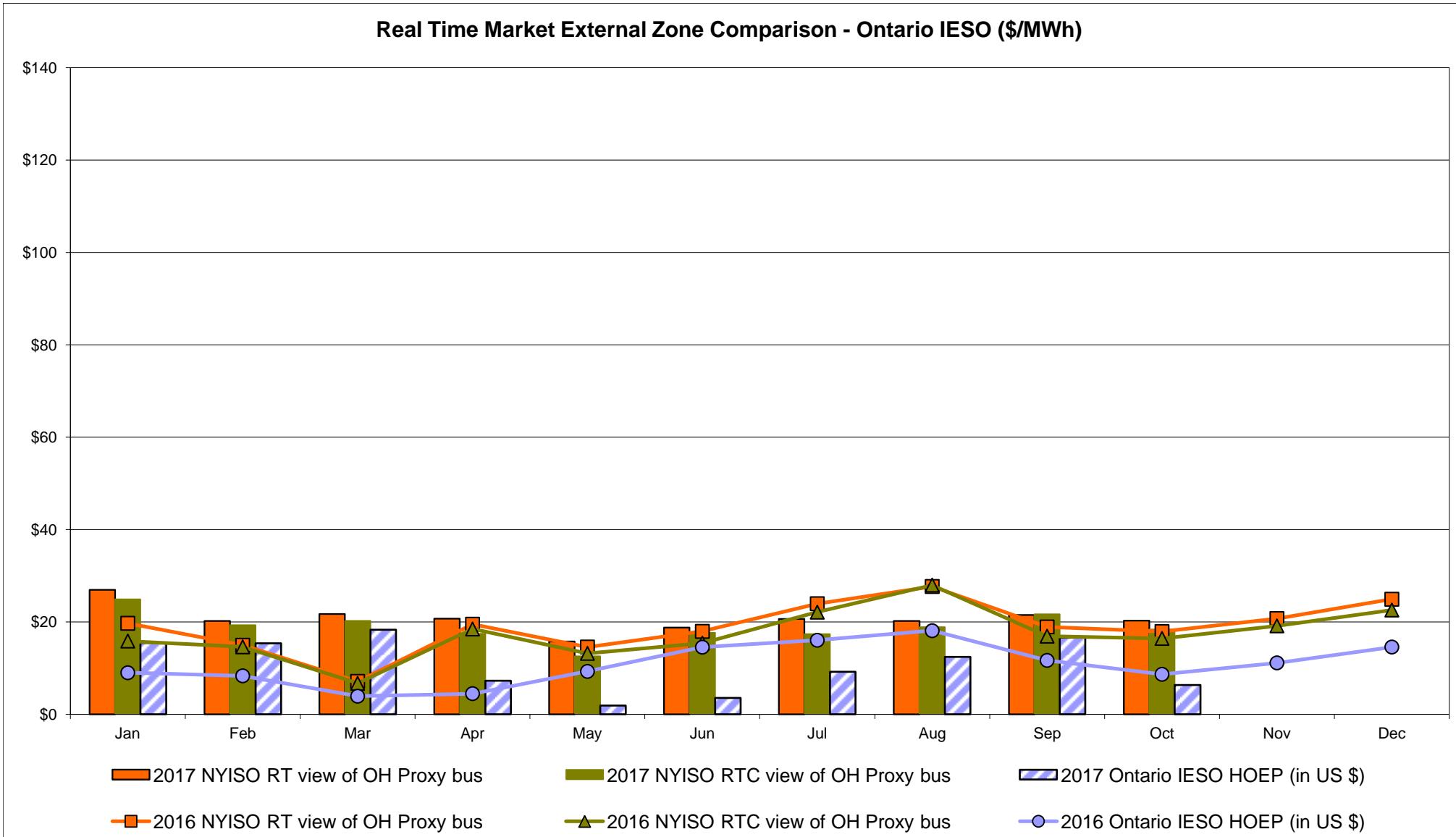
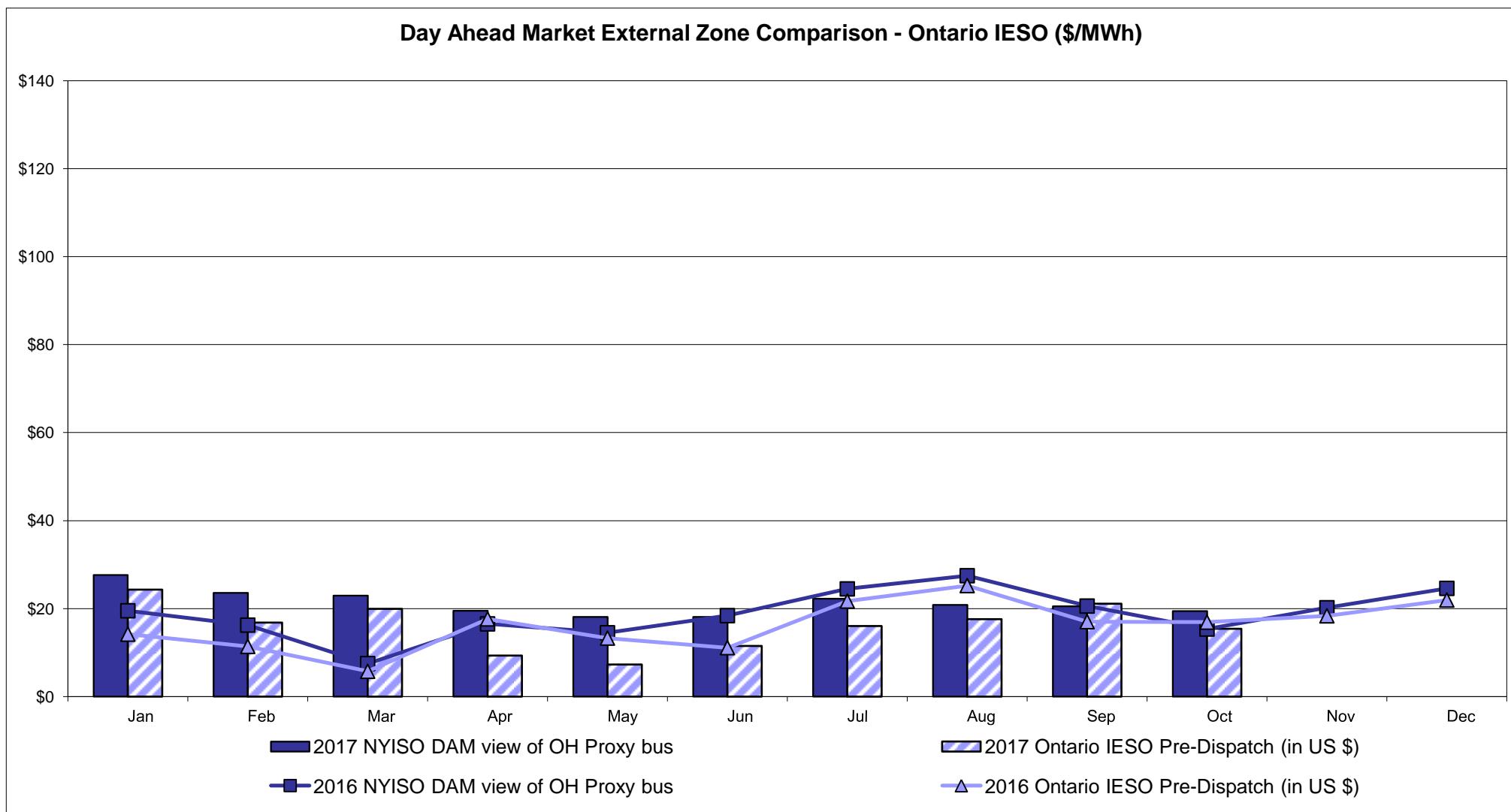
External Comparison ISO-New England



External Comparison PJM

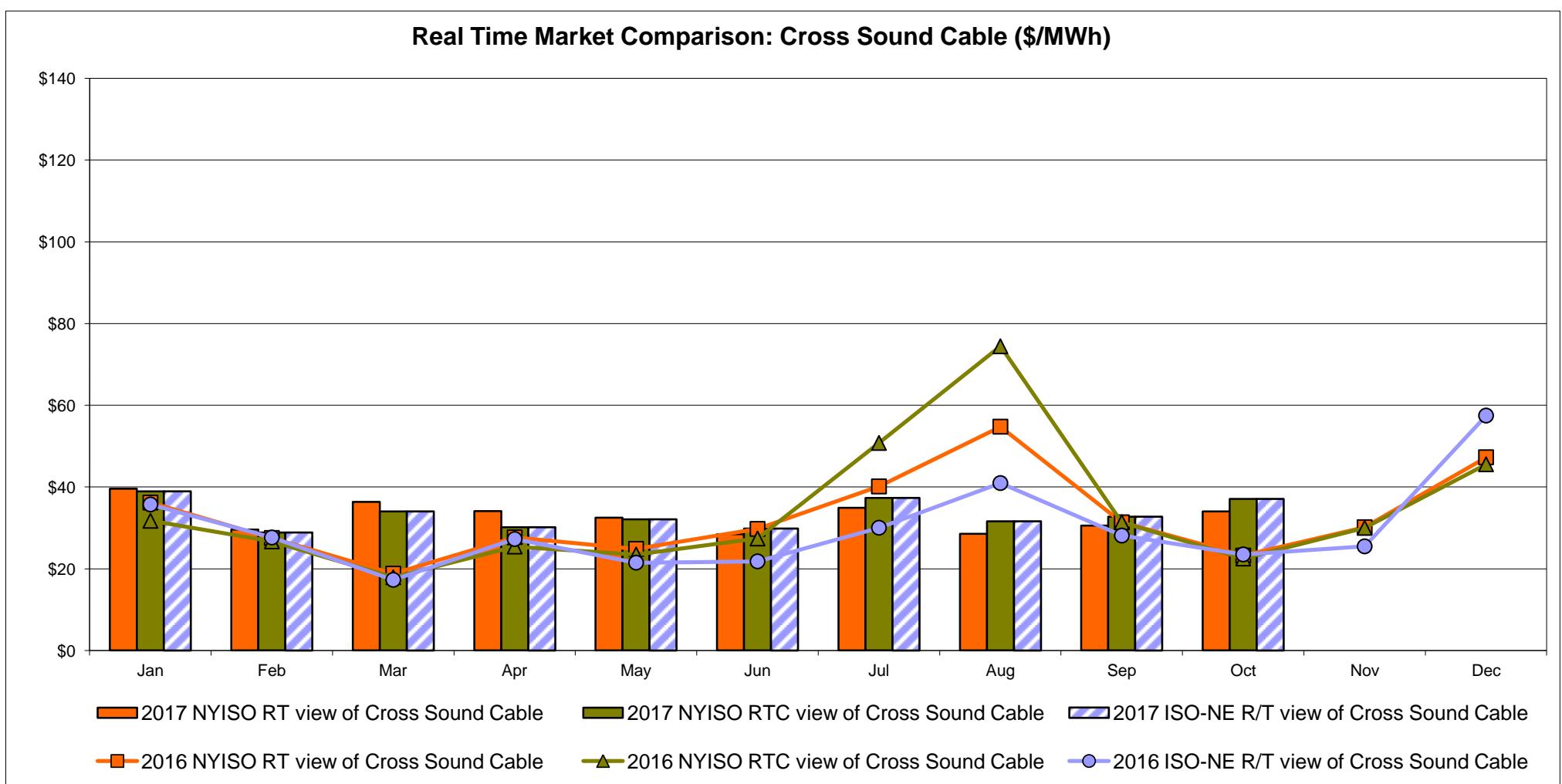
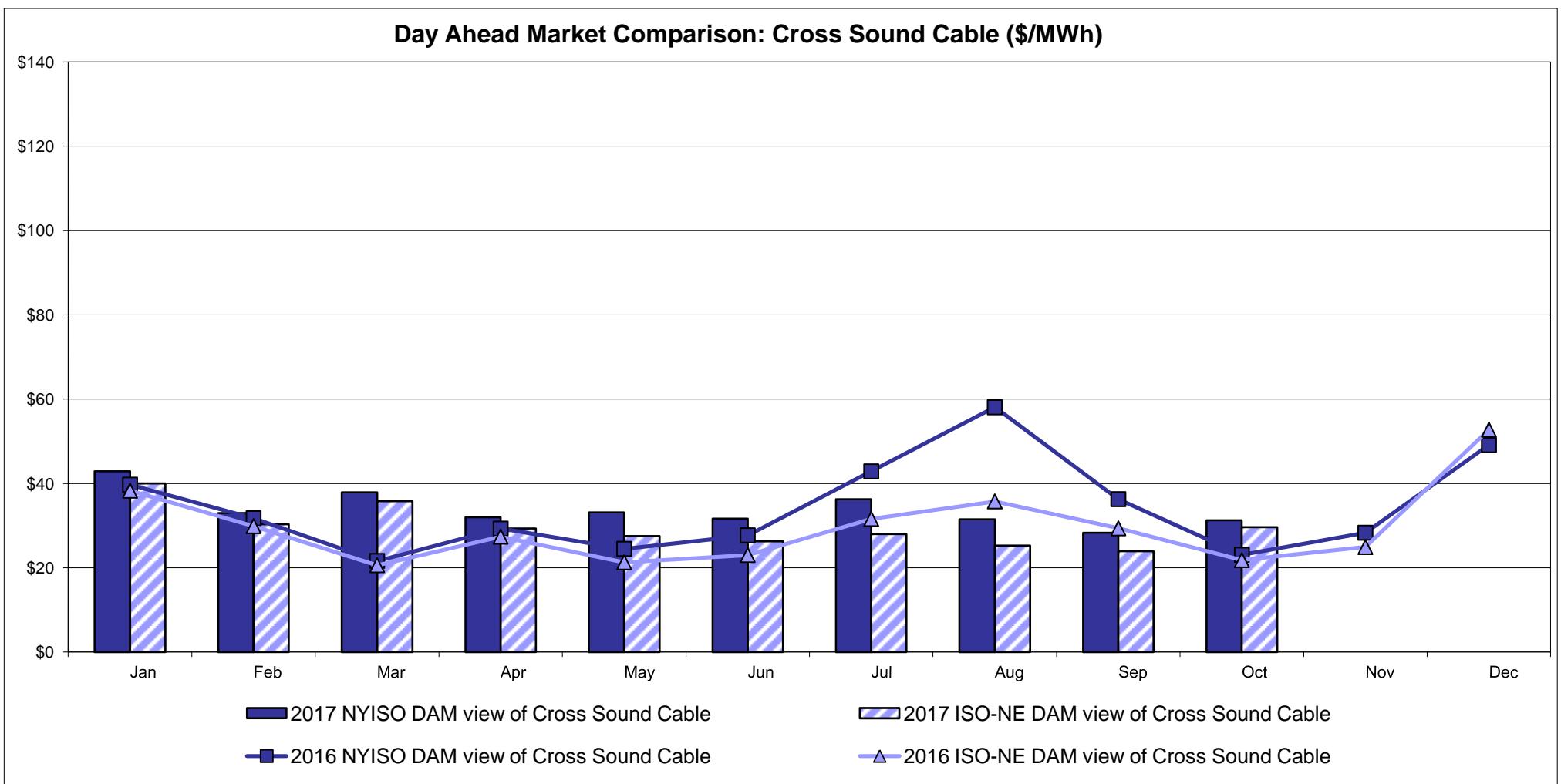


External Comparison Ontario IESO



Notes: Exchange factor used for October 2017 was 0.793210121361149 to US
HOEP: Hourly Ontario Energy Price
Pre-Dispatch: Projected Energy Price

External Controllable Line: Cross Sound Cable (New England)



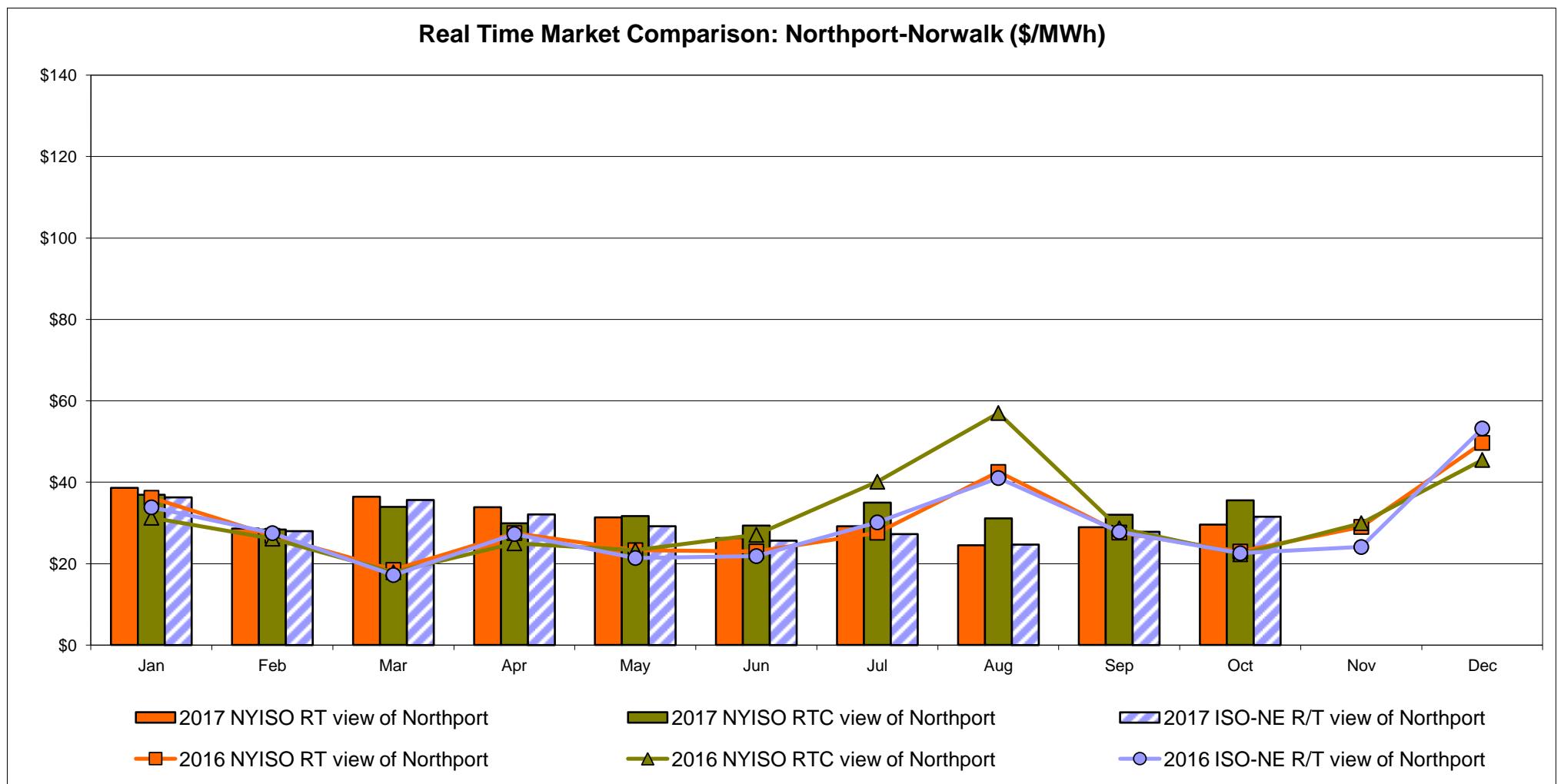
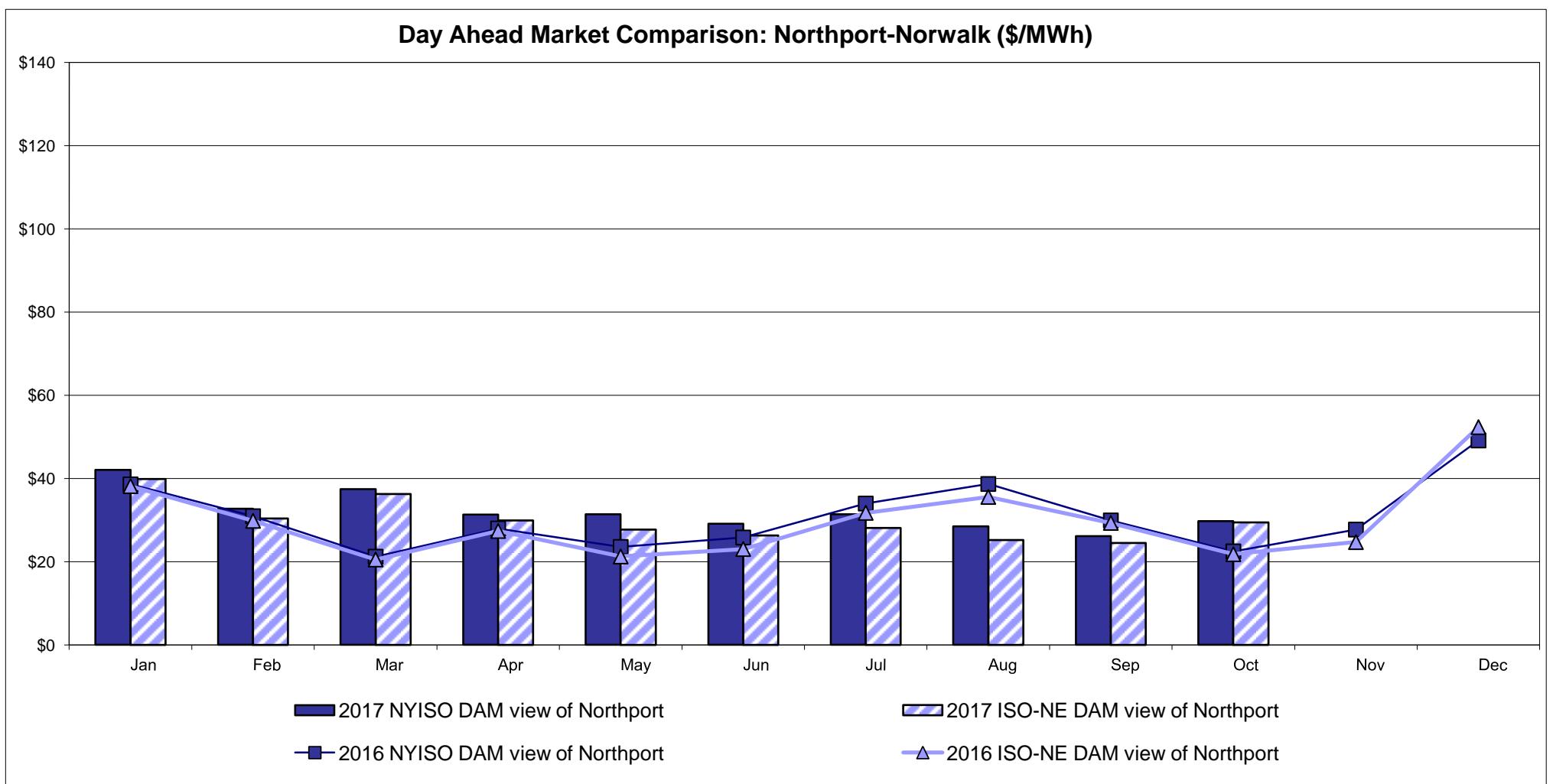
Note:

ISO-NE Forecast is an advisory posting @ 18:00 day before.

The DAM and R/T prices at the Shorham 13899 interface are used for ISO-NE.

The DAM and R/T prices at the CSC interface are used for NYISO.

External Controllable Line: Northport - Norwalk (New England)



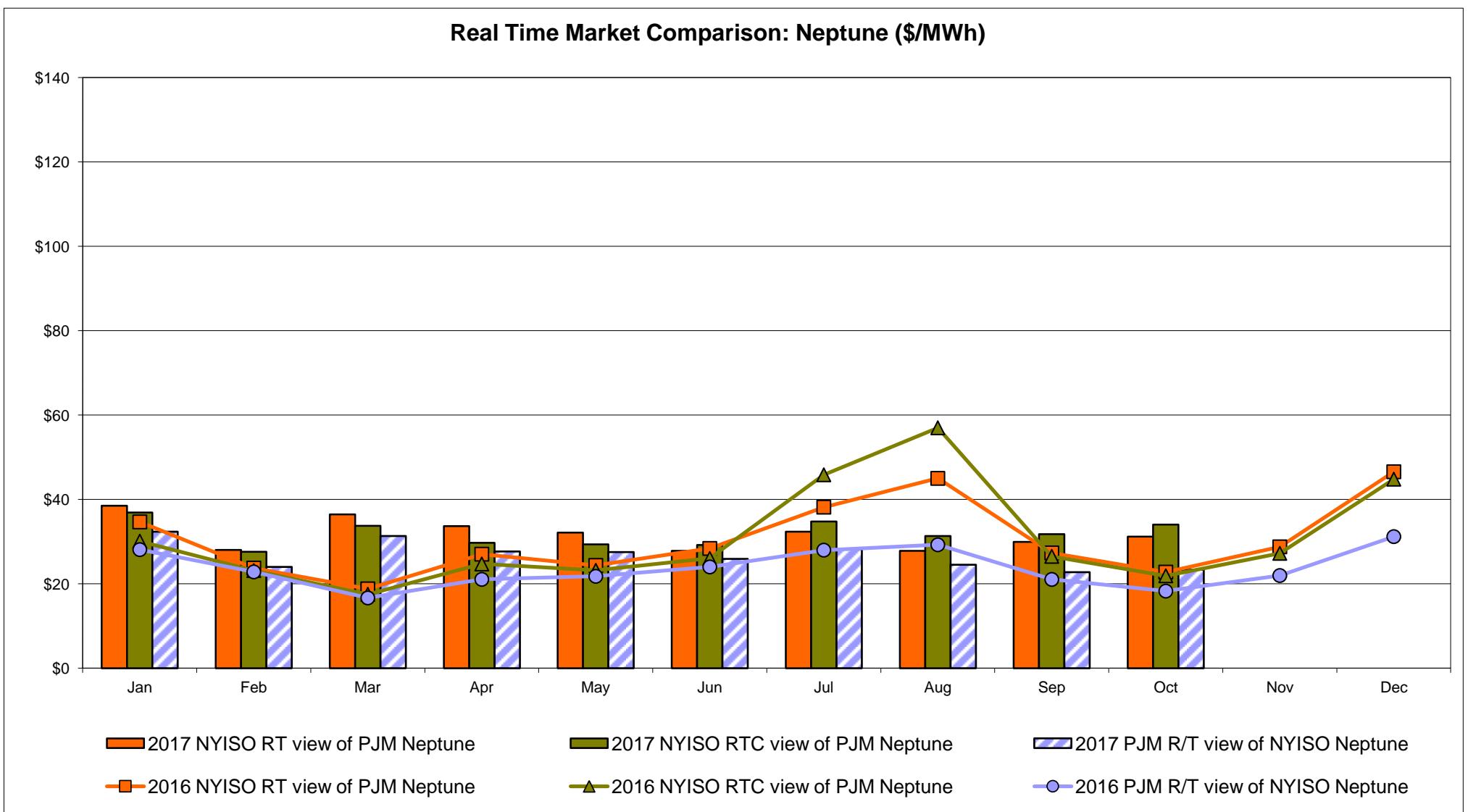
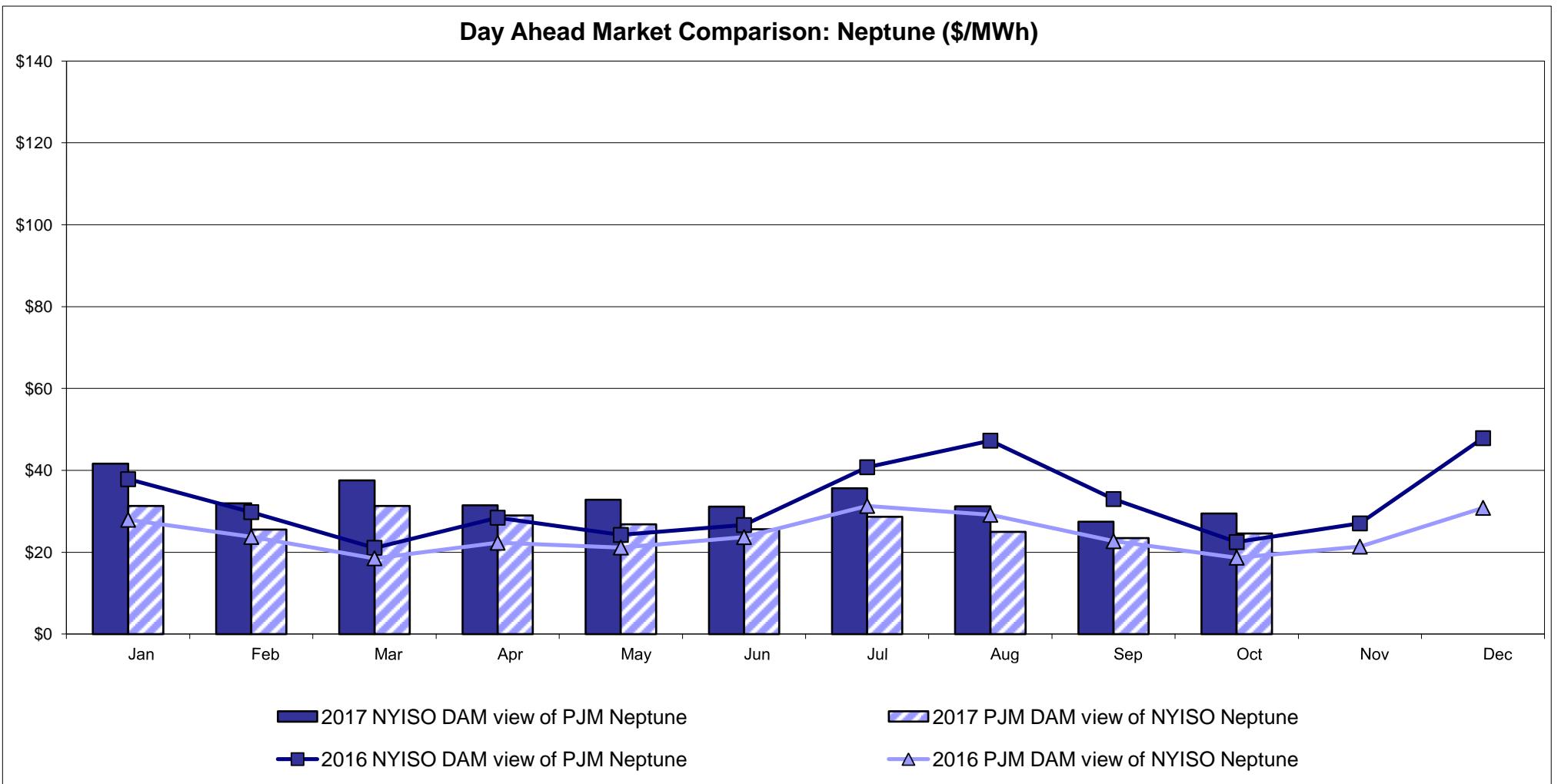
Note:

ISO-NE Forecast is an advisory posting @ 18:00 day before.

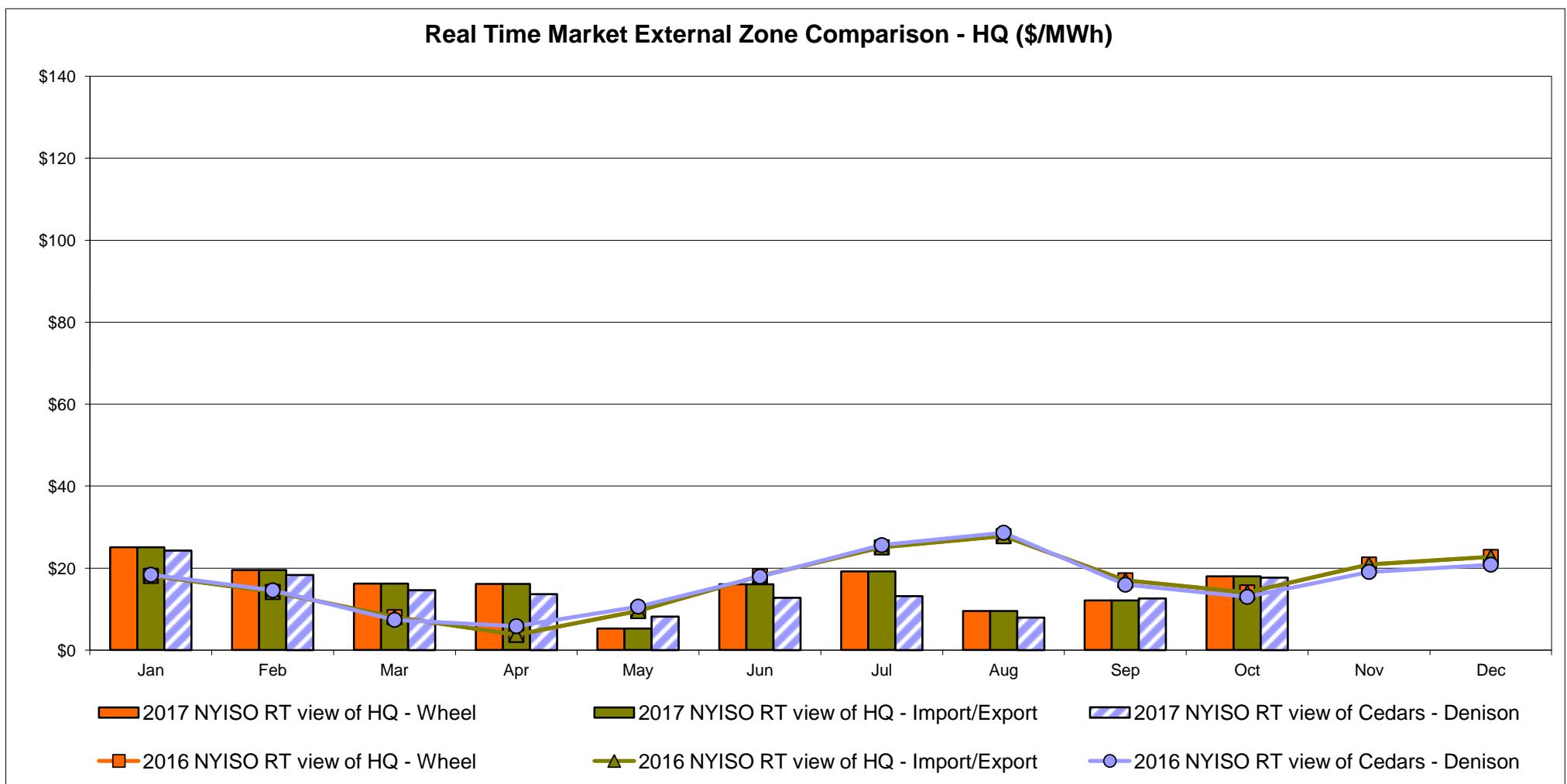
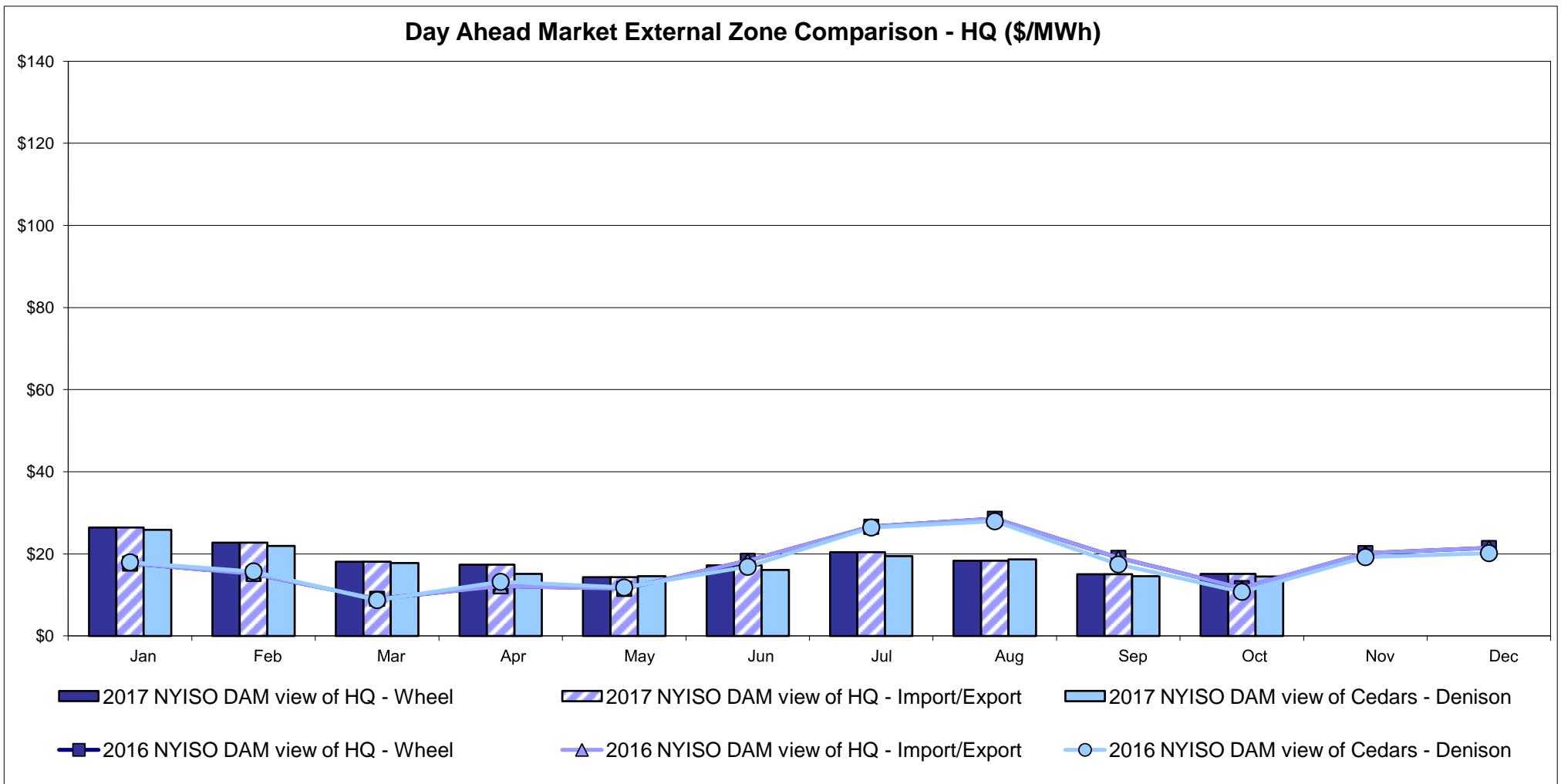
The DAM and R/T prices at the Northport 138 interface are used for ISO-NE.

The DAM and R/T prices at the 1385 interface are used for NYISO.

External Controllable Line: Neptune (PJM)



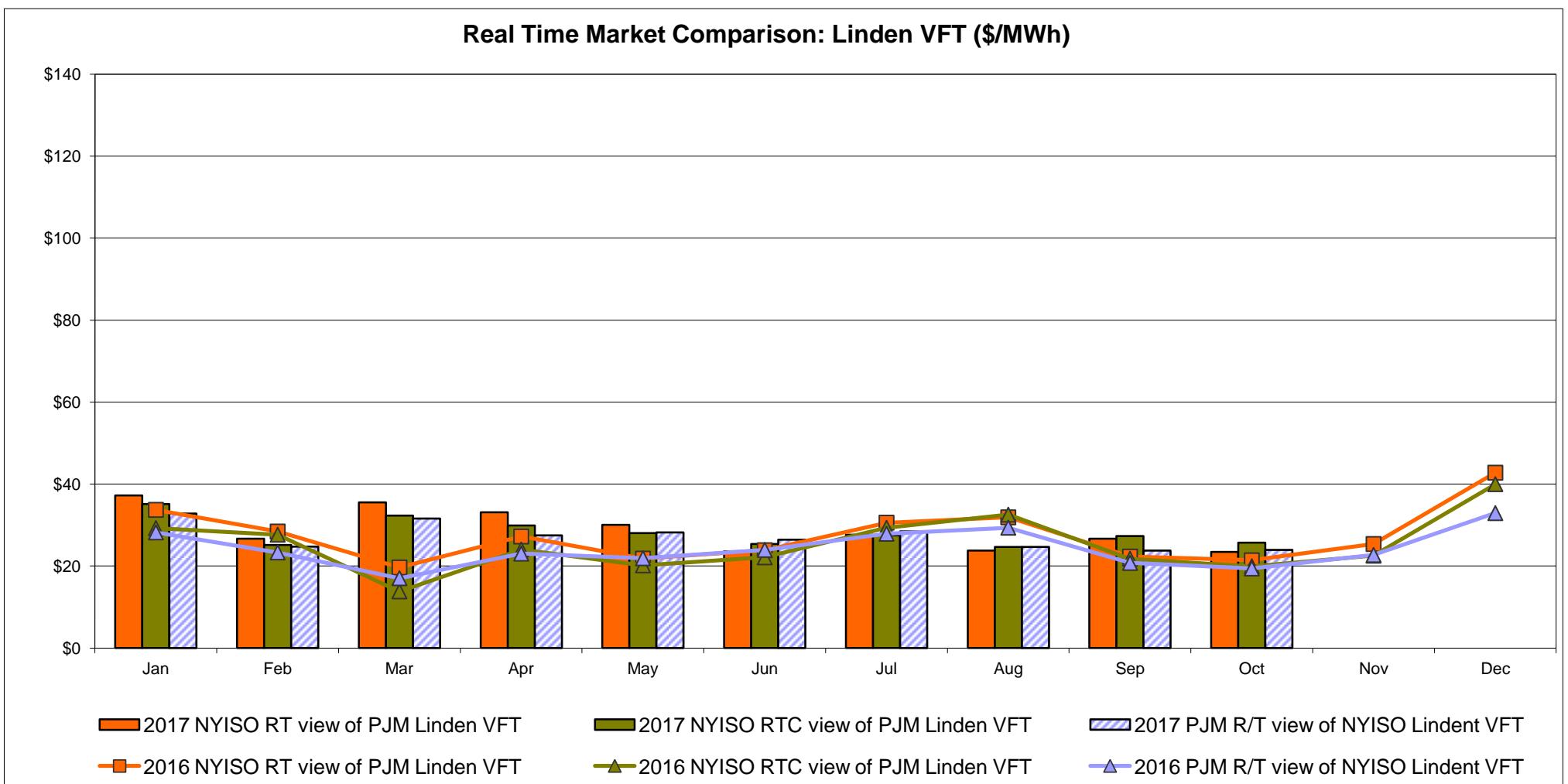
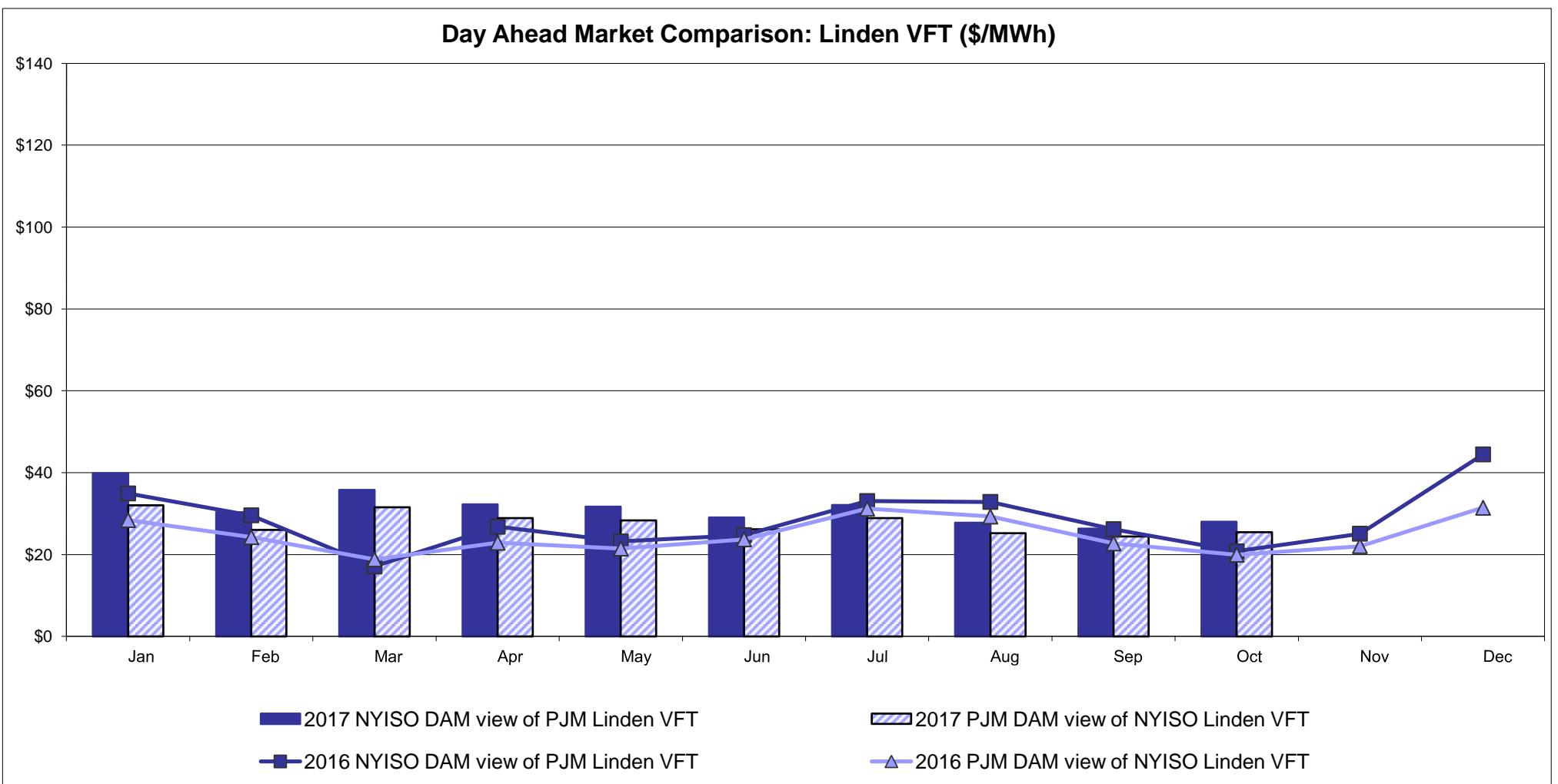
External Comparison Hydro-Quebec



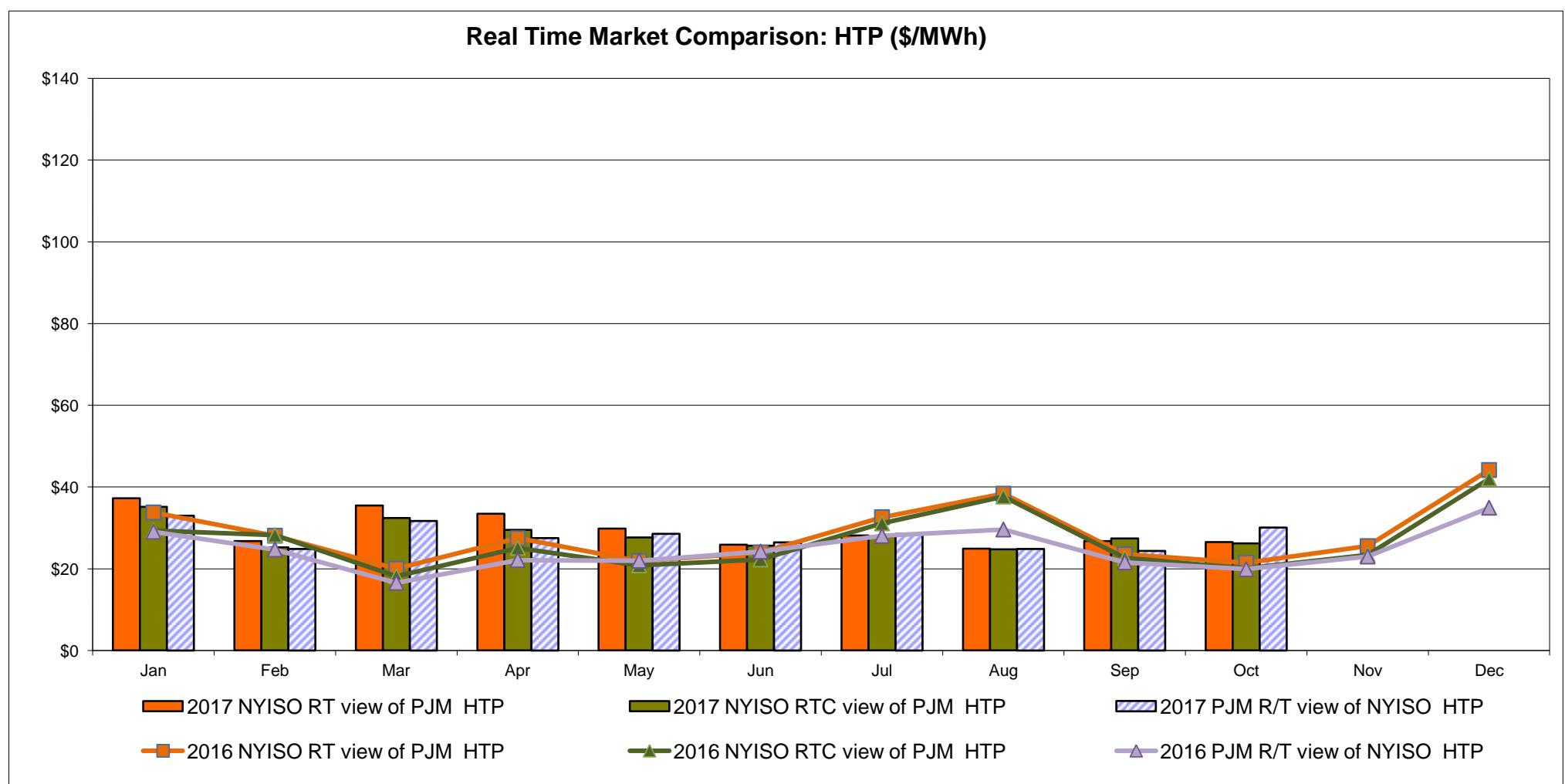
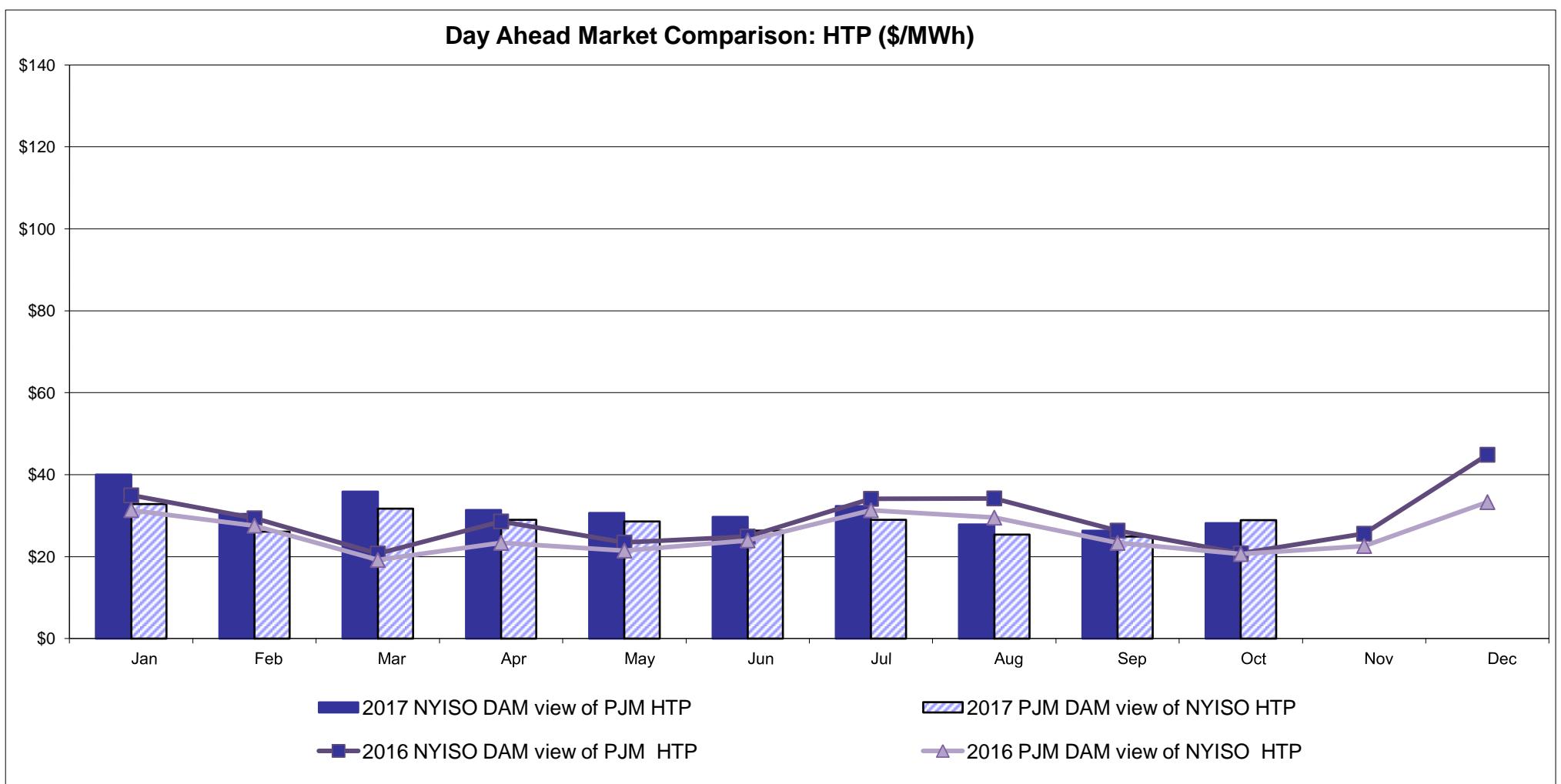
Note:

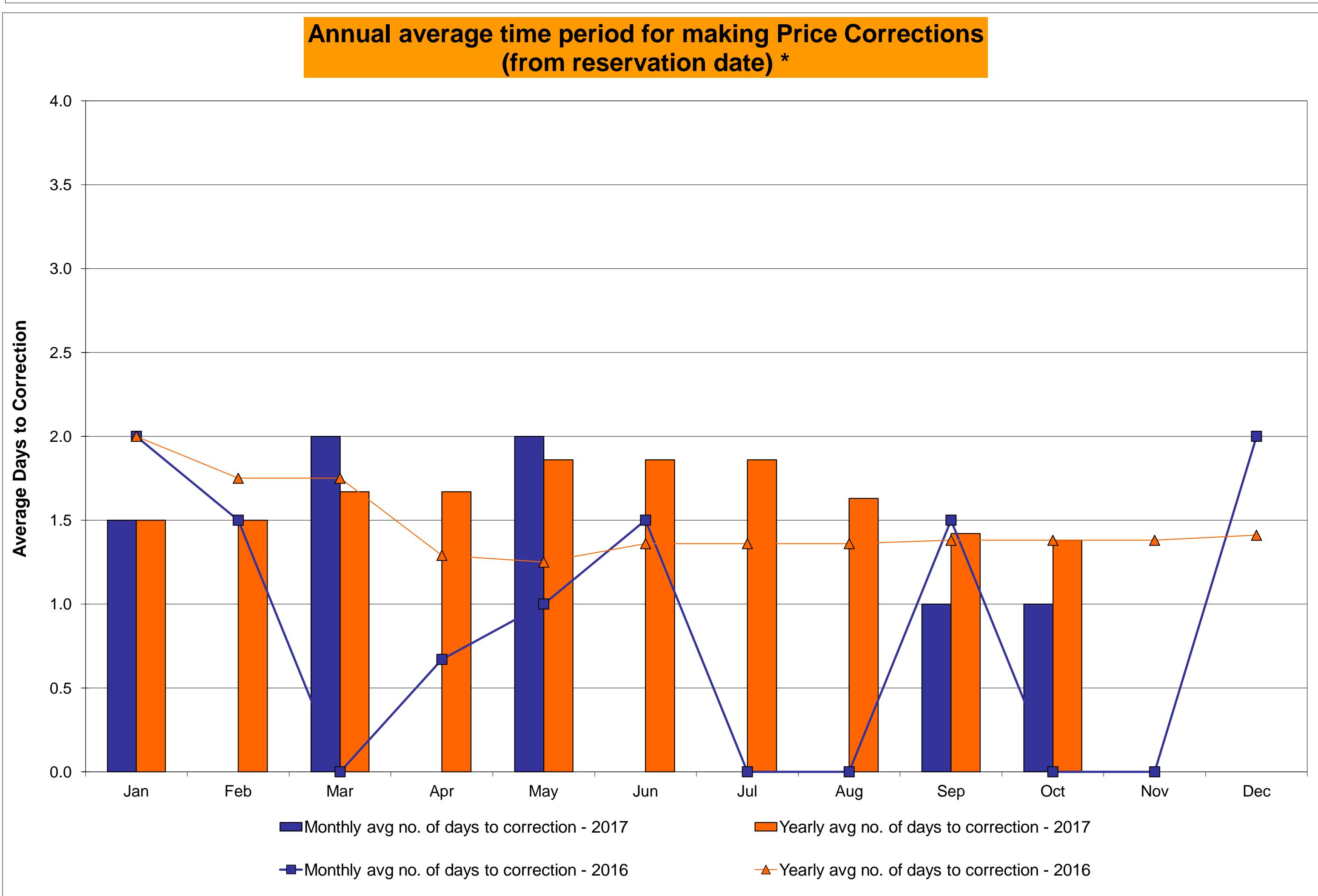
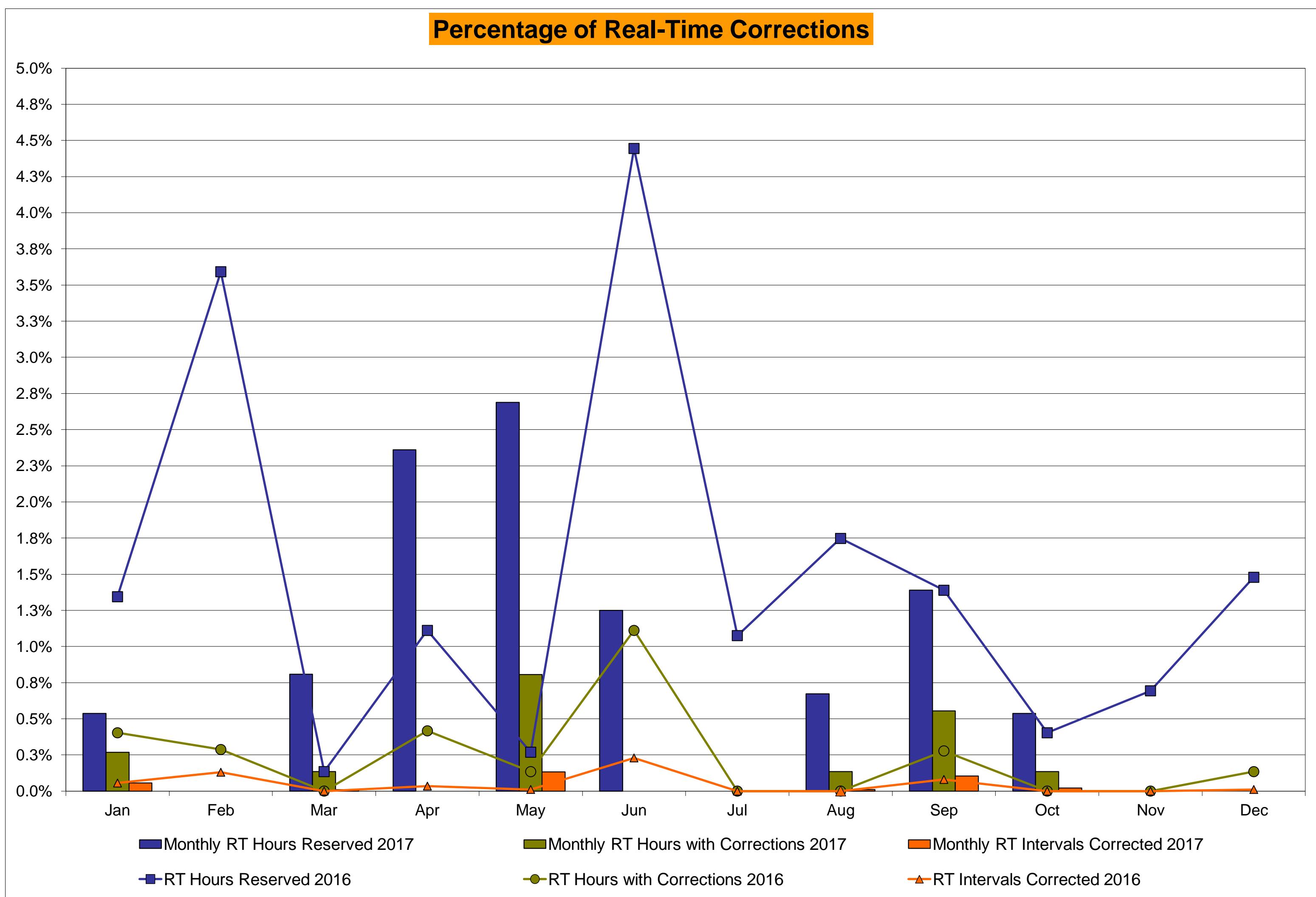
Hydro-Quebec Prices are unavailable.

External Controllable Line: Linden VFT (PJM)



External Controllable Line: Hudson (PJM)





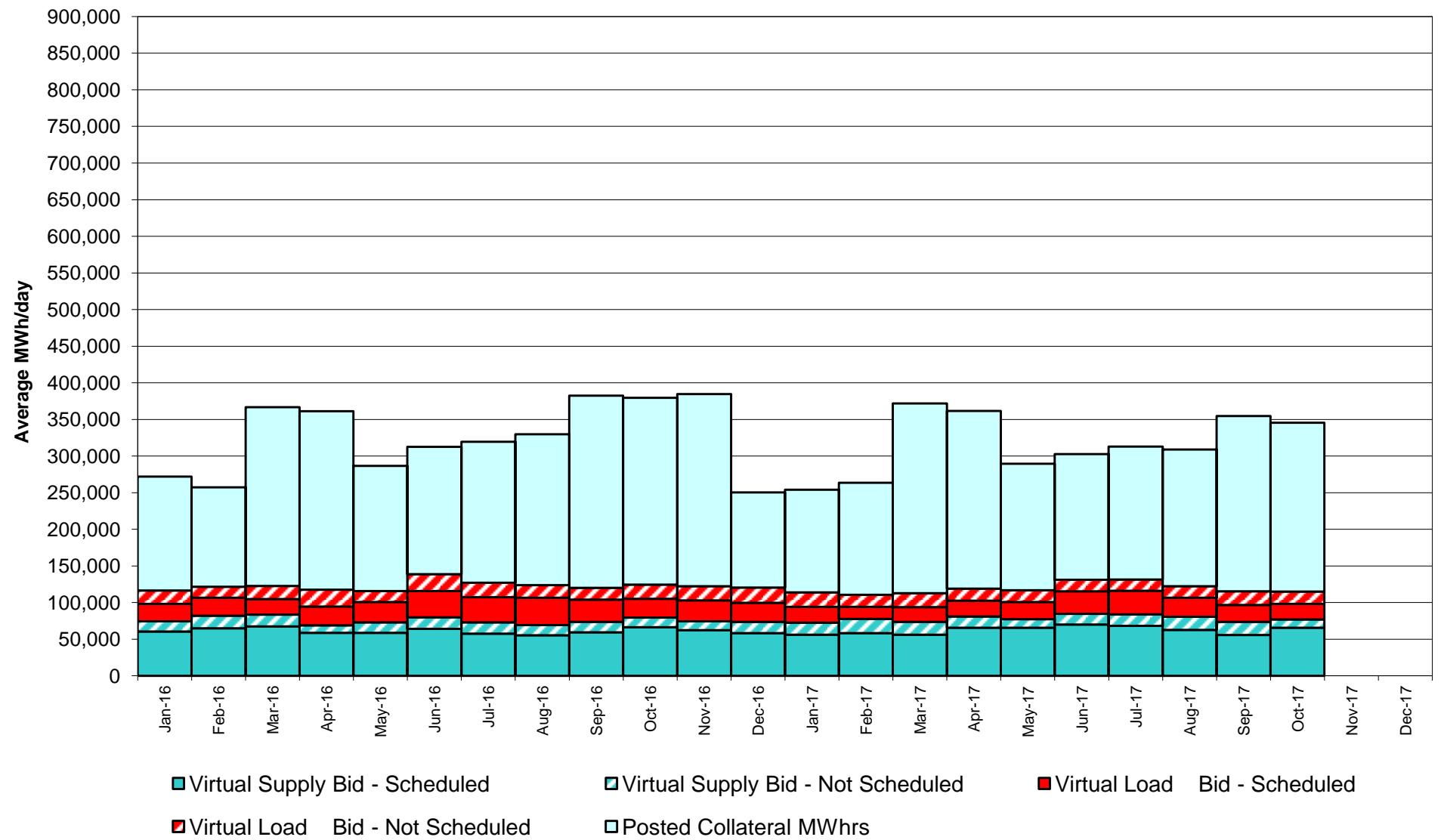
* Calendar days from reservation date.

Market Mitigation and Analysis
Prepared: 11/8/2017 3:00 PM

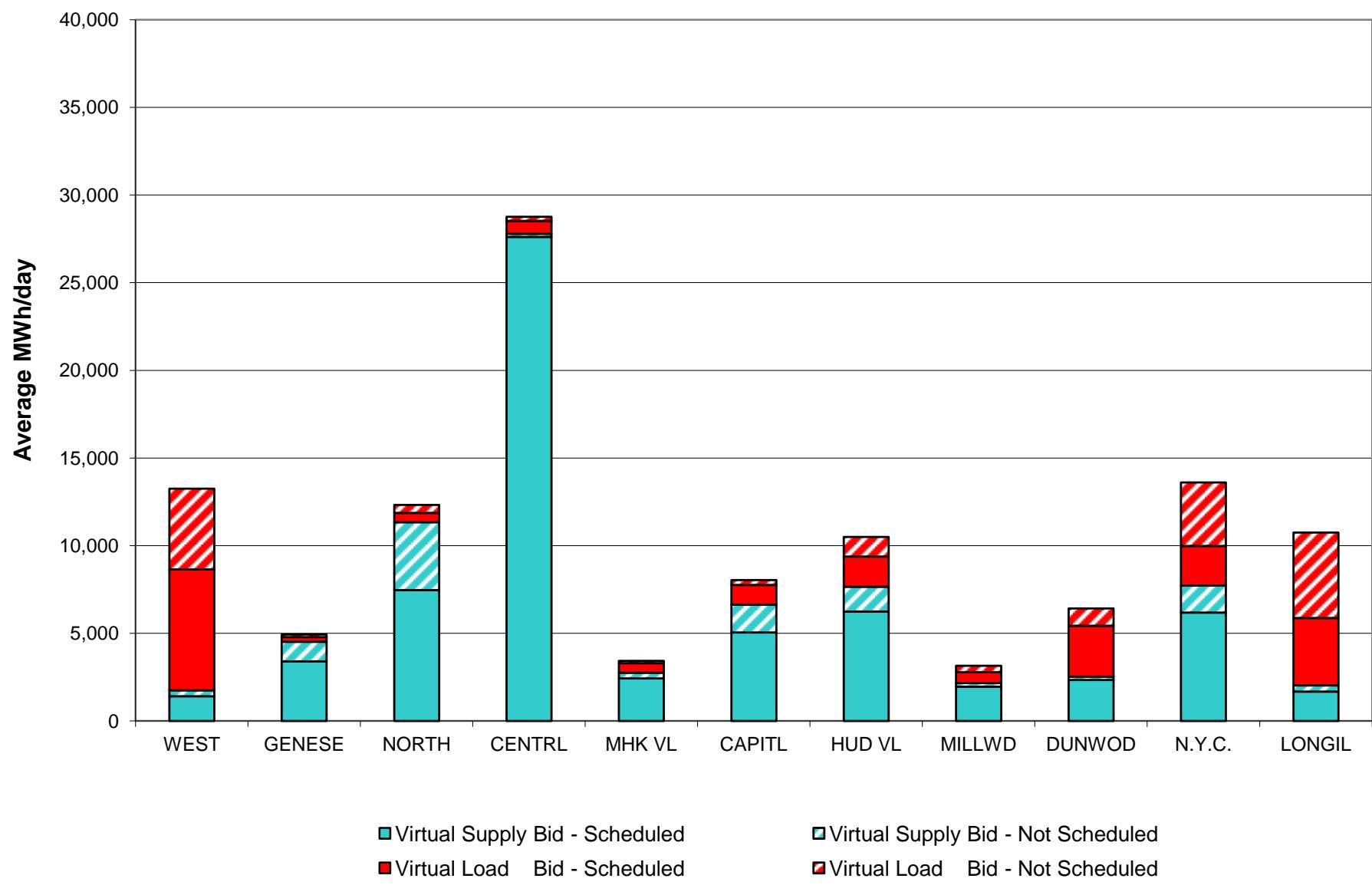
Y

May and June 2017 Hours Reserved data
has been updated for the July 2017
Monthly Market Operations Report.

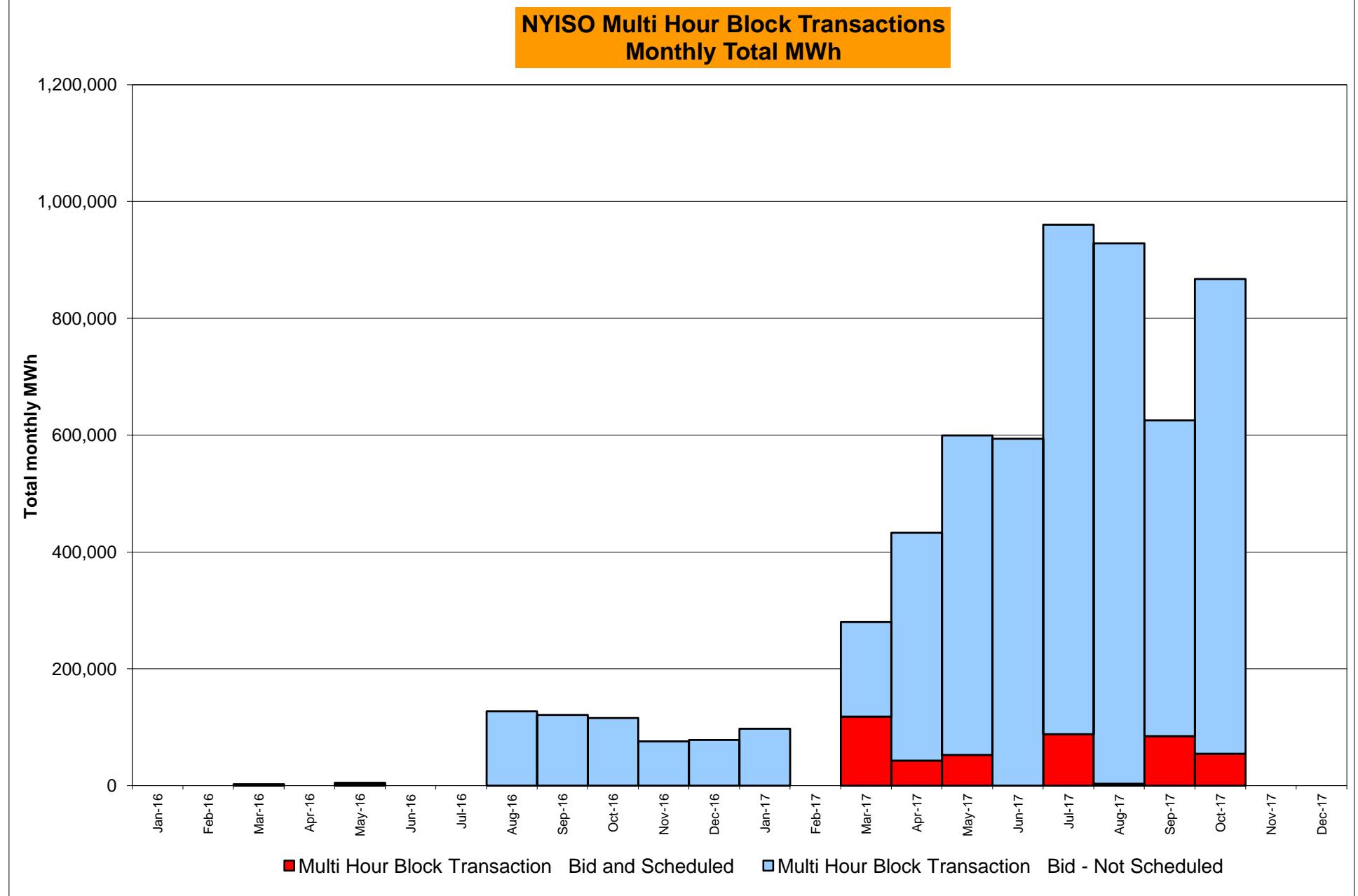
NYISO Virtual Trading
Average MWh per day



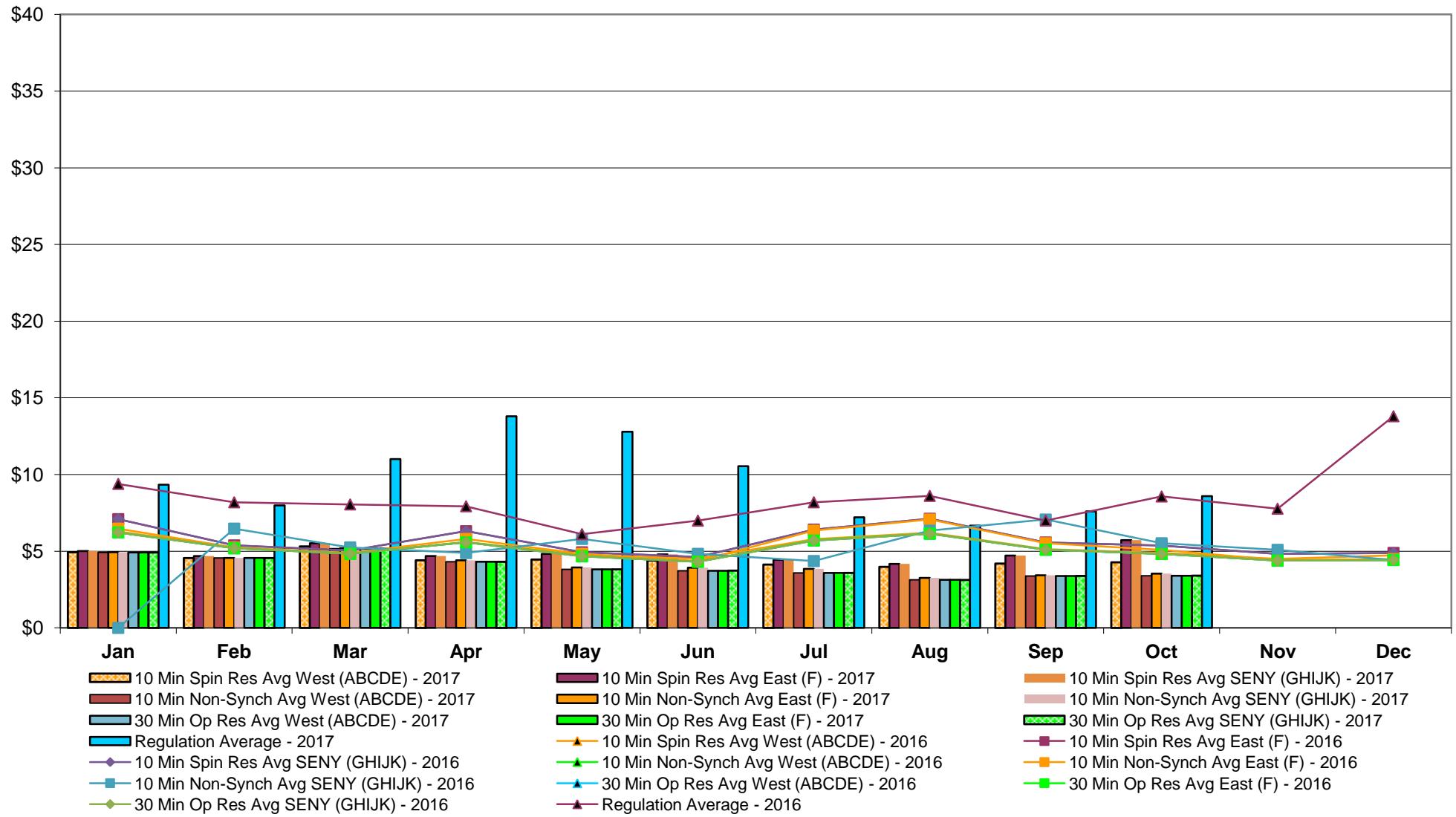
**Virtual Load and Supply Zonal Statistics
through October 31, 2017**



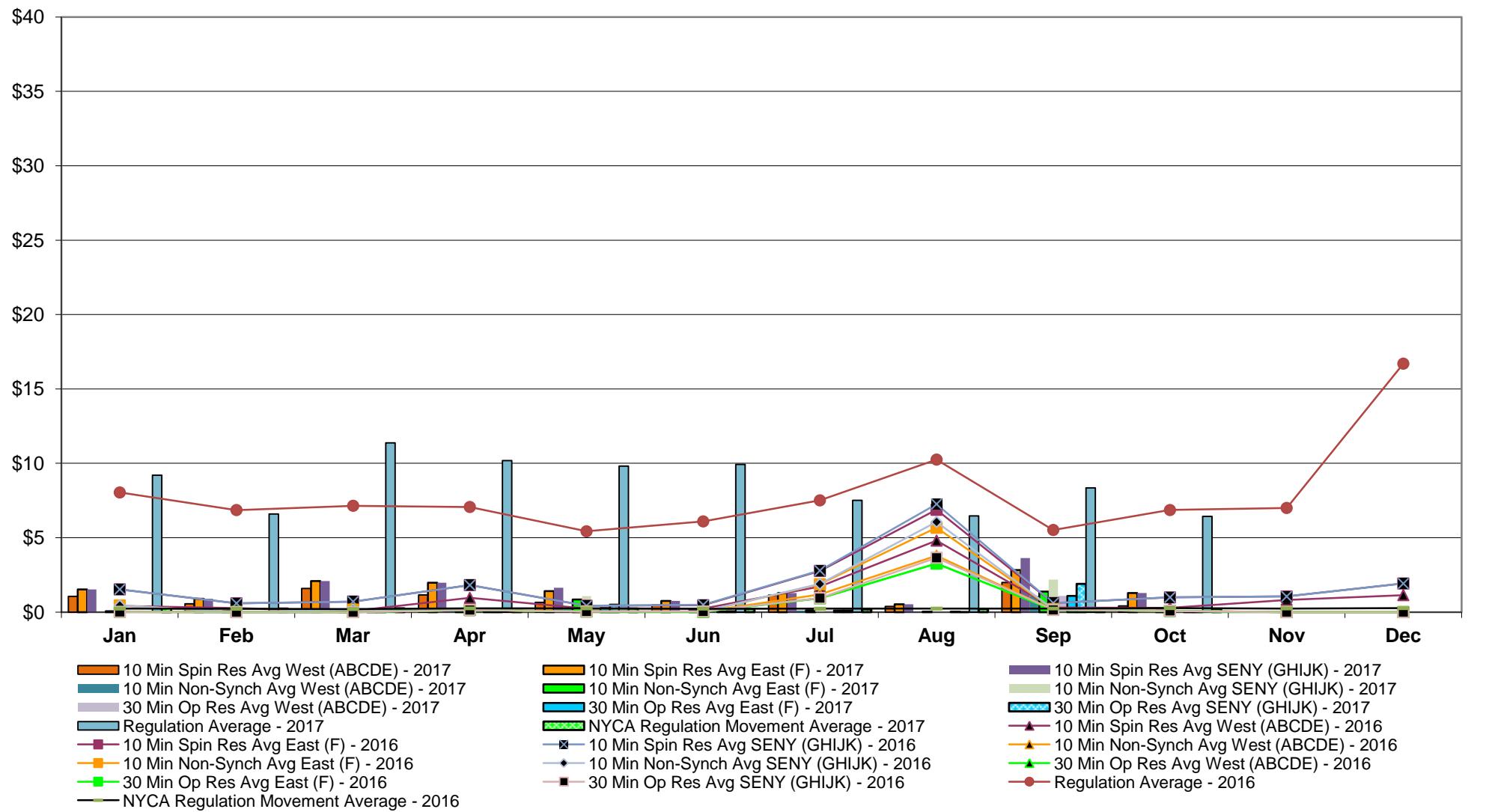
NYISO Multi Hour Block Transactions Monthly Total MWh



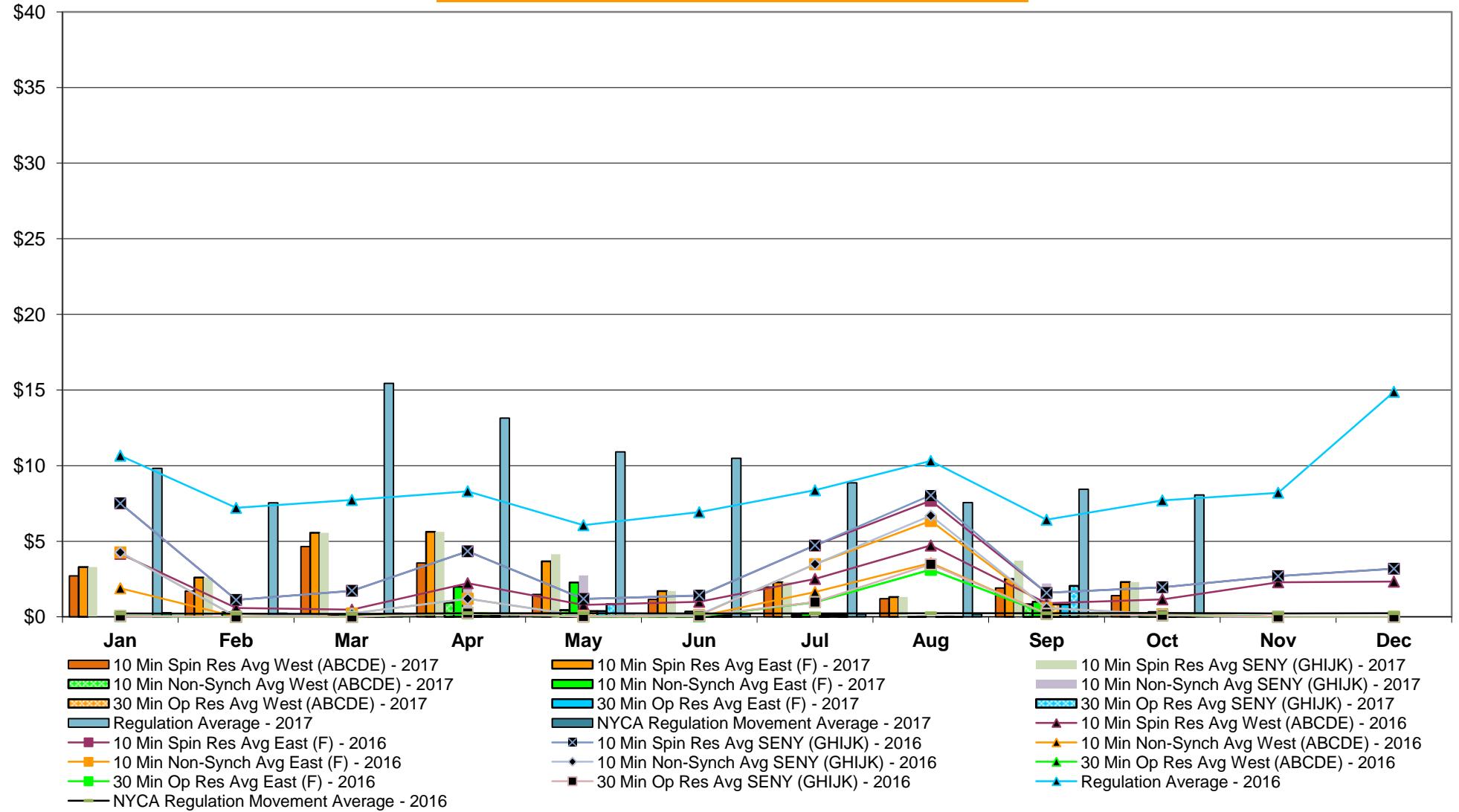
NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2016 - 2017



NYISO Monthly Average Ancillary Service Prices RTC Market 2016 - 2017

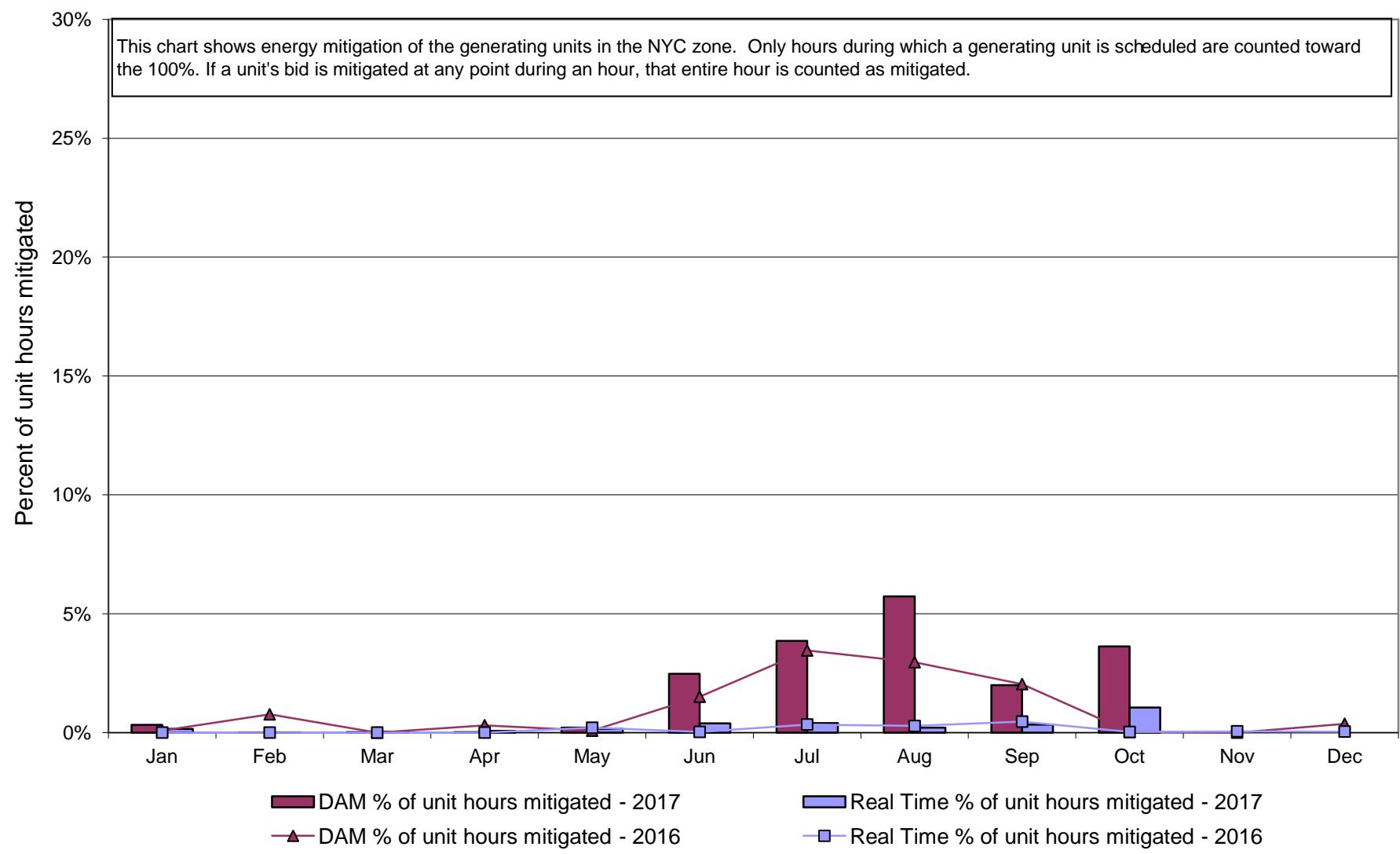


NYISO Monthly Average Ancillary Service Prices Real Time Market 2016 - 2017

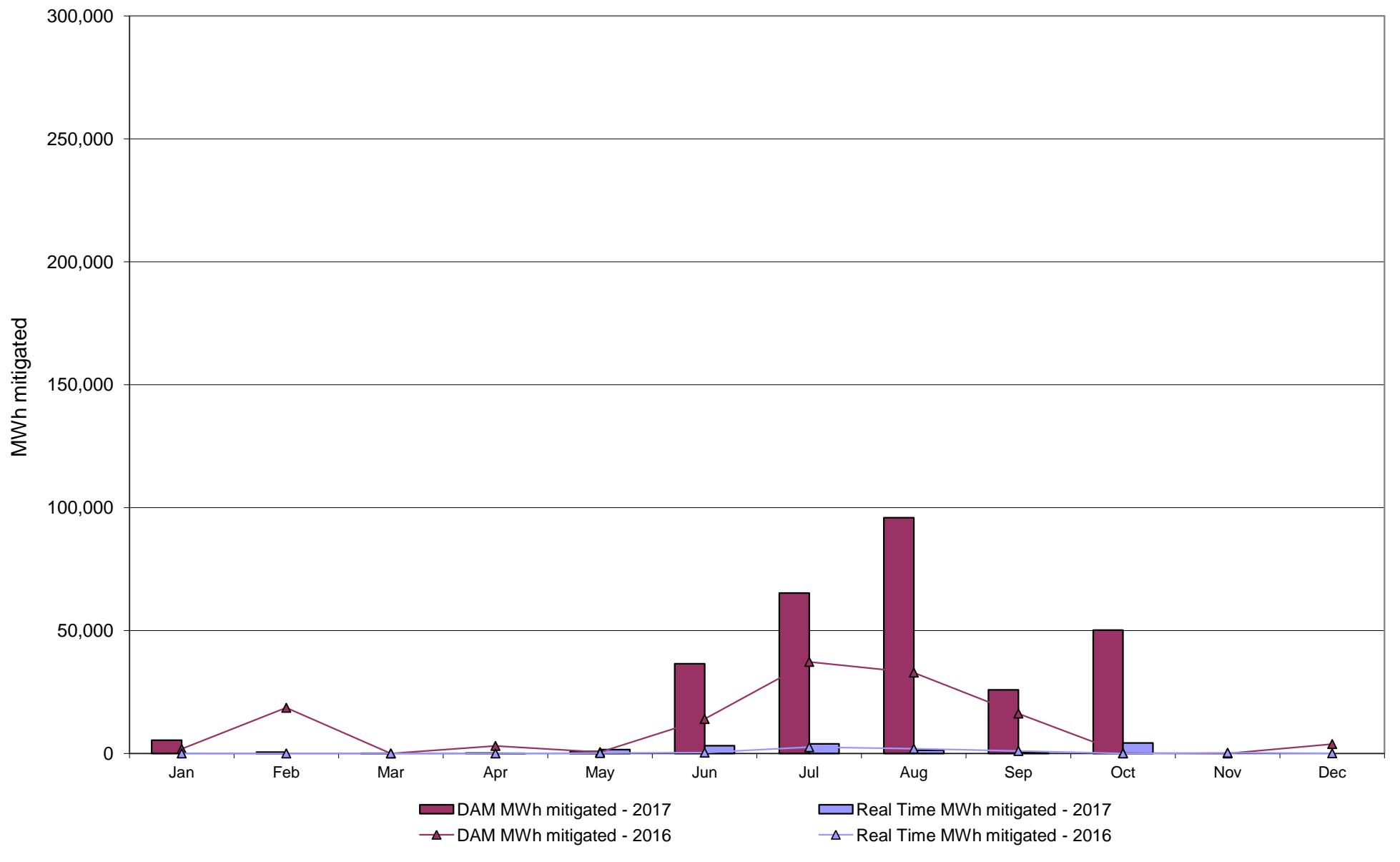


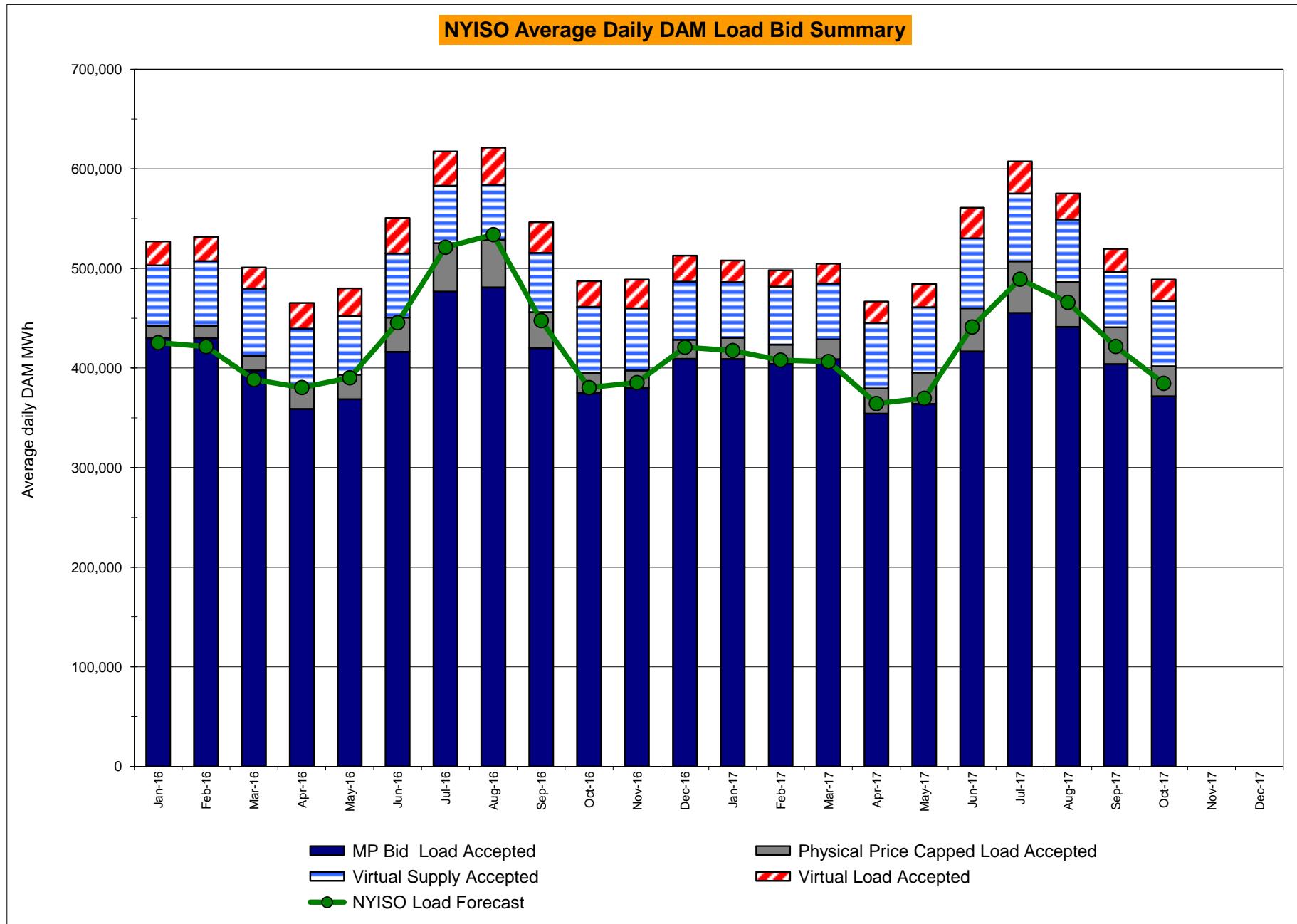
NYISO In City Energy Mitigation - AMP (NYC Zone) 2016 - 2017

Percentage of committed unit-hours mitigated

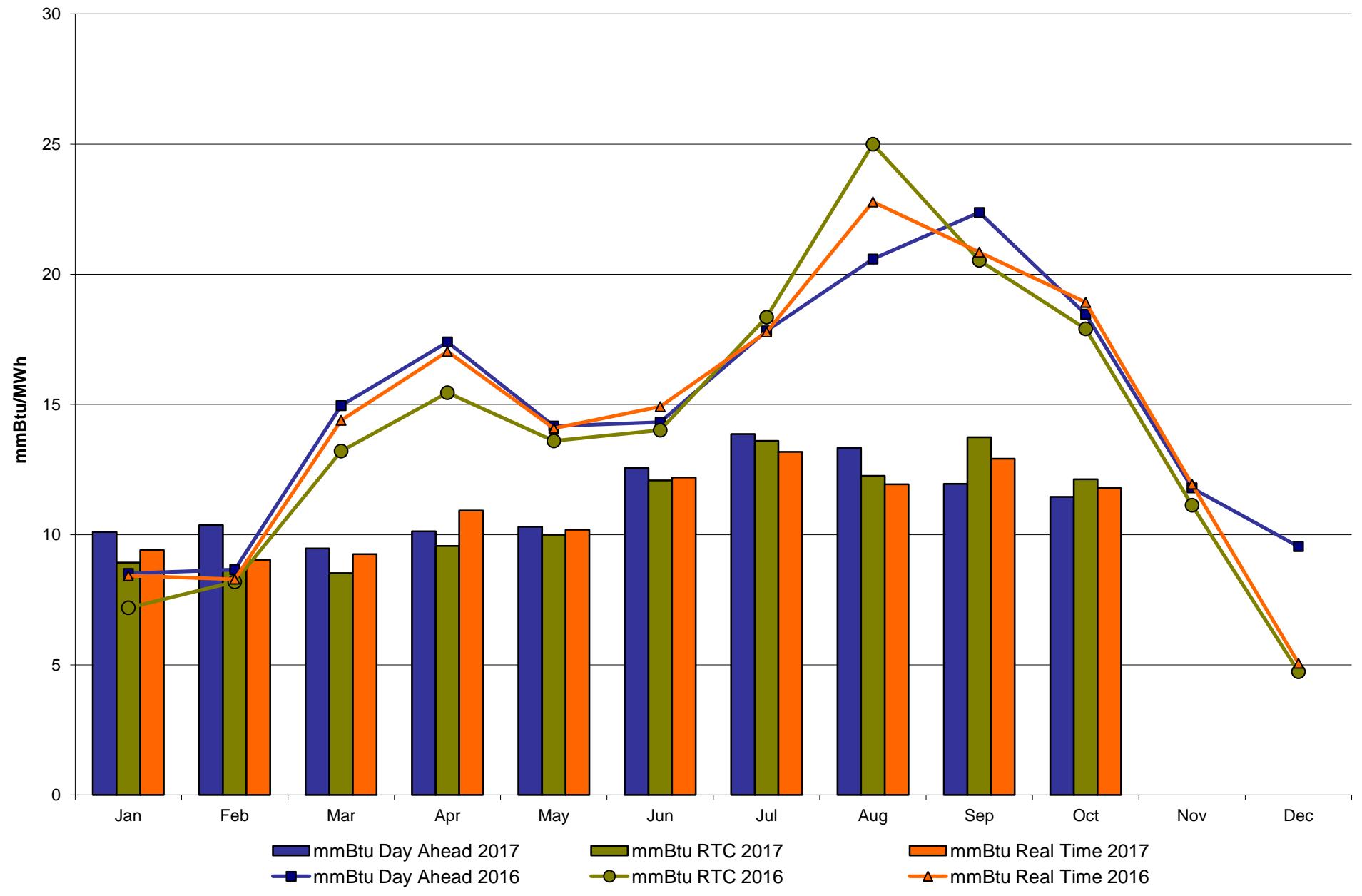


NYISO In City Energy Mitigation (NYC Zone) 2016 - 2017
Monthly megawatt hours mitigated

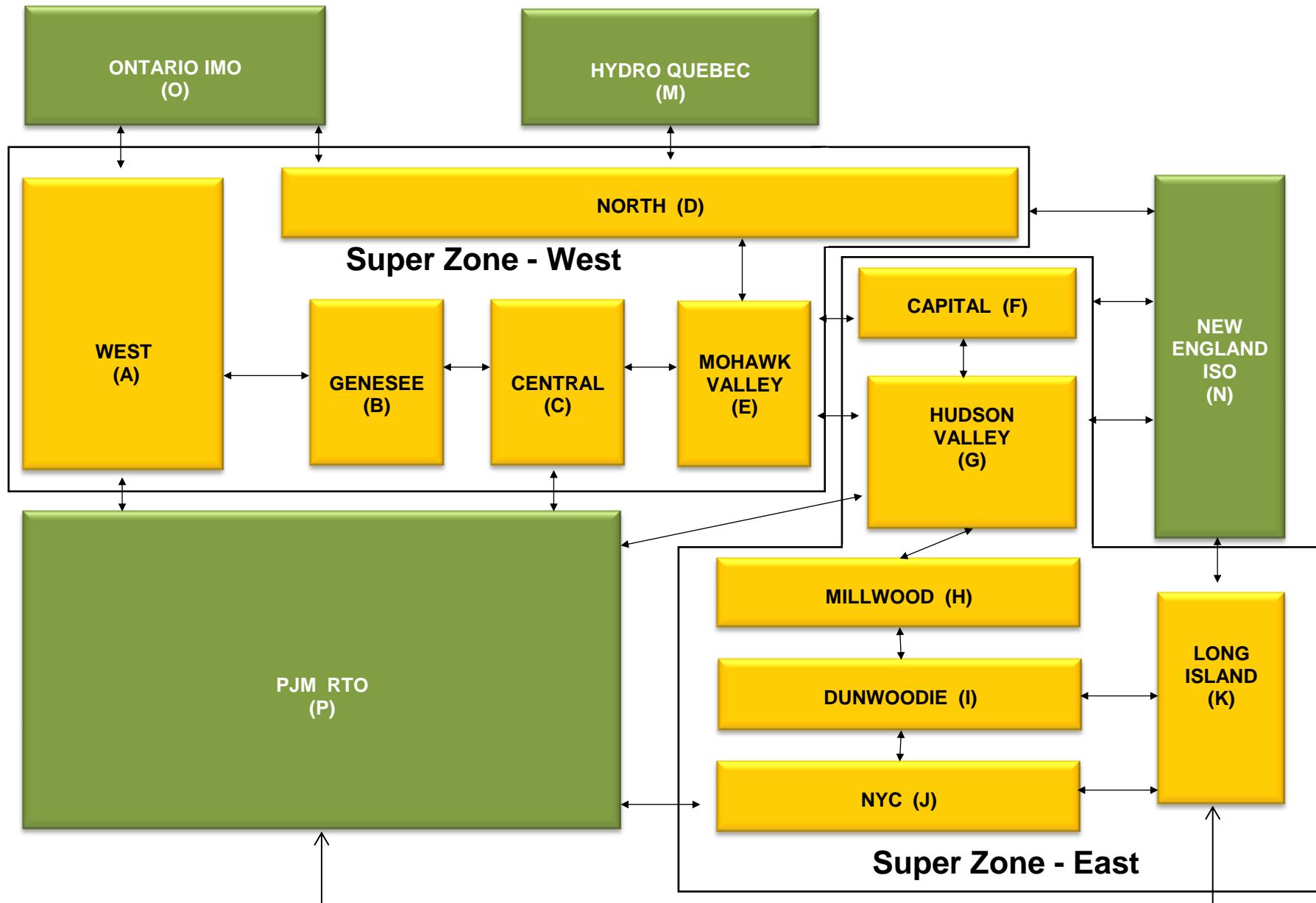




Monthly Implied Heat Rate 2016-2017



NYISO LBMP ZONES



Billing Codes for Chart C

<u>Chart - C Category Name</u>	<u>Billing Code</u>	<u>Billing Category Name</u>
Bid Production Cost Guarantee Balancing	81203	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81204	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81205	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee Balancing	81208	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81209	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81213	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee DAM	81201	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	84001	EDRP/SCR Demand Response - Local
Bid Production Cost Guarantee DAM	84101	EDRP/SCR Demand Response - NYISO Wide
Bid Production Cost Guarantee DAM	81401	DAM Price Responsive Load Program
Bid Production Cost Guarantee DAM	81202	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM	81206	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81207	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM Virtual	81501	DAM Virtual Bid Production Cost Guarantee
DAM Contract Balancing	81315	DAM Contract Balancing
DAM Contract Balancing	81317	DAM Contract Balancing
Local Reliability Balancing	81002	Balancing Local Reliability Bid Production Cost Guarantee
Local Reliability Balancing	83901	Margin Restoration (MOB) Revenue
Local Reliability DAM	81001	DAM Local Reliability Bid Production Cost Guarantee
NYISO Cost of Operations	80901	NYISO Cost Of Operations
NYISO Cost of Operations	80902	NYISO Cost Of Operations
NYISO Cost of Operations	83501	NYISO Cost Of Operations
NYISO Cost of Operations	83502	NYISO Cost Of Operations
Residuals Balancing	81302	Balancing Market Energy Residual
Residuals Balancing	81304	Balancing Market Loss Residual
Residuals Balancing	81305	Balancing Market Congestion Balancing
Residuals Balancing	81306	Emergency Energy Purchases
Residuals Balancing	81307	Emergency Energy Sales
Residuals Balancing	81309	Balancing Market Energy Residual
Residuals Balancing	81311	Balancing Market Loss Residual
Residuals Balancing	81312	Balancing Market Congestion Balancing
Residuals Balancing	81313	Emergency Energy Purchases
Residuals Balancing	81314	Emergency Energy Sales
Residuals DAM	81301	Day Ahead Market Energy Residual
Residuals DAM	81303	Day Ahead Market Loss Residual
Residuals DAM	81308	Day Ahead Market Energy Residual
Residuals DAM	81310	Day Ahead Market Loss Residual

The Mission of the New York Independent System Operator is to:

- Serve the public interest and
- Provide benefit to stakeholders by
 - Maintaining and enhancing regional reliability
 - Operating open, fair and competitive wholesale electricity markets
 - Planning the power system for the future
 - Providing factual information to policy makers, stakeholders and investors in the power system



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