



SCR Issues

March 3, 2004

Installed Capacity
Working Group



SCR and EDRP – DG with Net Export

- Current EDRP and SCR rules prohibit DGs from being paid for energy production in excess of host load; and restrict SCR UCAP credit for directly metered generation to the host load
- The value to the NYISO of energy/capacity in excess of host load is the same as energy/capacity less than host load
- NYISO believes that EDRP and SCR program rules should be modified to allow UCAP credit and energy payments for generation in excess of host load.
- Assuming MP concurrence the intent is to bring this proposal to BIC on March 17
 - EDRP was vetted at PRLWG on 3/1/04
 - SCR to be vetted at ICAP WG on March 3 (today)



SCR Issues - Testing

- NYISO Conducted tests of SCR resources on January 27 (Zones H-G), 28 (Zone A), and 29 (Zones B-G)
- Tests were mandatory only for resources sold in January, other resources were invited to meet their testing requirements during this test
- Additional tests will be conducted in March
- These tests will be mandatory for resources sold in March and for resources sold for the Winter 2003-2003 strip, provided those resources did not test during January
- To prevent undue market impacts, future tests will generally be broken down into zonally-defined groups
- NYISO reserves the right to decide which zones to call and they may not necessarily be contiguous
- To the extent practicable, advance notice will be limited to that provided for during actual events (i.e. 21-hours)
- Zonally-defined SCR tests may take place in different weeks (as opposed to different days in the same week)
- Going forward, NYISO will consider running tests more frequently; i.e. on a monthly basis (participation would only be mandatory for each resource once each capability period)



SCR Issues - Aggregation

- SCR rules require individual resources to be offered in increments of 100 kW (i.e., 150 kW is rounded down to 100 kW)
- SCRs allow individual resources to be aggregated to reach the next 100 kW increment but such blocks must be identified.
- Currently several SCRs have been aggregated under one identifier for purposes of determining energy payments.
- For the Summer 2004 capability period, and going forward, each resource/meter must have its own unique number to facilitate auditing and avoid the possibility of double-counting
- Resources may not be aggregated for purposes of determining SCR performance
- Procedures for registering and reporting aggregated SCR resources for 2004 will be determined and issued by the NYISO prior to start of the 2004 Summer capability period.



SCR Issues - Performance

- In the past, if NYISO has provided the required 21-hour advance notice to SCR resources, but has issued an activation notice less than 2-hours before the time indicated in the 21-hour notice, NYISO considered the entire SCR call to be voluntary for performance tracking purposes.
- Going forward, it is the NYISO intention to treat any portion of the event for which 2-hours advance notice has been provided to be mandatory. However, any portion of the event for which 2 hours notice was not given, will be voluntary
- Example:
 - NYISO issues notice at 12:45 p.m. that SCR resources may be needed from 11:00 a.m. to 5:00 p.m. the following day.
 - The following day, NYISO issues an activation notice at 10:30 a.m for immediate activation.
 - Response is voluntary from until 1:00 p.m.
 - $10:30 + 2 \text{ hours} = 12:30 \text{ p.m.}$ is rounded up to 1:00 p.m.
 - Response is mandatory from 1:00 a.m. to 5:00 p.m.