

NYISO Consumer Interest Liaison Weekly Summary

April 30 – May 4, 2018

Notices:

- The New York Independent System Operator (NYISO) today [May 3, 2018] released [Power Trends 2018](#), an annual report that provides information and analysis on how technology, economic forces and public policy are shaping a more dynamic power grid, and the implications for the state's wholesale electricity markets. [Power Trends](#) examines a number of forces and factors that are transforming the grid, including changing energy usage and moderating demand, and the economic and policy decisions affecting the expansion and contraction of power generation resources. With grid operations becoming increasingly complex, the report also looks at the need for greater resiliency and flexibility, and the influence of public policy goals on the grid and markets of the future.
- As discussed at the April 23 IPPTF meeting, the NYISO has posted the **Carbon Pricing Straw Proposal** to the April 23, 2018 IPPTF meeting materials at the following link: [Straw Proposal](#). The Carbon Pricing Straw Proposal is planned for discussion at the May 14, 2018 IPPTF meeting.

Meeting Summaries:

Monday, April 30, 2018

Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee Short Term Improvements to the Transmission Planning Processes

Yachi Lin of the NYISO presented an outline of proposed improvements in the Comprehensive System Planning Process (CSPP) for discussion with and feedback from stakeholders. This effort is identified as Project B613 in the NYISO project schedule for 2018. The CSPP is comprised of four separate processes:

- *Local Transmission Planning Process (LTPP)*
- *Reliability Planning Process (RPP)*
- *Congestion Assessment and Resource Integration Study (CARIS)*
- *Public Policy Transmission Planning Process (PPTPP)*

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Project B613 is an effort to review the NYISO's separate planning processes and consider whether it may be beneficial to revise and/or further integrate the reliability, economic and public policy planning processes. The focus of the presentation is to prepare a Section 205 tariff filing to address immediate process improvements with a targeted Board of Director's approval in July 2018. Acknowledging the complexity of changes to the CSPP, the NYISO plans to propose additional revisions that may not be addressed in the current filing for further stakeholder discussion in Q4 2018.

Ms. Lin led a review of six issues to address for the July FERC filing:

Improvement 1 -- Two-Stage PPTPP Project Proposals

Require a Developer of a Public Policy Transmission Project or Other Public Policy Project to provide the project information in two stages, based upon what is required for the analyses conducted by the NYISO. This would allow the NYISO to conduct the viability and sufficiency assessment as Developers prepare and submit their project cost estimates and other project information, thereby expediting the PPTPP study process. The initial submission would consist of targeted information for feasibility analysis and also to determine a project's viability and sufficiency. The second submission would require more in-depth information to allow the NYISO to conduct system impact studies, project evaluation and selection.

Improvement 2 -- Identical and Simultaneous Transmission Interconnection Application

Based on the proposed two-stage project information submittal (see Issue No. 1), the NYISO proposes that a Developer must demonstrate that it submitted a Transmission Interconnection Application or Interconnection Request, as applicable, at the time of its initial submission of project information. This proposed change would expedite the Public Policy Transmission Planning Process and increase efficiency.

Improvement 3 – Eliminate “Pause Point”

The NYISO proposes to continue the evaluation and selection while the PSC confirmation order is pending. This change would expedite the PPTPP study process and increase the NYISO's efficiency in performing studies. The NYISO has had preliminary discussion with the PSC concerning this change. The NYISO will continue to inform the PSC during this period.

Improvement 4 – Adjust Interest Rate on Study Deposits

The NYISO proposes to revise the tariff to pay the actual amount of interest earned on deposits held in escrow accounts for any portion of the deposit to be refunded to a Developer. The FERC interest rate (average prime rate compounded quarterly) exceeds the amount the NYISO actually earns on its accounts.

Improvement 5 – Tariff Change to make CARIS a 20-year Evaluation Period

The NYISO proposes to change the ten-year evaluation period to twenty years. This would align the evaluation period for the economic planning process with that of the public policy process. This update, along with other proposed CARIS process changes, would provide a more valuable resource to investors and other stakeholders through the process.

• **Improvement 6 – Incorporate Cost Containment into the PPTPP**

The NYISO seeks to address stakeholder requests for cost containment for Public Policy Projects. The NYISO plans to address cost containment in the Reliability Planning Process and in the CARIS as part of the market design concept proposal for overall reformulation of the CSPP later this year. The NYISO is further seeking stakeholder comments on the elements of cost containment:

- *Inclusion*
- *Exclusion*
- *Incentive/Penalties*
- *Consideration in project evaluation and selection*

Ms. Lin led a discussion on the proposed guidelines and the four processes listed-above and noted stakeholder feedback to consider for future discussion. It was acknowledged by the NYISO that cost containment is a complex issue and this is a starting point to advance the discussion.

Comments are encouraged and can be sent to lbullock@nyiso.com. All comments received will be posted. To see the complete presentation, please go to:

https://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2018-04-30/Short%20Term%20Improvements%20TP%20Processes.pdf

Opportunity for CARIS Process Enhancements/Redesign

Timothy Duffy of the NYISO provided stakeholders an opportunity to contribute to the enhancement of the Congestion Assessment and Resource Integration Study (CARIS) as part of the overall review of the Comprehensive System Planning Process (CSPP). The objective is to identify and implement improvements to the CARIS process that will yield a more robust and efficient economic planning process in which cost-effective transmission can be built in a timely-manner. NYISO will integrate stakeholder feedback into its internal review process and provide specific proposals to modify and enhance the CARIS process as part of the overall CSPP Review process. Stakeholders can provide written comments to lbullock@nyiso.com and are welcome to contact Mr. Duffy by phone (518-356-6242) to discuss potential CARIS process improvements. To see the complete presentation, please go to:

https://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2018-04-30/CARIS%202017%20Lessons%20Learned.pdf

AC Transmission PPTN: Preliminary Results

Dawei Fan of the NYISO provided the preliminary results for the evaluation of proposed solutions to meet the Public Policy Transmission Need (PPTN) for the AC Transmission Case. The PSC issued an order identifying the AC PPTN on December 17, 2015. Two segments were identified as Segment A – Central East and Segment B – UPNY/SENY. On February 29, 2016, the NYISO issued a solicitation for solutions resulting in the submission of 16 project proposals on April 29, 2016. Following the determination by the NYISO that 13 of the 16 project proposals were viable and sufficient, the Public Service Commission issued an order confirming the AC Transmission PPTN on January 24, 2017. Mr. Fan led an overview of the 13 project proposals.

Segment	Project ID	Developer	Project Name
A	T018	National Grid/Transco	New York Energy Solution Seg. A
	T021	NextEra Energy Transmission New York	Enterprise Line: Segment A
	T025	North America Transmission/NYPA	Segment A + 765K
	T026	North America Transmission/NYPA	Segment A Base
	T027	North America Transmission/NYPA	Segment A Double Circuits
	T028	North America Transmission/NYPA	Segment A Enhanced
	T031	ITC New York Development	16NYPP1-1A AC Transmission
B	T019	National Grid/Transco	New York Energy Solution Seg. B
	T022	NextEra Energy Transmission New York	Enterprise Line: Segment B
	T023	NextEra Energy Transmission New York	Enterprise Line: Segment B - Alt
	T029	North America Transmission/NYPA	Segment B Base
	T030	North America Transmission/NYPA	Segment B Enhanced
	T032	ITC New York Development	16NYPP1-1B AC Transmission

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Mr. Fan led a review of the databases and major assumptions that were used for the comparative evaluation process while noting the challenges. Results of the analyses were provided for several criteria prescribed by the Public Service Commission, including (but not all):

- *Upgrades to Aging Infrastructure*
- *Independent Overnight Cost Estimates*
- *Transfer – VSA Power Flow Cases*
- *Transfer – Baseline*
- *Cost per MW*
- *Operability*
- *Expandability*
- *Property Rights*
- *Project Schedule*
- *20 Year Production Cost Change*
- *Average LBMP Change*
- *20-Year NYCA Demand Congestion Change*
- *20-Year Emission Change*
- *Performance*
- *Consequences for Other Regions*
- *System Impacts*
- *Impact on Wholesale Electricity Markets*

The NYISO contracted with SECO to develop the independent cost estimates considering material and labor cost by equipment, engineering and design work, permitting, site acquisition, procurement, construction, and commissioning needed for all proposed projects. Comments are encouraged and can be sent to PublicPolicyPlanningMailbox@nyiso.com by May 3, 2018 for consideration at the next ESPWG/TPAS review on May 10, 2018. All comments received will be posted on the NYISO website. To see the complete presentation, please go to:

https://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2018-04-30/AC_Transmission_PPTN_Preliminary_Results.pdf

Thursday, May 3, 2018

System Operations Advisory Subcommittee

NYISO Operations Report – April 2018

Peak Load

The peak load for the month was 19,534 MW which occurred on Monday, April 16, 2018, HB11.

Reserve requirements were as follows:

Reserve	10 Sync	Non-Sync	30 Min
Requirement	655	1,310	1,965
For Hour	974	1,863	4,020
DSASP Cont.	106	0	106

Major Emergencies – None

Alert States -- Alert State was declared on 9 occasions:

1 – ACE Greater Than (+or-) 500MW

1 – Actual Flow Exceeding LTE for Less Than 5 Minutes

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1 – Shortage of 10 Min Synchronized Reserve
4 – Exceeding Central East Voltage Contingency Limit
2 – Emergency Transfer Declared
Alert state was declared 11 times during April of 2017

Thunder Storm Alerts

0 TSA declared in April 2018 for a total of 0 hours

Reserve Activations – 4

There were 6 Reserve Activations during April of 2017

Emergency Actions – None

TLR3 Declared – 0 for a total of 0 hours

FERC Filings

May 2, 2018

NYISO filing to correct a ministerial error in a base tariff document used in the March 19, 2018, Order No. 1000 compliance filing

FERC Orders

May 4, 2018

Order denied the Bayonne Energy Center request for tariff waiver concerning the timing of participation in the NYISO's monthly ICAP market before the close of the Class Year 2017 process

Filings and Orders:

http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp