

NYISO Consumer Interest Liaison Weekly Summary

April 2 – April 6, 2018

Notices:

- The NYISO's Independent Market Monitoring Unit (MMU), Potomac Economics, would like to schedule its annual sector meetings. Below please find the dates and available time slots. Sectors may choose to meet with the MMU for 2-3 hours. Please coordinate and discuss with your sector members and select a date and time slot:
 - o June 5 8 am 11 am
 - June 5 2 pm 5 pm
 - June 6 8 am 5 pm
- On April 16, 2018, the Governance Committee of the NYISO Board of Directors will hear oral arguments on the appeals listed below, commencing at approximately 3 p.m. at the NYISO Krey Corporate Center (10 Krey Blvd, Rensselaer, NY) in the Board Room.
 - **NRG, Helix Ravenswood**, and **LIPA's** appeal of the Management Committee's February 28, 2018 decision regarding Alternative Methods for Determining LCRs
 - <u>Central Hudson and NYPA's appeal</u> of the Management Committee's February 28,
 2018 decision regarding On Ramps and Off Ramps: Complete Market Design Proposal

Meeting Summaries:

<u>Tuesday, April 3, 2018</u>

Market Issues Working Group

Market Design Concept to Prepare for Significant Renewable Generation – More Frequent Transactions Scheduling

Jennifer Boyle of the NYISO provided information on the frequency of transaction scheduling for discussion with stakeholders. The concept of providing more frequent transaction scheduling opportunities is part of the effort to prepare for the addition of significant renewable generation. The ability to schedule transactions more frequently could provide more flexibility to the power system by:

- expanding the set of resources available to balance the system
- improving the efficiency of providing additional power during shortages
- provide a quicker response rate to real-time events

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Providing more frequent transaction scheduling could also help improve price convergence between RTC and RTD.

Ms. Boyle summarized the current frequency of transaction scheduling options with the external control areas bordering the NYISO and noted external control area interest in potential changes. In response to a stakeholder question, Ms. Boyle noted that each external interface would be approached in coordination with the external control area operator. In response to several detailed stakeholder questions, the NYISO responded that it is early in the process and many details of the proposal would be addressed as the market design concept proposal is developed. To see the NYISO presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2_018-04-03/IPP_More%20Frequent%20Transaction%20Scheduling)_MIWG_4-3-2018_Final%20Approved.pdf

Market Design Concepts to Prepare for Significant Renewable Generation Flexible Ramping Product Ethan Avallone of the NYISO presented a flexible ramping product to address additional volatility in load ramp anticipated with the addition of significant renewable generation. Mr. Avallone provided an example of how the product would potentially work in a theoretical ramping interval. Following several stakeholder questions it was suggested that additional examples would be required in future presentations. When asked if the NYISO is trying to dictate the type of resources in the future generation mix, Mr. Avallone explained that the purpose of this product is to incent resources to provide a feature required by the grid, not to incent any particular type of resource. Mr. Avallone presented the determinations the NYISO would need to investigate while developing this

product:

- Is it necessary to procure ramp-up, ramp-down, or both ramp-up and ramp-down
- Which location(s) would benefit (e.g. zonal, regional, NYCA-wide)
- The MW necessary to procure
- The necessary time requirement for the ramp (e.g., 60 minute, 30 minute, etc.)
- The time interval necessary for the ramp requirement (e.g., hourly)
- Appropriate shortage pricing levels for the product
- Whether offline units should be eligible to provide the product

Mr. Avallone noted several stakeholder comments for consideration. A stakeholder suggested that, due to the complexity of the issue, there should be more time allotted for discussion at future presentations. Developing a flexible ramping product will be presented next at the April 24, 2018 and the May 23, 2018 MIWG meetings for additional information and stakeholder discussion.

To see Mr. Avallone's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2_018-04-03/Flexible%20Ramping%20Product%20April%20MIWG%20FINAL.pdf

<u>Thursday, April 5, 2018</u>

System Operations Advisory Subcommittee

NYISO Operations Report – March 2018

Peak Load

The peak load for the month was 20,756 MW which occurred on Wednesday, March 7, 2018, HB18. Reserve requirements were as follows:

Reserve	10 Sync	Non-Sync	30 Min
Requirement	655	1,310	1,965

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For Hour	1394	3074	6164
DSASP Cont.	104	0	104

Major Emergencies – 2

*On March 8, 2018 a Major Emergency was declared at 00:18 when generation was lost in ISONE causing Central East VC to exceed 105%. The Major Emergency was terminated at 00:26

*On March 14, 2018 a Major Emergency was declared at 08:40 when generation was lost in ISONE causing Central East VC to exceed 105%. The Major Emergency was terminated at 08:49

Alert States -- Alert State was declared on 16 occasions:

1 -System Frequency 1 Low 0 High

- 2 Shortage of 10 Min Synchronized Reserve
- 5 Exceeding Central East Voltage Contingency Limit
- 8 Emergency Transfer Declared

Alert state was declared 27 times during March of 2017

Thunder Storm Alerts

1 TSA was declared in March 2018 for a total of 6:00 hours

<u>Reserve Activations</u> – 5

There were 7 Reserve Activations during March of 2017

Emergency Actions – None

TLR3 Declared – 0 for a total of 0 hours

<u>Thursday, April 5, 2018</u>

Joint Transmission Planning Advisory Subcommittee/Electric System Planning Working Group 2018 RNA Inclusion Rules and Scenarios

Laura Popa of the NYISO presented the inclusion rules and scenarios for the 2018 Reliability Needs Assessment (RNA). The 2018 Reliability Planning Process (RPP) starts with the 2018 Reliability Needs Assessment (2018 RNA) followed by the Comprehensive Reliability Plan (CRP). The evaluations are based on the following:

- For the <u>transmission security evaluations</u>, the NYISO uses the 2018 FERC Form 715 filing and the information from the 2018 Gold Book as a starting point for developing the base case
 - the information from the 2018 Gold Book as a starting point for developing the base case system models with the application of the inclusion rules.
 For the resource adequacy evaluation, the models are developed starting with prior resources.
 - For the <u>resource adequacy evaluation</u>, the models are developed starting with prior resource adequacy models, and are updated with information from the 2018 Gold Book and historical data, with the application of the inclusion rules. Information on modeling of neighboring systems is based on the input received from the NPCC CP-8 working group.

Ms. Popa explained the application of the Inclusion Rules and provided a listing of the proposed projects for generation, regulated transmission solutions and System Deliverability Upgrades (SDUs) that would be included in the 2018 RNA.

The NYISO will perform analysis on three RNA scenarios, including:

- Econometric Load Forecast: Baseline load forecast without the energy efficiency savings and Behind-the-Meter generation
- Zonal Capacity at Risk: Identification of the maximum level of zonal MW "perfect" capacity¹ that can be removed without causing NYCA LOLE violations, or exceeding the zonal capacity

¹ "Perfect" capacity is capacity that is not derated (e.g., due to ambient temperature or unit unavailability) and not tested for transmission security or interface impacts

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• AC Transmission Goal: Contingent upon finding needs in the RNA Preliminary (1stpass") Base Case

A timeline for the RNA process was provided with NYISO Board of Directors' approval in October 2018. To see the complete presentation, please go to:

https://www.nyiso.com/secure/webdocs/markets_operations/committees/oc_tpas/meeting_materials/20 18-04-05/03_2018RNA_InclusionRulesScenarios_April5_2018ESPWG_03_31.pdf

AC Transmission Public Policy Transmission Need

Dawei Fan of the NYISO provided an update on the AC Transmission Public Policy Need process schedule review. Mr. Fan provided the review process timeline for stakeholders as follows:

- *March 30, 2018: posted draft SECO report and preliminary evaluation results.*
- April 5, 2018: ESPWG/TPAS, summary of the review schedule
- April 6, 2018: review results with all developers in the same meeting
- April 19, 2018: review results with all developers in the same meeting
- April 23, 2018: preliminary stakeholder written comments due
- April 30, 2018: ESPWG/TPAS
- *May 22, 2018: ESPWG/TPAS*
- June 20, 2018: Business Issue Committee (advisory vote)
- June 21, 2018: Operating Committee (for information, not required by Tariff)
- June 26, 2018: Special Management Committee (advisory vote)
- July 2018: draft report delivered to NYISO Board

The draft report and the ranking of proposals is anticipated for release at the May 22, 2018

ESPWG/TPAS meeting. Comments on the process are encouraged. To see the presentation please go to:

https://www.nyiso.com/secure/webdocs/markets_operations/committees/oc_tpas/meeting_materials/20 18-04-05/04_AC_Transmission_Review_Schedule_04052018_ESPWG.pdf

Study Reports under Consideration for Recommendation for OC Approval

<u>Queue #448</u> Alps HVDC 615MW Transmission – 345kV DC Rensselaer County, NY – Berkshire County, MA Recommended for OC Approval

Queue #566 NYPA Moses-Adirondack 1 & 2 Rebuild 230kV NY Zone D and Zone E Recommended for OC Approval

FERC Filings

April 6, 2018

NYISO filing of a corrected tariff section base for the March 19 Order No. 1000 compliance filing

<u>April 6, 2018</u>

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NYISO 205 filing to modify the current requirement to annually perform certain informational calculations related to Day-Ahead Market Net Congestion Rent settlements

April 6, 2018

NYISO 205 filing of tariff revisions to modify the projected true-up exposure credit requirement

<u>April 2, 2018</u>

NYISO annual compliance report on unreserved use and late study penalty assessments and distributions

FERC Orders

There were no FERC Orders issued to the NYISO for this week.

Filings and Orders:

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