

NYISO Consumer Interest Liaison Weekly Summary

August 13 – August 17, 2018

Notices:

- The New York Independent System Operator's **market training courses for the month of September** are filling quickly. [Register](#) today for one or more of the following before it's too late:
 - [MT-101 Market Overview](#) – a one day course which will provide attendees with an introduction to the NYISO markets and their functions – scheduled for Thursday, September 13, 2018.
 - [MT-201 New York Market Orientation Course \(NYMOC\)](#) – a three and a half day course that provides attendees the fundamental concepts of the NYISO markets and major programs – scheduled for Tuesday, September 18 –Friday, September 21, 2018, in White Plains, New York. Please be advised there is only one seat left.
 - [MT-206 DSS Intermediate Workshop](#) – attendees will develop an understanding of the functionality of the DSS environment, specifically, the granularity of the data available resulting in the ability to reconcile invoice settlements – scheduled for Thursday, September 27, 2018.

[Register here](#) for these, or any of our remaining courses for 2018, and watch for the announcement of the 2019 course schedule.
- NYISO has posted on its website **updated responses to Stakeholder questions regarding the Generator Deactivation Solution Solicitation for the Deactivation of Pilgrim GT1 and GT2** and related to the Pilgrim GT1 and GT2 Generator Deactivation Assessment. The NYISO's updated responses are posted at the link below: [Responses to Questions](#)

Meeting Summaries:

Monday, August 13, 2018

Business Issues Committee

Motion #1:

Motion to approve the June 20, 2018 and July 11, 2018 Meeting Minutes.

Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings.

Motion passed unanimously.

Motion #2:

The Business Issues Committee (“BIC”) hereby approves the Transmission and Dispatching Operations Manual revisions as presented and discussed at the August 13, 2018 BIC meeting.

Motion passed unanimously with abstentions.

Motion #3:

The Business Issues Committee (“BIC”) hereby approves the Integrating Public Policy Task Force (“IPPTF”) Charter as presented and discussed at the August 13, 2018 BIC Meeting.

Motion passed unanimously with abstentions.

Motion #4:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee (“MC”) approve revisions to the Market Administration and Control Area Services Tariff to permit the use of non-zero constraint reliability margin values less than 20 MW, as more fully described in the presentation entitled “Less than 20 MW Constraint Reliability Margin Values” made to the BIC on August 13, 2018.

Motion passed unanimously with an abstention.

Tuesday, August 14, 2018

Joint Installed Capacity/Market Issues Working Group

Capacity Market Rules for the Dispatchable DER Model

Zachary T. Smith of the NYISO presented the initial proposal for the design of the Dispatchable Distributed Energy Resource (DER) model for resources that meet the eligibility criteria to be a full capacity supplier. Mr. Smith noted that rules on partial capacity, changes in eligibility requirements, and dual participation were not part of this presentation. These issues will be addressed through other discussions.

Mr. Smith led a review of the qualification rules for capacity suppliers including the ability to meet the minimum run time duration. In response to stakeholder questions regarding suppliers that cannot meet the run time requirement, Mr. Smith reminded stakeholders that partial capacity issues will be addressed in a separate setting and would be generally applicable to all capacity suppliers.

A DMNC test will be required for resources using the Dispatchable DER participation model to determine the supplier’s ICAP value (the lesser of the DMNC or CRIS). The process for establishing derating factors was explained in detail. For the period prior to the establishment of availability data required for derating factors, a class average derating factor, yet to be determined, will be assigned to all DER capacity suppliers. Mr. Smith clarified that any penalties and/or shortfalls would be assessed against the aggregation, not the individual resource.

Distributed Energy Resources that are Injection resources in Mitigated Capacity Zones (*i.e.*, presently NYC and G-J Locality) must be evaluated under the Buyer Side Mitigation (BSM) Rules. Some stakeholders requested that the NYISO return to the ICAPWG with examples of the application of the BSM calculations for clarity on the process.

An issue still in development is evaluating the ability to stack/sequentially align (time stacking) resources to meet the minimum run time duration requirement. This will be resolved through continuing discussion with and input from stakeholders prior to finalizing the participation model.

To see the complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2018-08-14/DER_Full%20Capacity%20Rules.pdf

Capacity Market Rules for Energy Storage Resources

Zachary T. Smith of the NYISO presented a review of NYISO's proposed design of Energy Storage Resource (ESR) Capacity Market rules for the ESR participation model. The capacity market qualification rules for ESRs were presented with Mr. Smith noting that CRIS will only be for the Injection capability of the ESR, consistent with current practice. CRIS will be determined as the Min(maximum storage capability over minimum run-time duration, nameplate capacity, ERIS). The following example was provided and discussed with stakeholders for clarity: a 10 MWh battery with a 20 MW injection capability and ERIS of 15 MW would have CRIS = 2.5 MW. Modifications to the minimum run-time duration as well as partial capacity payments for resources that are unable to meet the minimum run-time duration are being evaluated as part of the DER Participation Model. If the NYISO determines that any changes are warranted, the NYISO expects that any proposal would be generally applicable to all Capacity Suppliers.

Mr. Smith explained that the NYISO is not proposing to modify any of the BSM rules for this filing. The NYISO is no longer recommending to modify the rules to subject new entrants less than 2MWs to BSM. Nor is NYISO proposing an ESR specific exemption.

ESRs will be subject to a four-hour DMNC test, consistent with existing rules. As noted earlier, a resource may provide a derated output to meet duration requirements. ICAP for Energy Storage Resources will be determined as the minimum of CRIS and DMNC.

An availability calculation was provided to demonstrate the process for determining the derating factors for ESRs. Derating factors for ESRs will be calculated based upon a time-weighted UOL availability evaluated against the ICAP sold and evaluated on a monthly basis. The derating factor for ESRs will be the average of 6 of the 12 month blocks. These 12 month blocks will be used to determine the EFORD of the resource (or aggregate) for UCAP in the Winter and Summer Capability Periods. Detailed examples of the calculation methodology were provided and discussed with stakeholders for clarity.

ESRs will be obligated to participate in the DAM with a NYISO-managed energy level to prevent Infeasible DAM schedules for ESRs, which could cause capacity shortfalls in real time. ESRs will also be required to provide State of Charge Telemetry to the NYISO, to provide visibility to grid operators on what resources are capable of in real time.

Preliminary tariff language was presented and discussed with stakeholders for feedback. Comments are encouraged and can be sent to ztsmith@nyiso.com and deckels@nyiso.com. To see the complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2018-08-14/ESR%20Capacity%20Model_Tariff.pdf

NOTE: In response to stakeholder requests, the NYISO posted a supplemental presentation to the meeting materials for this ICAPWG/MIWG meeting providing a comparison of Capacity Market Requirements for ESR, DER, and Traditional Generators. To see this information, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2018-08-14/Capacity_Market_Requirements_Comparison.pdf

Day-Ahead Margin Assurance Payments for ESRs

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Pallavi Jain of the NYISO provided updates on the Day-Ahead Margin Assurance Payments for the Energy Storage Resource participation model. Ms. Jain began with a review of the Energy Level Management process for ESRs, noting that ESRs will be allowed to toggle between Self and NYISO-managed modes between markets (DAM and RT), but not able to change modes between hours of the DAM.

For NYISO managed ESRs, SCUC will ensure that the margin between the withdrawing and injecting offers is preserved over the day. Several examples of potential schedules were provided to illustrate the differences between the Day-Ahead and real-time commitment of ESRs in the energy market.

ESRs participating as NYISO-managed resources in either the DAM or RTM will not be eligible to receive DAMAP. However, if an ESR is committed OOM for reliability, it will be eligible for DAMAP during that time period. ESRs participating as Self-managed resources in the DAM and RTM will be eligible for DAMAP. In the event that an ESR participates as Self-managed in the DAM, but NYISO-managed in the RTM for certain hours, the resource will not be eligible for DAMAP for the hours participating as a NYISO-managed resource and for two hours prior to and following the hours it participated as a NYISO-managed resource.

Several examples of potential DAMAP calculations were provided to and discussed with stakeholders to illustrate the scenarios in which DAMAP would be calculated and settled. Stakeholders requested additional future examples on how the NYISO's software would schedule NYISO managed ESRs and to further explore all possible settlement scenarios.

To see Ms. Jain's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2018-08-14/Day-Ahead%20Margin%20Assurance%20Payments%20for%20ESRs.pdf

Friday, August 17, 2018

Operating Committee

Motion #1:

The Operating Committee (OC) hereby approves the meeting minutes from June 21, 2018 and July 12, 2018.

The motion passed unanimously by show of hands

Motion #2:

The Operating Committee (OC) hereby approves the revisions to the Reliability Compliance and Enforcement Manual as presented and discussed at the August 17, 2018 OC meeting.

The motion passed unanimously by show of hands

Motion #3:

The Operating Committee ("OC") hereby approves the Transmission and Dispatching Operations Manual revisions as presented and discussed at the August 17, 2018 OC meeting.

The motion passed unanimously by show of hands with abstentions

Motion #4a:

The Operating Committee (OC) hereby approves the Q#644 Columbia County 1 System Reliability Impact Study (SRIS) scope as presented and discussed at the August 17, 2018 OC meeting.

The motion passed unanimously by show of hands with abstentions

Motion #4b:

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The Operating Committee (OC) hereby approves the Q#704 Bear Ridge Solar System Reliability Impact Study (SRIS) scope as presented and discussed at the August 17, 2018 OC meeting.

The motion passed unanimously by show of hands with abstentions

Motion #4c:

The Operating Committee (OC) hereby approves the Q#706 High Bridge Wind System Reliability Impact Study (SRIS) scope as presented and discussed at the August 17, 2018 OC meeting.

The motion passed unanimously by show of hands with abstentions

Motion #5:

Whereas, the Operating Committee (OC) approved the System Impact Study (SIS) scope for the Q#559 NAT/NYPA Segment B Base on October 13th, 2016.

Whereas, on June 14th, 2018, NYISO Staff presented to the Transmission Planning Advisory Committee (TPAS), for information, updates to the project description in the Q#559 NAT/NYPA Segment B Base SIS scope, appended to the Q#559 NAT/NYPA Segment B Base SIS Study report as Appendix A, which study report was recommended for OC approval;

Whereas, NYISO Staff has presented to the OC, for information, updates to the project description in the Q#559 NAT/NYPA Segment B Base System Impact Study (SIS) scope, appended to the Q#559 NAT/NYPA Segment B Base SIS Study report as Appendix A;

Now,

Therefore, based on the posted Q#559 NAT/NYPA Segment B Base SIS report as presented and discussed at the August 17, 2018 OC meeting, the OC hereby approves the Q#559 NAT/NYPA Segment B Base SIS report.

The motion passed by majority show of hands with abstentions

Friday, August 17, 2018

Budget and Priorities Working Group

2019 Project Prioritization and Budgeting Process

Brian Hurysz of the NYISO provided an update on the 2019 Project Prioritization and Budgeting Process. Mr. Hurysz began by highlighting changes to the project description for the Climate Change Impact and Resilience Study. The NYISO has split the project scope into two phases with Phase I focusing on development of 2030-2050 load forecast, reducing the estimated project cost, and allowing the NYISO to complete Phase I in 2019. Phase II is expected to identify and examine impacts to the bulk power system under the conditions identified in Phase I that could potentially impact system stability and resiliency, focusing specifically on the ability of the system to meet NYCA load requirements and facilitate prompt system restoration in the event of an outage or disruption.

An update to the Rate Schedule 12 Settlement project was also presented, with Mr. Hurysz noting that the project will be implemented in multiple phases. The first phase includes handling of TCCs associated with new transmission followed by a future project phase to implement settlements for Rate Schedule 12.

Mr. Hurysz highlighted the recommended projects for 2019 and pointed out any changes to the costs of the recommended projects. The total cost for the recommended final 2019 project budget is \$28.95 Million without the remaining EMS/BMS costs. To see Mr. Hurysz's complete presentation, please go to:

http://www.nyiso.com/public/markets_operations/committees/meeting_materials/index.jsp?com=mc_b_pwg

Consumer Impact Analysis: 2019 Project List

Tariq Niazi of the NYISO provided the final project list for the 2019 Consumer Interest Analysis projects. Mr. Niazi presented the initial list at the June 25, 2018 BPWG and committed to returning to the BPWG with any updates following the selection of the final projects in the 2019 Project Prioritization and Budgeting Process. In this case, there were no changes to the presentation at the July 25, 2018 meeting with the projects for 2019 Consumer Impact Analysis consisting of:

- ***Constraint Specific Transmission Shortage Pricing***
- ***Enhanced Fast Start Pricing***
- ***More Granular Operating Reserves***
- ***External Capacity Performance and Obligations***
- ***Enhancing Fuel and Energy Security***

To see the complete presentation, please go to:

http://www.nyiso.com/public/markets_operations/committees/meeting_materials/index.jsp?com=mc_bpwg

Solicitation of Feedback on 2019 Project Prioritization Process

Robb Pike of the NYISO presented stakeholders the opportunity to provide feedback on the 2019 Project Prioritization Process. Mr. Pike noted that through the end of 2018, the NYISO will be meeting with other RTO/ISOs to discuss best practices in the project prioritization process. The NYISO is seeking stakeholder feedback to assist in the process of continuous improvement for this important process. Comments were noted and are encouraged by email to rpik@nyiso.com or bhurysz@nyiso.com.

FERC Filings

August 16, 2018

NYISO filing, in compliance with FERC's July 25, 2018 order, of revisions to Attachment Y of the OATT regarding transmission project cost recovery

August 13, 2018

NYISO filing of an answer to the July 24, 2018, request for waiver and complaint filed by NRG Curtailment Solutions (NRG)

FERC Orders

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

Filings and Orders:

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