

## NYISO Consumer Interest Liaison Weekly Summary

**June 25 – June 29, 2018**

### Notices:

- *At the **June 26, 2018 Management Committee meeting**, the NYISO reviewed the process for the Board of Directors' consideration of the AC Transmission Public Policy Transmission Planning Report. In accordance with the tariff, the NYISO will provide to the Board **all written comments and statements from the June 20, 2018 Business Issues Committee ("BIC") meeting and the June 26, 2018, Management Committee ("MC") meeting**, along with the results of the advisory votes held at those meetings. Market Participants and interested parties may submit written comments by close of business June 28, 2018 [here](#) for submission to the Board. **Market Participants and interested parties that wish to make oral presentations to the Board should request the opportunity to do so in writing [here](#) by close of business (5:00 p.m. EST) Thursday, June 28, 2018.** Oral presentations will be heard at approximately 2:30 pm on Monday July 16, 2018, at the offices of Hunton & Williams, 200 Park Avenue, New York, N.Y. 10016*
- *As a reminder, NYISO Market Training will be offering several courses in September, October and November of 2018. Register today and then go and enjoy your summer*
  - *Upcoming NYISO Market Training Courses*
    - [NYISO Market Overview, September 13, 2018](#)
    - [NY Market Orientation Course \(NYMOC\), September 18-21, 2018, in White Plains, NY](#)
    - [DSS Intermediate Workshop, September 27, 2018](#)
    - [NY Market Orientation Course \(NYMOC\), October 16-19, 2018](#)
    - [Accounting & Billing Workshop, November 6-8, 2018](#)

*Course information and registration will be posted shortly.*

### Meeting Summaries:

Monday, June 25, 2018

Joint Market Issues/Installed Capacity/Price Responsive Load Working Group

MIS Increased Password Security Updates

Brian Davis of the NYISO presented updates to the Market Information System (MIS) password rules to improve password security. The new password criteria has been designed to align with the National Institute of Standards and Technology NIST 800-63B Section 5.1.

Mr. Davis detailed the key changes to the MIS password protocol and noted that the new password standards will apply to all new accounts and password resets for existing users. Although updating passwords is strongly recommended, it is not a requirement for existing passwords to be updated to the new standards.

NYISO Stakeholder Services will send an email out to all MIS Users notifying them of the improved password security, along with the recommendation that existing MIS Users change their password to take advantage of the security improvements. To see the complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2018-06-25/06252018%20MWIG\\_MIS%20Increased%20Password%20Security\\_APPROVED.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2018-06-25/06252018%20MWIG_MIS%20Increased%20Password%20Security_APPROVED.pdf)

#### ESR Integration – Settlements: Charges when deviating from NYISO Base Points

Pallavi Jain of the NYISO presented the proposed rules for persistent over and under-generation charges for Electric Storage Resources (ESRs). Ms. Jain led a review of the existing rules for over and under-generation, noting that each energy provider is expected to operate within a 3% tolerance of its basepoint. Under-generation results in an explicit penalty to deter suppliers from failing to meet their RT dispatch instructions.

Under the current rules, explicit over-generation charges do not apply to traditional generators; they apply only to wind resources. The implied penalty is that suppliers are not compensated for the output in excess of the RT basepoint plus the 3% tolerance. As wind resources have no fuel cost, there is no incentive to curtail output above the assigned basepoint. Ms. Jain led a review of the charge calculation to clearly explain the incentive structure of the charges.

ESRs will be expected to follow their Base Point Signal within a tolerance of 3% of their maximum capability for both injecting and withdrawing energy. ESR injections will be subject to existing under and over generation settlement treatment for generators. Ms. Jain explained the proposed rules for ESR withdrawal charges:

- When an ESR is under-withdrawing, the conditions are equivalent to over-generating.
- Symmetrically, when an ESR is over-withdrawing, the conditions are equivalent to under-generating.

Examples were provided to illustrate the rules and explain the calculation. A stakeholder pointed out that with prices generally lower during times of ESR withdrawing (charging), there may be a disparity, or a lack of symmetry between over and under-generation penalties. Ms. Jain noted the comment for future consideration.

The ESR participation model market design concept will continue through Q3 2018 with a FERC Order No. 841 compliance filing in Q4 2018. To see the complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2018-06-25/ESR%20Settlements\\_Charges\\_06\\_25\\_MIWG\\_final.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2018-06-25/ESR%20Settlements_Charges_06_25_MIWG_final.pdf)

#### Constraint Specific Transmission Shortage Pricing – Analysis Update

Jennifer Boyle of the NYISO provided an update on the Constraint Specific Transmission Shortage Pricing analysis. The study seeks to identify under what circumstances and/or system conditions transmission constraints are potentially being under or over-valued based on the following reliability criteria:

- CRM Value
- Voltage Level

- Location

Ms. Boyle led a review of the historical analysis of binding RTD transmission constraint data. The data was categorized by the following definitions: “Resolved without TCP Logic” and “Resolved with TCP Logic.” Stakeholders requested that the NYISO rename or redefine the above terminology to provide clarity and additional detail to the definitions. Ms. Boyle noted the request for consideration.

Ms. Boyle presented the preliminary results of the study and provided data based on:

- A broad view of RTD Binding Constraints Resolved with and without TCP Logic
- RTD Binding Constraints Resolved with and without TCP Logic by Location
- RTD Binding Constraints Resolved with and without TCP Logic by Voltage Level
- RTD Binding Transmission Constraints Resolved with and without TCP Logic by CRM Value

In preparation for the August 7, 2018 MIWG meeting, the NYISO will review potential concepts for establishing CRM values and cost values for the demand curve portion of the graduated pricing mechanisms and begin to prepare the draft study report. The final study report is anticipated for a Q3 2018 release.

To see the complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2018-06-25/Constraint%20Specific%20Transmission%20Shortage%20Pricing\\_MIWG\\_6-25-2018\\_Final\\_UPDATED.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2018-06-25/Constraint%20Specific%20Transmission%20Shortage%20Pricing_MIWG_6-25-2018_Final_UPDATED.pdf)

## **Tuesday, June 26, 2018**

### **Special Management Committee**

#### **Motion #1:**

The Management Committee (“MC”) hereby: (i) approves revisions to the Open Access Transmission Tariff and the Market Administration and Control Area Services Tariff, as more fully described in the presentation entitled “Historic Fixed Price TCC Extensions” made to the MC on June 26, 2018; and (ii) recommends that the NYISO Board of Directors authorize the NYISO staff to file such revisions under Section 205 of the Federal Power Act.

**The motion passed by show of hands with opposition.**

#### **Motion #2:**

WHEREAS, the Electric System Planning Working Group (“ESPWG”) and Transmission Planning Advisory Subcommittee (“TPAS”) have held a series of meetings with NYISO Staff to discuss and review the studies and analyses underlying the NYISO’s findings regarding the AC Transmission Public Policy Transmission Needs and a draft AC Transmission Public Policy Transmission Planning Report; and

WHEREAS, NYISO Staff has incorporated modifications to the draft AC Transmission Public Policy Transmission Planning Report based on comments received at six joint ESPWG-TPAS meetings from April 5, 2018 through June 14, 2018,

WHEREAS, the NYISO presented the draft AC Transmission Public Policy Transmission Planning Report, including Appendices, at the June 20, 2018 Business Issues Committee (“BIC”) meeting for an advisory vote recommending that the Management Committee recommend that the Board approve the report, which vote was held on a motion that was approved;

WHEREAS, the NYISO presented the draft AC Transmission Public Policy Transmission Planning Report, including Appendices, and the June 21, 2018 Operating Committee (“OC”) meeting for information purposes; and

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*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.*

WHEREAS, NYISO Staff has posted a draft AC Transmission Public Policy Transmission Planning Report dated June 19, 2018, including Appendices, (“Draft Report”) for the June 26, 2018 Management Committee (“MC”) meeting;

WHEREAS, the NYISO presented the draft AC Transmission Public Policy to the MC at its June 26, 2018 MC meeting for an advisory vote and recommended that the MC recommend approval of such draft AC Transmission Public Policy Transmission Planning Report by the NYISO Board of Directors; and

NOW, THEREFORE, based on the posted presentation and the Draft Report, as presented and discussed at the June 26, 2018 MC meeting, the MC hereby recommends approval of the Draft Report by the NYISO Board of Directors.

**The motion passed with 80% affirmative votes.**

### **Thursday, June 28, 2018**

#### **Bylaws Subcommittee**

##### NYISO Committee Bylaws Participation Rules Proposal

Alan Ackerman, chair of the Bylaws Subcommittee, presented a proposal to amend the NYISO Committee Bylaws participation rules. At the January 31, 2018 Bylaws Subcommittee meeting, Richard Heidorn of the RTO Insider presented a proposal to revise the current Committee Bylaw rules for public participation at NYISO governance meetings to the NYISO Stakeholders for their consideration. The Management Committee (MC), Business Issues Committee (BIC) and Operating Committee (OC) are open to the public to attend in person. In order to cover teleconference meetings, the RTO Insider has asked that the Bylaws Subcommittee consider amending the participation rules to permit members of the public to attend NYISO stakeholder meetings by phone. Mr. Ackerman proposed two issues for stakeholder discussion:

- Confirm that the Stakeholders’ intent is to permit the public (including press) to attend MC, OC and BIC meetings, not lower committees, task forces or working groups, by phone.
- Permit public (including press) to attend all MC, OC and BIC meetings by phone, or just teleconference-only meetings by phone?

Limitations such as the recording of meetings and the quoting of participants were detailed for the proposed rules. Lower level committee, task force and working group participation was also clarified as in person only with limitations on coverage to maintain the free exchange of ideas by stakeholders. Stakeholders noted that rules concerning CEII materials would need to be clarified prior to a final determination. Also, some stakeholders requested that the NYISO be required to announce press participation prior to each meeting. Sanctions were presented to assure compliance with the rules. There will be additional stakeholder opportunity for discussion prior to a governance vote on changes. To see the complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/mc\\_bls/meeting\\_materials/2018-06-28/By-Laws%20Presentation%20re%20Participation%20Rules.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/mc_bls/meeting_materials/2018-06-28/By-Laws%20Presentation%20re%20Participation%20Rules.pdf)

### **Thursday, June 28, 2018**

#### **Electric System Planning Working Group**

##### 2018 RNA Preliminary Reliability Needs – LTP Updates

Robert Eisenhuth of PSEG-LI presented an update to the Local Transmission Plan (LTP) for Long Island. Mr. Eisenhuth noted the addition of 138kV Brookhaven Substation Terminal Upgrades to the LTP, with an in-service date of June 1, 2019. Mr. Eisenhuth also provided projects being considered by PSEG-LI for future upgrades. To see the PSEG-LI presentation, please go to:

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[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2018-06-28/LIPA\\_LTP\\_Presentation\\_Update.PDF](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2018-06-28/LIPA_LTP_Presentation_Update.PDF)

### Pilgrim Generator Deactivation Explanatory Statement

Kevin DePugh of the NYISO provided an explanation for the statement regarding the Near Term Generator Deactivation Reliability Needs for the pending Pilgrim GT1 and GT2 deactivation. On March 22, the NYISO determined that J-Power USA had submitted a complete Generator Deactivation Notice for two 50 MW nameplate units that comprise its Pilgrim facility (Pilgrim GT1 and Pilgrim GT2). The Generator Deactivation Assessment the NYISO Performed in conjunction with the Long Island Power Authority (“LIPA”) identified two reliability needs arising on the LIPA 69 kV system for 83 MW of resources immediately, increasing to 88 MW in 2023. Because the needs arise in the near term and solely on local (non-bulk) transmission facilities, the tariff provides for the NYISO to solicit regulated transmission solutions from LIPA only. In response to the NYISO’s solicitation, Developers are free to offer market solutions of any kind or to propose a new Generator as a regulated solution. The NYISO may also identify existing IFO or mothballed generators as possible temporary regulated solutions. If necessary, the NYISO may enter into a Reliability Must Run agreement with Pilgrim until LIPA implements a permanent transmission solution.

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2018-06-28/Pilgrim\\_Explanatory\\_Statement.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2018-06-28/Pilgrim_Explanatory_Statement.pdf)

## **FERC Filings**

### **June 29, 2018**

NYISO filing of a Notice of Termination of Services Agreement No. 125, between Niagara Mohawk and Tug Hill Energy, Inc.

### **June 29, 2018**

Request for limited and temporary waiver of certain sections of the NYISO OATT to allow the NYISO to reserve 256 MW of transmission capacity from the 2018 autumn Centralized TCC Auction

### **June 27, 2018**

NYISO answer to the IPPNY protest of the NYISO’s fourth Generator Deactivation Process compliance filing submitted on May 23, 2018

### **June 26, 2018**

NYISO filing of post technical conference comments regarding distributed energy resource aggregations in markets operated by RTOs and ISOs

## **FERC Orders**

There were no FERC Orders issued to NYISO for this week

## **Filings and Orders:**

[http://www.nyiso.com/public/markets\\_operations/documents/tariffviewer/index.jsp](http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp)