

NYISO Consumer Interest Liaison Weekly Summary

April 3 – April 7, 2017

Notices:

- *The NYISO Market Training Team is busy preparing to present the following courses before the summer heat:*
 - *Annual GADS Training - **May 4, 2017**, at our offices, registration deadline is April 24;*
 - *New York Market Orientation Course (NYMOC) - **May 9-12, 2017**, at the offices of the New York Power Authority in White Plains, NY, registration deadline is April 24;*
 - *NYISO Market Overview, **May 24, 2017**, at our offices, registration deadline is May 15, and*
 - *New York Market Orientation Course (NYMOC), **June 6-9, 2017**, at our offices, registration deadline is May 25.*

Course information can be found in the [NYISO Course Catalog](#) - [register](#) today.
- *On April 6, 2017, the NYISO filed comments on the 2015 Ozone NAAQS Preliminary Transport Data with the US Environmental Protection Agency (Docket No. EPA-HQ-OAR-2016-0751).*

Meeting Summaries:

Monday, April 3, 2017

Transmission Planning Advisory Subcommittee

Queue# 514

Empire Wind Project SRIS
120MW
Rensselaer County
Approved for OC Review

Queue# 608

ITC 16 Segment A NYPP1-1 SRIS
345kV
Approved for OC Review

Queue# 609

ITC 16 Segment B NYPP1-1 SRIS

345kV/115kV

Approved for OC Review

Tuesday, April 4, 2017

Installed Capacity Working Group

Import Rights Availability Posting

Joseph Nieminski of the NYISO led a review of the process currently used for making Market Participants aware of the amount of remaining ICAP import rights headroom that is available through a web posting on the NYISO website. The location and format of the posting were detailed under the ICAP Auctions link. Mr. Nieminski announced that there is a new public web site posting location beginning in April 2017 for this information. The data will now be posted in the ICAP Data & Information section of the NYISO public website under “View External Rights Availability”. It can also be accessed in ICAP Automated Market System (AMS) under the Rights menu on the External Rights Availability. Mr. Nieminski listed the events that determine the frequency of the posting updates. For April 2017 the import rights availability will continue to be posted on both the NYISO public website and on the External Rights Availability page in the AMS. Beginning in May 2017, the import rights availability updates will only be posted on the External Rights Availability page in the AMS. To see the complete NYISO presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-04-04/Import%20Rights%20Availability%20Posting_Final.pdf

Escalation Factor and Inflation Rate in Buyer-Side Mitigation Rules: Review and Proposals

Jonathan Newton of the NYISO presented the update for the proposal to revise the Buyer-Side Mitigation (BSM) rules to apply escalation and inflation factors. This is the fourth presentation at the ICAPWG by the NYISO on this subject. Mr. Newton led a recap of input received from stakeholders on prior presentations. The NYISO proposes to use the most recently published ten year projections for inflation from the Survey of Professional Forecasters to identify the Examined Facility Unit Net CONE (Cost of New Entry) projected for a Mitigation Study Period (MSP) and the price on the ICAP Demand Curve projected for a MSP. Mr. Newton explained the reasons the NYISO continues to advance this approach.

In response to stakeholder input, Mr. Newton explained an addition to the proposal to adjust new entrant’s offer floors to year of entry dollars. If a unit enters into service prior to the first Capability Year of the MSP, the NYISO will use the same long-run projection for inflation that has been proposed to deflate the entrants’ Offer Floor. This methodology provides consistency between BSM tests and offer floor evaluations. Tariff language was posted and discussed by Mr. Newton. Comments are encouraged by April 18, 2017 and can be sent to deckles@nyiso.com. To see the complete presentation please go to:

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

Alternative Methods for Determining LCRs

Zachary Stines of the NYISO presented an update on the proposal to develop an alternative methodology to determine Locational Capacity Requirements (LCRs) based on economic optimization. Mr. Stines noted that the 2017 objective is not aimed at proposing an alternative methodology for developing the IRM. The LCR project has been delayed due to resource constraints

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.

with General Electric Energy Consulting (GE). GE is currently conducting analysis on the LCR effort and the Locality Exchange Factor review for the NYISO. Mr. Stines provided preliminary results of the 2017 Base Case analysis comparing the currently used TAN45 methodology versus the Optimized Base Case methodology being studied. The “at criteria” results show a lower cost of capacity for the Optimized Base Case methodology. Mr. Stines noted that the NYISO is currently working with GE to analyze the performance of the optimizer tool with respect to simple sensitivities and will provide those results when they are available. In response to a stakeholder inquiry, Mr. Stines explained that the NYISO is interested in producing a methodology that will provide a solution under many different future scenarios rather than a specific solution for current system conditions. Mr. Stines went on to explain that the NYISO is seeking to evaluate incorporating transmission security into the methodology and will be providing more details on that evaluation going forward.

Mr. Stines emphasized that the Optimization methodology would very likely not be available for the 2018 Capability Period as there are several aspects that need to be more fully investigated prior to the advancement of the methodology. Some stakeholders requested that the NYISO update the ICAPWG on the progress of the effort later in the summer. Comments were noted for consideration and are encouraged throughout the process. To see the complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-04-04/ICAPWG_4-4-17_AlternativeMethodsforLCRs_Final.pdf

Recommendation Regarding Proposal to Eliminate the G-J Locality

Randy Wyatt of the NYISO presented the NYISO recommendation on the proposal to develop criteria to eliminate the G-J Locality. Mr. Wyatt presented market guidance principals for the project and provided background on the proposal, noting language in the FERC Order accepting the tariff changes to create the NCZ.

The NYISO concluded that a rule to eliminate a Locality is not warranted at this time. To see Mr. Wyatt’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-04-04/Eliminate%20for%20170404%20ICAPWG%20Final%201.pdf

Thursday, April 6, 2017

Electric System Planning Working Group

2017 Long Term Forecast

Arthur Maniaci of the NYISO provided updates to some economic projections prior to presenting the 2017 Long Term Forecast. In response to a stakeholder question, Mr. Maniaci explained that the long term forecast would be used in the NYISO Gold Book (Load Capacity Data Report). Mr. Maniaci led a review of the data using charts and graphs that support the forecast. The principal factors affecting the 2017 base case peak forecast were highlighted as:

- *Slower peak growth in Zone G and Zone K in 2017 compared to 2016.*
- *Higher peak impacts due to the New York Sun Initiative.*

To see Mr. Maniaci’s complete presentation, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_espwg&directory=2017-04-06

FERC Filings

April 5, 2017

Notification to FERC, pursuant to OATT Section 2.13, that an Emergency State existed in the New York Control Area on April 4, 2017 at 20:59

FERC Orders

April 7, 2017

FERC letter order accepted the Niagara Mohawk Power Corporation filing of various revisions to its transmission service charge formula rate as set forth in the NYISO OATT effective April 1, 2017, as requested

April 7, 2017

Letter order accepted a compliance filing of tariff records reflecting agreed-upon revisions to NYPA's formula rate template and formula rate implementation protocols located in Attachment H to the NYISO OATT

Link to FERC Filings and Orders:

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

