

NYISO Consumer Interest Liaison Weekly Summary

July 24 – July 28, 2017

Notices:

- We are pleased to announce that NYISO's Training Team will be offering the, in-house, [MT-101 Market Overview Course](#) in September. The MT-101 Market Overview is a one day course which will provide attendees with an introduction to the NYISO markets and their functions. To register for this course, complete the [registration process](#) by close of business on Monday, September 11, 2017.
- On July 11, 2017, **Key Capture Energy** submitted an application for Party status in the NYISO Governance as a Non-Voting Entity. Key Capture Energy has since been approved as a Non-Voting Entity.
- The final version of the NYISO [Ancillary Services Manual](#) (M-02) has been posted to the [NYISO Manuals & Guides webpage](#) under the 'Manuals>Operations' folder on the NYISO Manuals & Guides webpage.
- Posted with the 7/21/2017 Joint TPAS/IITF/ICAPWG/MIWG [meeting materials](#) is the information referenced on slide 67 of the PowerPoint presentation from the July 21 meeting, specifically, a chart using the existing generator table from the 2017 Load & Capacity Data Report (Goldbook) with a new column showing the preliminary fixed Winter CRIS value calculated pursuant to Queue Reform Proposal No. 19b using existing data.

Meeting Summaries:

Monday, July 24, 2017

Business Issues Committee

Motion 1:

The Business Issues Committee (BIC) hereby approves the meeting minutes from May 31, 2017 and June 14, 2017.

The motion passed unanimously by show of hands.

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Motion 2:

The Business Issues Committee (BIC) hereby recommends that the Management Committee approve a change to Attachment L of the NYISO's Open Access Transmission Tariff (OATT), as more fully described in the presentation entitled "Revision to OATT Attachment L" made to the BIC on July 24, 2017.

The motion passed unanimously by show of hands.

Motion 3:

The Business Issues Committee (BIC) hereby approves the revisions to the Transmission Congestion Contracts Manual, as more fully described in the presentation entitled "TCC Manual Revisions" made to the BIC on July 24, 2017.

The motion passed unanimously by show of hands.

Tuesday, July 25, 2017

Installed Capacity Working Group

Alternative LCR Methodology

Zachary Stines of the NYISO presented updates to the project to consider alternative methods for determining Locational Capacity Requirements (LCRs) in the Installed Capacity (ICAP) market. In response to a stakeholder comment, Mr. Stines noted that the NYISO is currently investigating the need for a lower limit on LCRs for transmission security and expects to have results for discussion with stakeholders at the next ICAPWG presentation on the issue. The NYISO is wrapping up Refining the Methodology (Phase 2) by aligning the cost with the requirements. The NYISO is working to align the capacity requirements (quantity) being optimized and the cost (price) being assumed when calculating total cost. The methods to achieve this alignment include:

- Alter Objective Function
 - Alters the quantities in the objective function, but not the decision variables (*i.e.*, LCRs)
- Alter Cost Curve
 - Alters the prices in the objective function
- Alter the Optimal Requirements
 - Alters the decision variables to be the optimal quantity of capacity at the LOE condition

Mr. Stines led a review of the three methodologies with stakeholders including preliminary results for the last two methodologies expressed as both a percentage and megawatt values. Results for the first method, Alter Objective Function, will be presented at the next meeting. The NYISO anticipates returning with a final methodology recommendation and results of the transmission security evaluation at the August 22, 2017 ICAPWG. A stakeholder requested that the NYISO arrange to have the appropriate personnel available at the ICAPWG for the discussion on transmission security.

The next phase of the project will run additional market scenario simulations to demonstrate the performance of the methodology. Comments are encouraged and can be sent to deckles@nyiso.com.

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

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-07-25/ICAPWG_7-25-17_AlternativeMethodsforLCRs_Final.pdf

DCR Annual Updates – ICAP Manual Changes

Zach T. Smith presented the proposed updates to the Installed Capacity (ICAP) Manual to incorporate changes to the Demand Curve Reset (DCR) process. Mr. Smith led a review of the changes, which are all located in Section 5 of the ICAP Manual. A new section, 5.6.8 was created to detail the process of

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conducting annual updates to the ICAP Reference Prices. The NYISO will seek approval for the revisions at the August 9, 2017 BIC meeting. To see the complete presentation by Mr. Smith, please go to:

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

Automate ICAP Import Rights Processes

Stephanie King of the NYISO presented a proposal to automate key aspects of the “First Come First Served” Import Rights processes in the Installed Capacity Automated Market System (ICAP AMS). This update to the system will eliminate the use of the fax machine in the Import Rights request process. Automating these processes would:

- *Improve process efficiency*
- *Minimize business risks by reducing the amount of manual tasks Provide web based access to the up-to-date status of Import Rights requests and availability*

The time period to request Import Rights will remain the same as under the current rule. The NYISO is proposing software revisions for deployment in time for the Summer 2019 Capability Period. To see the complete presentation detailing specific changes, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-07-25/7-25-17%20ICAPWG%20Automate%20ICAP%20Import%20Rights.pdf

Consumer Impact Analysis Methodology for Alternative LCR Methodology

Tariq Niazi of the NYISO presented the proposed methodology to be employed in the Consumer Impact Analysis of the project to determine alternative methodology for setting Locational Capacity Requirements (LCRs) in the NYISO Installed Capacity (ICAP) market. Mr. Niazi led a review of the project to determine alternative methodology for setting LCRs before explaining that the Consumer Impact Analysis will compare the cost impacts on the three Localities of the alternative LCR methodology with the current methodology. The analysis will provide results for the short term, intermediate and long terms. Short, intermediate and long terms were defined for the analysis as changes to the system, rather than a specific time span. Quantitative and qualitative analysis will be discussed with stakeholders. As with all Consumer Impact Analyses, impacts on reliability, the environment and transparency will also be provided. To see Mr. Niazi’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-07-25/CIA%20-%20Alternative%20LCRs.pdf

Behind the Meter Net Generation Data Proposal

Dr. Nathaniel Gilbraith (NYISO) presented the NYISO’s proposal to Post Behind-the-Meter Net Generation Resource (BTM:NG) ICAP-Related Data. The NYISO proposal recognizes the unique nature of BTM:NG Resources, will provide transparency to BTM:NG Resource capacity (*i.e.*, Net-ICAP) and the effect on NYCA capacity requirements (*i.e.*, the IRM and ICAP Load Forecast), and reflects the consideration of stakeholder input and discussions. The presentation states that the NYISO intends to post the following BTM:NG Resource data:

- *Post aggregate BTM:NG Resource net load on the NYCA and Locality peaks (to determine the ICAP Load Forecast)*
- *Post the following parameters for each BTM:NG Resource*

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- *Demonstrated Maximum Gross Capability (DMGC), Capacity Resource Interconnection Service (CRIS), Injection Limit, and Average Coincident Host Load (ACHL)*

Some stakeholders stated that BTM:NG Resource load data are potentially commercially sensitive information. Other stakeholders stated that sufficient BTM:NG Resource data should be posted to allow Market Participants to form price expectations, consistent with the data available for traditional generators. Stakeholders also asked whether this topic required any sort of vote. The NYISO stated that a vote is not required and will not be held. To see Dr. Gilbraith's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-07-25/ICAPWG_BT_M_approved.pdf

Performance Assurance Study

Dr. Paul Hibbard of Analysis Group (AG) presented an outline of the proposed Performance Assurance Study. Dr. Hibbard reminded stakeholders that AG is the consultant that performed the study for the recent Demand Curve Reset and noted the AG personnel that will be performing the new study. The goal of the study is to:

- *Conduct due diligence on performance of bulk power system operation and related market design options, in particular capacity resource performance obligations and measurement*
- *Evaluate history of capacity resource performance*
- *Perform comparative analysis of performance incentive market designs in neighboring wholesale markets*
- *Assess potential market design alternatives in the context of NYISO rules and current market structures*
- *Consider future changes on the bulk power system operation*

Dr. Hibbard outlined the tasks that will be undertaken to accomplish this goal. When the study is complete, AG will present the analysis to the NYISO and discuss all observations with stakeholders. To see the complete AG presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-07-25/AG%20ICAPWG%207%2025%202017.pdf

Wednesday, July 26, 2017

Management Committee

Motion #1:

The Management Committee (MC) approves the draft May 31, 2017 meeting minutes.

The motion passed unanimously by show of hands.

Motion #2:

The Management Committee hereby determines that a new Cost of Service study should NOT be conducted during late 2017 and 2018 to inform a decision on whether a modification of the 72%/28% cost allocation between Withdrawal Billing Units and Injection Billing Units is warranted, pursuant to OATT Section 6.1.2.3.

The motion passed unanimously by show of hands.

Wednesday, July 26, 2017

Budget and Priorities Working Group

2017 Budget vs. Actual Status

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Donna Martel of the NYISO presented the 2018 year-to-date budget vs. actual status. Rate Schedule 1 recoveries are \$0.9M behind budgeted revenues through June. Year-to-date budgeted costs vs. actual costs through June reflect a \$6.1M budget under-run. To see Ms. Martel’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/mc_bpwg/meeting_materials/2017-04-26/MARCH_2017_Budget_vs_Actual%20Results.pdf

2017 Project Milestone Update

Robb Pike of the NYISO presented an update on the status of the 2017 project milestones. Mr. Pike highlighted the projects with status changes since the last update and explained the reasons for the current status. Projects with an updated status include:

EIM – Data Integration Phase III	At Risk/Delayed
RMR Cost Recovery Phase II	Complete
Model 100+kV Transmission Constraints	At Risk/Delayed
Energy Storage Integration and Optimization	On Schedule
Storage Infrastructure Redesign Phase III	Complete
Identity and Access Management – 2017	At Risk/Delayed
Day Ahead Margin Assurance Payment	Complete
Rate 12 Settlement	Complete
FERC Funded Rerun – Phase 4	Complete
EPG PMU Simulator	At Risk/Delayed
Solar Forecasting Initiatives	At Risk/Delayed
TCC Balance-of-Period (TCC AMS, TCC AVS & CMS)	Complete

To see the complete list of 2017 project status updates, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/mc_bpwg/meeting_materials/2017-07-26/2017%20Project%20Schedule%20Milestone%20Update.pdf

2018 Project Prioritization Process

Brian Hurysz of the NYISO provided an update on the 2018 Project Prioritization Process. With stakeholder scoring complete, Mr. Hurysz presented the preliminary list of projects for the 2018 project budget recommendation. Mr. Hurysz led a review of the remaining project candidates and provided preliminary budget values for each product area while noting stakeholder feedback. The NYISO is encouraging comments until August 4, 2017. Comments can be sent to bullock@nyiso.com or bhurysz@nyiso.com. A final 2018 Project Budget Recommendation will be provided at the August 18, 2017 BPWG. To see Mr. Hurysz’s complete presentation please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/mc_bpwg/meeting_materials/2017-07-26/2018%20Project%20Prioritization%20Process.pdf

2018 Projects for Consumer Impact Analysis

Tariq Niazi of the NYISO presented the projects for Consumer Impact Analysis in 2018. Mr. Niazi reviewed the guidelines for project selection prior to identifying the following projects:

- *Integrating Public Policy*
- *BSM Repowering*
- *Constraint Specific Transmission Demand Curves*
- *DER Participation Model*

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- *Energy Storage Integration and Optimization*

Mr. Niazi followed with a description of each project and the reason it was chosen for analysis. In response to prior stakeholder feedback, it was noted that the presentation will be repeated at the August BIC meeting to assure stakeholder awareness of the selections. To see Mr. Niazi's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/mc_bpwg/meeting_materials/2017-07-26/Consumer%20Impact%20Analysis.pdf

Thursday, July 27, 2017

Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee Western NY Public Policy Transmission Report

Dawei Fan led a second round of review of the Western NY Public Policy Transmission Report (Report). Mr. Fan provided responses to some common comments and questions received from stakeholders. The ranking of projects was presented based on consideration of all metrics. Mr. Fan explained the reasons for the NYISO draft selection recommendation of T014 from NextEra Energy Transmission New York. The Report will go to the BIC and MC for an advisory vote prior to delivery to the NYISO Board of Directors. To see the complete NYISO presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2017-07-27/WNY_July_27_ESPWG%20_07262017%20\(2\).pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2017-07-27/WNY_July_27_ESPWG%20_07262017%20(2).pdf)

FERC Filing

July 26, 2017

NYISO filing of an executed LGIA (Service Agreement No. 2344) among the NYISO, Long Island Lighting Company d/b/a LIPA, and Shoreham Solar Commons LLC

July 24, 2017

NYISO motion to intervene and comments in response to NRG Companies request for waiver of a procedural deadline, which would allow NYISO to act on NRG's request for a Competitive Entry Exemption under the BSM Rules

FERC Orders

July 24, 2017

FERC letter order accepting LGIA among the NYISO, Niagara Mohawk Power Corporation, and Copenhagen Wind Farm, LLC, SA 2334, effective May 15, 2017 as requested.

July 28, 2017

FERC letter order accepting Cricket Valley's request for a limited waiver of a procedural deadline set forth in the Services Tariff, to allow NYISO to review and act on Cricket Valley's request for a Competitive Entry Exemption for the Cricket Valley generation facility

July 28, 2017

FERC letter order accepting NRG's request for a limited waiver of a procedural deadline set forth in the Services Tariff, to allow NYISO to review and act on NRG's request for a Competitive Entry Exemption for the Berriens East Replacement project

Link to FERC Filings and Orders:

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