

## NYISO Consumer Interest Liaison Weekly Summary

May 29 – June 2, 2017

### Notices:

- *On June 1, 2017, the New York Independent System Operator (NYISO) reported that electricity supplies in New York State are expected to be adequate this summer, with a total of 41,013 megawatts (MW) of power resources available to meet forecasted peak demand conditions. The NYISO forecasts that peak demand this summer will reach 33,178 MW, 3.0% above the 10-year average peak of 32,215 MW. Last summer's peak demand of 32,076 MW, recorded on August 11, was 0.4% below the 10-year average. [Press Release](#)*
- *The following organization has submitted an application for Party status in the NYISO Governance as a Generation Owner. ---> **Bayonne Energy Center, LLC***

### Meeting Summaries:

Wednesday, May 31, 2017

**Management Committee**

#### Motion #1:

The Management Committee (“MC”) hereby approves revisions to the NYISO’s Open Access Transmission Tariff (“OATT”) as described in the “Ramapo Phase Angle Regulator Cost Recovery” presentation made to the MC on May 31, 2017, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

The MC also requests that the NYISO work with stakeholders on the development of a methodology to facilitate the identification of facility-specific Transmission Congestion Contract (TCC) revenue values and Day-Ahead Market Congestion Rent impacts associated with the Ramapo PARs. To the extent that such a methodology is approved and implemented, any separately identified TCC and congestion related values would be used to adjust the otherwise applicable charges for the Ramapo PARs under Rate Schedule 1 of the OATT on a going forward basis. The tariff revisions necessary to implement any such methodology and to account for any separately identified TCC and congestion-related values in the calculation of the charges for the Ramapo PARs under Rate Schedule 1 of the OATT will be

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subject to review and approval through the normal stakeholder shared governance process; provided, however, that this separate initiative shall not delay or otherwise impede the process for implementing the tariff revisions approved by the MC on May 31, 2017.

**The motion passed unanimously by show of hands with abstentions**

**Motion 1a – Motion to Amend Motion 1**

The Management Committee (“MC”) hereby approves revisions to the NYISO’s Open Access Transmission Tariff (“OATT”) as described in the “Ramapo Phase Angle Regulator Cost Recovery” presentation made to the MC on May 31, 2017, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act. ~~To the extent that any substantive revisions to the OATT revisions described in the “Ramapo Phase Angle Regulator Cost Recovery” presentation are required, the NYISO shall prepare revisions accordingly and have such revisions reviewed and approved by the Committee Chairs of the MC, Business Issues Committee and Operating Committee prior to filing at the Federal Energy Regulatory Commission.~~

The MC also requests that the NYISO work with stakeholders on the development of a methodology to facilitate the identification of facility-specific Transmission Congestion Contract (TCC) revenue values and Day-Ahead Market Congestion Rent impacts associated with the Ramapo PARs. To the extent that such a methodology is approved and implemented, any separately identified TCC and congestion-related values would be used to adjust the otherwise applicable charges for the Ramapo PARs under Rate Schedule 1 of the OATT on a going forward basis. The tariff revisions necessary to implement any such methodology and to account for any separately identified TCC and congestion-related values in the calculation of the charges for the Ramapo PARs under Rate Schedule 1 of the OATT will be subject to review and approval through the normal stakeholder shared governance process; provided, however, that this separate initiative shall not delay or otherwise impede the process for implementing the tariff revisions approved by the MC on May 31, 2017.

**The motion passed unanimously by show of hands**

**Motion #2:**

The Management Committee (MC) hereby approves, and recommends to the NYISO Board for filing under Section 205 of the Federal Power Act, revisions to Attachment K of the Market Administration and Control Area Services Tariff and Attachments U and V of the Open Access Transmission Tariff as described in the presentation entitled “Proposal to Eliminate Bond Funds from MP Cash Collateral Investment Options,” made at the May 31, 2017 MC meeting.

**The motion passed unanimously by show of hands with an abstention**

**Motion #3**

The Management Committee (“MC”) hereby approves revisions to the NYISO’s Open Access Transmission Tariff (“OATT”) as more fully described in the “Rate Schedule 1 – MISO PAR Cleanup” made to the MC on May 31, 2017, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

**The motion passed unanimously by show of hands**

**Motion #4**

The Management Committee (MC) hereby approves the revisions to the NYISO’s Open Access Transmission Tariff (“OATT”) with regard to the Rate Schedule 10 Cost Recovery Mechanism for Regulated Transmission Projects and related amendments to OATT Attachment Y as more fully

described in the presentation made to and as discussed at the MC on May 31, 2017, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

**The motion passed unanimously by show of hands with an abstention**

#### **Motion #5**

The Management Committee (MC) hereby approves the revisions to buyer-side market power mitigation rules in Section 23.4.5.7 of the NYISO's Market Services Tariff as presented at the MC on May 31, 2017, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

**The motion passed unanimously by show of hands**

#### **Wednesday, May 31, 2017**

##### **Business Issues Committee**

#### **Motion:**

The Business Issues Committee (BIC) hereby approves revisions to the NYISO's Market Services Tariff and to the Ancillary Services Manual as described in the presentation entitled "Zone J Dual Fuel Testing – Manual and Tariff Updates," made and discussed at the BIC on May 31, 2017.

**Motion passed unanimously.**

#### **Thursday, June 1, 2017**

##### **Installed Capacity Working Group**

##### **Alternative Methods for Determining LCRs**

Zachary Stines of the NYISO presented a follow-up to the May 11, 2017 ICAPWG presentation on the effort investigating alternative methods to determining Locational Capacity Requirements (LCRs). Mr. Stines provided results for the simulation that removed 1,000MW from Zone K, which was not available for the earlier presentation. In response to a stakeholder question, Mr. Stines explained that the simulations to date have been run according to the system at criteria, as opposed to including a level of excess capacity. The simulations with a level of excess capacity will be run at a later date, after the proof of concept has been verified. Mr. Stines noted that a Customer Impact Analysis would be provided to stakeholders by the NYISO Consumer Interest Liaison for impact evaluation. To more fully understand earlier results for Zone J and the relationship to changes in transmission capability, a simulation was run with changes to the UPNY/SENY and Dunwoodie/South interfaces. It was noted that the analysis using the full TAN45 methodology is in process but results were not available for this meeting. Mr. Stines explained how the cost curves used in the study are defined and how they are being applied while leading a discussion on which cost reference is appropriate for use. The curve shapes were also discussed with stakeholders for consideration in moving forward.

As the proof of concept continues to advance, the next phase of the project will begin to move forward. Phase 2 will continue to fully investigate any questions that arose from the proof of concept phase and seek to refine the optimization methodology further. Following this refining phase, Phase 3 will seek to simulate how the optimization methodology will perform when incorporating expected future changes to market conditions. The question of cost allocation was acknowledged as an important element that will be the subject of future discussion with stakeholders, once the methodology is refined and secured. Comments are encouraged and can be sent to [deckles@nyiso.com](mailto:deckles@nyiso.com). see Mr. Stines complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2017-06-01/ICAPWG\\_6-1-17\\_AlternativeMethodsforLCRs\\_Final.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-06-01/ICAPWG_6-1-17_AlternativeMethodsforLCRs_Final.pdf)

### Small Customer Aggregations in CCAs

Mike Gordon of Joule Energy Services (Joule) presented the concepts of the Joule program for Small Customer Aggregation in Community Choice Aggregations (CCAs) in an effort to seek confirmation to participate in the NYISO wholesale markets as a Small Customer Aggregation. A Small Customer Aggregation must be reviewed by NYISO staff and the Installed Capacity Working Group, and must be approved by at least four of the Chairs and Vice-Chairs of the Management Committee and the Business Issues Committee and the Chairs of the Installed Capacity Working Group and Price Responsive Load Working Group. The NYISO will allow participation by a Small Customer Aggregation using alternative metering and performance measurement subject to the procedures and limitations set forth in the NYISO Emergency Demand Response Program Manual except that the total of all such aggregations for SCRs shall not exceed 100 MW. Mr. Gordon, with the assistance of Joule staff, explained that the Joule program would consist of residential customers reducing load at the direction of NYISO through Joule remote control of the resource's thermostats. To see the complete Joule presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2017-06-01/SCA%20Presentation\\_Committee.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-06-01/SCA%20Presentation_Committee.pdf)

### State of the Market Report

Pallas LeeVanSchaick of Potomac Economics (MMU) presented a review of capacity market performance for the first quarter 2017. Mr. LeeVanSchaick highlighted market outcomes and provided the MMU recommendations for potential market improvement. To see the MMU presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2017-06-01/2016%20State%20of%20the%20Market%20Report\\_ICAPWG.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-06-01/2016%20State%20of%20the%20Market%20Report_ICAPWG.pdf)

### Integrating Public Policy

Nathaniel Gilbraith of the NYISO provided an update on the Installed Capacity portion of the Integrating Public Policy (IPP) project. The NYISO has had several presentations at the MIWG describing the study and the associated assumptions, primarily concerned with the Energy markets. Mr. Gilbraith explained how the study would be used to identify how the incremental renewable resources might affect the capacity market and identify what changes could merit consideration. Potential effects for consideration in the study include:

- Intermittent resources may directly affect
  - Installed Reserve Margin (IRM)
  - Locational Minimum Installed Capacity Requirements (LCRs)
  - NYCA and Locality Translation Factors
- Distributed resources (e.g., rooftop solar) may also affect
  - ICAP Load Forecast
- Additionally, new resources may indirectly affect
  - Net Energy and Ancillary Services revenues of the Demand Curve peaking unit
  - Winter-to-Summer ratio
- Other effects? (For stakeholder discussion and input)

Mr. Gilbraith explained the ICAP market parameters utilized for the study.

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Feedback was noted at the meeting while stakeholders are encouraged to submit comments to [IPP\\_feedback@nyiso.com](mailto:IPP_feedback@nyiso.com) for consideration. Additional assumptions and preliminary results will be presented at a future ICAPWG meeting for further discussion. To see the complete NYISO presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2017-06-01/6-1-17\\_IPP-ICAP-scope%20FOR%20POSTING.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-06-01/6-1-17_IPP-ICAP-scope%20FOR%20POSTING.pdf)

#### Proposal to Post Behind-the-Meter: Net Generation Resource ICAP-Related Data

Nathaniel Gilbraith presented the proposal to post ICAP related Behind-the-Meter:Net Generation (BTM:NG) data. The data are used in the ICAP Load Forecast process and the Installed Reserve Margin study. The components to be posted would be:

- *Demonstrated Maximum Gross Capability, “DMGC” (or DMNC, if applicable)*
- *CRIS*
- *Injection Limit*
- *Average Coincident Host Load*

Some stakeholders suggested that this would require information to be disclosed that is considered to be confidential and objected on that basis. The NYISO noted feedback for consideration and will return to the ICAPWG with a refined proposal. To see Mr. Gilbraith’s presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2017-06-01/ICAPWG\\_BTNG\\_post.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-06-01/ICAPWG_BTNG_post.pdf)

#### 2016 DCR Lessons Learned

Randy Wyatt of the NYISO presented the lessons learned throughout the 2016 Demand Curve Reset (DCR) process. The purpose of this effort is to review the 2016 DCR process to identify potential enhancements for the 2020 DCR process. Stakeholder input was gathered during and after a presentation to the ICAPWG on March 8, 2017. Mr. Wyatt highlighted some 2016 DCR process successes, such as:

- *Extensive stakeholder participation*
- *Extending DCR periodicity*
- *Development of a historical net Energy and Ancillary Services (EAS) revenues model*
- *Timely release of draft reports, final reports, and stakeholder models*

Two main recommendations going forward are to start the process earlier and/or develop DCR process design changes before issuing the RFP. This recommendation allows for a more robust process, slows down the pace of work and improves responsiveness to stakeholders, among other benefits. A second recommendation is to continue with flexible scheduling. This allows for increased flexibility and the ability to schedule additional meetings as required to more fully address issues. To see Mr. Wyatt’s complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2017-06-01/2016%20DCR%20Lessons%20Learned%20Final%20for%20170601%20ICAPWG.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2017-06-01/2016%20DCR%20Lessons%20Learned%20Final%20for%20170601%20ICAPWG.pdf)

#### **Friday, June 2, 2017**

#### **Joint Transmission Planning Advisory Subcommittee/Interconnection Issues Task Force/ Installed Capacity/Market Issues Working Group**

#### Scopes Under Consideration

Q#527 Full SRIS

Horse Creek Wind Project

Jefferson County, NY

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120MW S/W  
Approved for OC Review

### 2018 IRM Preliminary Topology

Josh Boles of the NYISO presented the preliminary topology for the 2018 Installed Reserve Margin (IRM). Mr. Boles highlighted the primary factors driving changes from the 2017 IRM topology:

- *CPV Valley plant (680 MW CRIS in Zone G)*
- *Freeport EQUUS GT1 (PTID 23764) deactivation (48.3 MW CRIS in Zone K) and updated PSEG-LIPA study results*
- *NY-PJM Joint Operating Agreement (JOA) January filing*
- *External emergency assistance limit implementation*
- *Modeling enhancements*

The factors above were detailed and related to the associated changes in topology. The NYISO will bring the 2018 IRM topology to the June meeting of the New York State Reliability Council (NYSRC) Installed Capacity Subcommittee (ICS) for review and will run preliminary IRM cases for testing purposes. Any changes to the topology will be brought to the ICS and TPAS for discussion. To see the complete NYISO presentation, please go to:

[https://www.nyiso.com/secure/webdocs/markets\\_operations/committees/oc\\_tpas/meeting\\_materials/2017-06-02/2018\\_IRM\\_PrelimTopologyPresentation\\_May30-2017ICS.pdf](https://www.nyiso.com/secure/webdocs/markets_operations/committees/oc_tpas/meeting_materials/2017-06-02/2018_IRM_PrelimTopologyPresentation_May30-2017ICS.pdf)

### Comprehensive Interconnection Process Improvements

Ross Altman of the NYISO provided updates to the previously presented Interconnection process improvements. Presentation materials highlighted the recent changes for clarity. A timeline was provided to show when the changes to the process are expected to be implemented. The NYISO hopes to implement some of the changes in time to apply them to the 2017 Class Year process currently underway. Stakeholders had several questions and comments on the bifurcated Class Year initiative. The NYISO noted the suggestions and will address them at a future meeting. Stakeholders also requested additional examples clarifying the Buyer-Side Mitigation process in relation to the bifurcated Class Year. Tariff language for several of the changes was provided and discussed with stakeholders. To see the complete presentation, please go to:

[https://www.nyiso.com/secure/webdocs/markets\\_operations/committees/oc\\_tpas/meeting\\_materials/2017-06-02/Queue%20Improvements%20PPT\\_060217%20IITF.pdf](https://www.nyiso.com/secure/webdocs/markets_operations/committees/oc_tpas/meeting_materials/2017-06-02/Queue%20Improvements%20PPT_060217%20IITF.pdf)

## **FERC Filing**

### **June 1, 2017**

NYISO filing of informational report concerning the NYISO's evaluation of potential additional modifications to its rules governing Capacity Exports from certain Localities in New York.

### **June 1, 2017**

NYISO motion requesting a 32 day extension of the filing deadline for FERC Form No. 714, Annual Electric Balancing Authority Area and Planning Area Report

### **June 1, 2017**

NYISO compliance filing of a Semi-Annual Report on New Generation Projects and Demand Response Program

## **FERC Orders**

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

**Link to FERC 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)

