

NYISO Consumer Interest Liaison Weekly Summary

October 2 – October 6, 2017

Notices:

- The NYISO has received and posted on its website a “Notice of Intent to Mothball Selkirk Cogen Partners, LP, PTID 23801 (“Selkirk I”) and PTID 23799 (“Selkirk II”)”, which was submitted to the New York State Public Service Commission by Selkirk Cogen Partners, LP regarding its Selkirk I and Selkirk II electric generation facilities located in Selkirk, New York. The Notice can be found on the NYISO’s Planning webpage at: [Notification](#)
- The 2017 Fall Economic Conference will be held at the NYISO, 10 Krey Blvd, Rensselaer, NY, on October 23 from 11:00 AM until 4:00 PM. The agenda has been posted to the NYISO Website [here](#).

Meeting Summaries:

Tuesday, October 3, 2017

Market Issues Working Group

Large Scale Solar Integration

David Edelson of the NYISO provided an update on NYISO’s plans regarding Large Scale in Front of the Meter (FTM) solar resources. There is one FTM solar resource that participates directly in the NYISO’s wholesale markets, a 31.5 MW resource on Long Island. With more than 50 proposed FTM Solar projects in the interconnection queue, totaling more than 1,800MWs of capability, NYISO intends to expand our market rules to more fully incorporate FTM Solar resources into its Energy Markets. The NYISO intends to:

- Recover the ongoing cost of procuring the FTM Solar forecast from each FTM Solar resource.
- Collect site-level plane of array irradiance and back panel temperature data every 30-seconds
- Include FTM solar resources in the economic dispatch process by allowing them to provide price sensitive offers reflecting their economic willingness to produce power.

The above rules are similar to the NYISO wind rules.

Mr. Edelson noted the tariff changes that will be required for this effort. The NYISO will pursue tariff changes prior to implementing the forecast fee recovery and economic solar dispatch in 2018. To see Mr. Edelson’s complete presentation, please go to:

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.

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2017-10-03/Large%20Scale%20Solar%20Integration%209_25_2017_FINAL.pdf

NYISO Proxy bus specific POR/POD designation for eTags

David Edelson of the NYISO presented a revision to the options available to MPs in OATI when filling out their NYISO physical transmission path on an eTag.

NYISO will add new Point of Delivery (POD)/Point of Receipt (POR) options in OATI for MPs to select based on the specific NYISO Proxy Bus on the market transaction bid. This revision will be available for market participant use in the near future. To see Mr. Edelson's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2017-10-03/Sept25%20MIWG%20POR-POD_FINAL.pdf

Accepted Revisions to OATT Attachment L

Greg Williams of the NYISO provided an update on a proposed revision to the Open Access Transmission Tariff. The revision updates the contract expiration/termination dates on Contracts 189.1 and 190.1 from "12/31/2017" to "12/31/2027", effective August 14, 2017. The NYISO customarily provides an initial overview of Accepted Revisions at a MIWG meeting after posting notice thereof to the market. Footnotes (6) and (7) of Table 1A are also being revised as follows in connection with the Accepted Revision (in red):

(6) - Subject to NYPA's obtaining non-discriminatory long term firm reservation through ~~2017~~ **2027** under its OATT.

(7) - **For Contract # 189.1 and 190.1, NYPA's TCCs allocated to its SENY Governmental Load Customers will terminate on the earlier of December 31, 2027 or when NYPA no longer has an obligation to serve any of the SENY Governmental Load Customers; provided, however, that the term may be extended beyond December 31, 2027 if NYPA continues to have an obligation to serve any of the SENY Governmental Load Customers. For Contract # 189.2 and 190.2, NYPA's TCCs allocated to its SENY Governmental Load Customers will terminate on the earlier of December 31, 2017 or when NYPA no longer has an obligation to serve any of the SENY Loads or the retirement or sale of both IP#3 and Poletti.**

The next step in the process is to proceed through the normal stakeholder process to pursue approval of tariff revisions to incorporate the Accepted Revision into the OATT. To see Mr. Williams' complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2017-10-03/Presentation%20TCC%20Markets%20Attachment%20L%20Revision.pdf

Energy Storage Integration: DA scheduling and Mitigation

Daniel Noriega of the NYISO provided updates to the proposed Day-Ahead Market (DAM) scheduling and mitigation for Energy Storage Resource (ESR) Integration.

Two offer parameters were added to the list presented to the MIWG at the May 5, 2017 meeting; a Through-Put parameter measured in MWhs and a Start-up Load Cost measured in dollars. Based on stakeholder feedback, the NYISO is also considering what, if any, pricing logic should be considered for ESRs and providing the availability of an optional Energy Level (SoC) Signal.

Mr. Noriega detailed the proposal for ESRs offering into the DAM, highlighting the differences from the Real-Time (RT) proposal.

The NYISO is considering using the existing mitigation framework for Generators as the mitigation framework for ESRs, noting that ESRs would be subject to the Automated Mitigation Procedure (“AMP”) if located in an AMP-provisioned area.

The NYISO will continue to evaluate the operational feasibility of the proposed ESR scheduling logic and will discuss additional ESR modeling and settlements considerations throughout Q4 2017. The current timeline for the ESR scheduling logic is for implementation after the EMS/BMS upgrades. Comments are encouraged and can be sent to dnoriega@nyiso.com or deckles@nyiso.com. To see Mr. Noriega’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2017-10-03/Energy%20Storage%20I-O.pdf

Constraint Specific Demand Curves

Jennifer Boyle of the NYISO presented the proposal to study further enhancements to the current Transmission Constraint Pricing logic. The NYISO recognizes that the current single graduated Transmission Shortage Cost mechanism (or graduated transmission demand curve), which is applied to certain facilities and interfaces, may not be optimal for all situations. The study will seek to identify under what circumstances and/or system conditions transmission constraints are potentially being under-valued or over-valued by performing historical analysis on constraint costs. The NYISO will conduct simulations to assist in determining appropriate demand curve MW and pricing values for different constraints and system conditions. The NYISO will consider stakeholder feedback received. The feedback received along with a framework for the study will be reviewed at a MIWG meeting targeted for late November/early December. To see Ms. Boyle’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2017-10-03/Constraint%20Specific%20Demand%20Curves.pdf

Market Assessment with 50% Renewable Generation

Mike DeSocio led a discussion with stakeholders on the development of the whitepaper for the Integrating Public Policy project. Mr. DeSocio explained that the whitepaper intends to cover:

- *Market Impact Assessment with 50% renewable generation*
 - *The paper will discuss the analysis performed and findings from the analysis*
- *Market Structure Assessment with 50% renewable generation*
 - *The paper will discuss the market concept ideas considered and provide recommendations on which market products or changes to the existing market structure would best support the wholesale market goals of attracting resources that support New York’s future transmission reliability needs at the lowest cost for the customer*

Mr. DeSocio also explained that the whitepaper will lay out potential products and rules to develop but will not identify precise actions the NYISO will take. The NYISO is seeking stakeholder feedback on market design ideas and encourages stakeholders to provide presentations to inform the marketplace on potential future market improvements that would support the market goals of selecting the least-cost mix of resources to reliably meet the needs of energy consumers. Ideas and comments can be submitted to IPP_feedback@nyiso.com by November 2, 2017. All submissions will be posted on the NYISO’s website with the November 2, 2017 MIWG meeting materials. In response to stakeholder requests, Mr. DeSocio noted that the whitepaper will be posted to allow stakeholders adequate time for review and due diligence. To see Mr. DeSocio’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2017-10-03/MIWG%2020171003%20Market%20Assessment%20of%20Renewable%20Generation.pdf

Announcement – Creation of Integrating Public Policy Task Force

Mike DeSocio of the NYISO announced the creation of a task force to develop ideas and direction for the Integrating Public Policy (IPP) concept of pricing carbon in the NYISO-administered wholesale electricity markets. The Integrating Public Policy Task Force (IPPTF) will report to the Business Issues Committee and will be co-facilitated by the NYISO and the New York State Department of Public Service. This task force will be open to all interested parties and not limited to current stakeholders. The first meeting will be held on October 27, 2017 at the NYISO (unless more room is required) with a start time of 10:30. Meetings will follow on November 20, 2017 and December 18, 2017. The goal of the task force is to provide information to the NYISO on what market products and rules would be required to develop carbon pricing in the wholesale markets. There will be a list of topics but the format will primarily be an open discussion and possibly stakeholder presentations. The Brattle Group (Brattle) may participate in the second and third meetings. Some stakeholders requested that Brattle representatives attend the first meeting to assist with discussion direction. The task force is currently expected to conclude in January 2018 but may be extended if necessary.

Friday, October 6, 2017

Budget Priorities Working Group

Incentives

Emilie Nelson of the NYISO provided a follow-up to the September 27th presentation on the 2018 NYISO Incentive goals. In response to stakeholder feedback, some draft goals have been modified. The NYISO is currently reviewing a proposal to incorporate a goal that if the Day-Ahead Market (DAM) schedules are posted in time for the Real-Time (RT) but after the 11:00am tariff deadline, it would count as a “Lower Impact Defect”. Some proposed changes to draft goals under Strategic Goals include:

- *Increasing the number of business plan projects that must be completed for achievement:*
 - *50% - Decreasing the number of missed projects allowed from 5 to 4*
 - *100% - Decreasing the number of missed projects allowed from 4 to 3*
- *Reviewing deliverable on EMS/BMS*
- *Considering deleting Alternative LCR Methodology from Key Project Initiatives*
- *Considering moving Modeling 100+kV Constraints from Key Project Initiatives to Major Projects*
- *Revise description of Buyer-Side Mitigation: Repowering*
- *Consider adding Integrating Public Policy to Key Project Initiatives*

Under Cost Management, Goal 8, a stakeholder requested that the NYISO consider changing the structure of a goal to a system of goal payout based as a percentage of savings.

Comments on the 2018 Incentive Goals are welcome and can be sent to bullock@nyiso.com. To see Ms. Nelson’s complete presentation, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=mc_bpwg&directory=2017-10-06

FERC Filing

October 6, 2017

Niagara Mohawk Power Corporation filing of a notice of cancellation of an interconnection agreement (Service Agreement No. 1488) with Selkirk Cogen Partners

FERC Orders

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October 6, 2017

FERC order accepted revisions to the black start and system restoration services provisions of the NYISO's Services Tariff

Filings and Orders:

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

