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## NYISO Consumer Interest Liaison Weekly Summary

April 18 – April 22, 2016

### **Notices:**

- Please note that an ICAP meeting has been scheduled from 1-3 pm on May 12. The purpose of the meeting is to review the **annual State of the Market Report for the Capacity Markets**. Agenda and material will be provided no later than May 9.
- Please note that a MIWG meeting has been scheduled from 10 am - 12 pm on May 20. The purpose of the meeting is to review the **annual State of the Market Report for the Energy Markets**. Agenda and material will be provided no later than May 17.
- This is to inform you that, pursuant to NYISO's April 6, 2016 notice requesting the **Class Year 2015 Projects to indicate their respective elections** relative to Section 25.7.7.1 of Attachment S of the OATT, all projects have elected to remain in Class Year 2015 with no change to respective ERIS or CRIS requests. Furthermore, both projects Q363 Poseidon and Q401 Caithness II have elected for the NYISO to proceed forward with additional SDU studies to Section 25.5.9 of Attachment S.  
The [notice](#) will also be posted on the NYISO website at the link below under the "Interconnection Studies" folder and "Notices to Market Participants" subfolder.  
[http://www.nyiso.com/public/markets\\_operations/services/planning/documents/index.jsp](http://www.nyiso.com/public/markets_operations/services/planning/documents/index.jsp)

### **Meeting Summaries:**

**Monday, April 18, 2016**

#### **Market Issues Working Group**

##### Linked Virtual Transactions

Pradip Ganesan of the NYISO presented a proposal introducing Linked Virtual Transactions (LVTs). A LVT is a product that will allow market participants to arbitrage the price separation between source zones and sink zones that arise due to congestion and losses between the Day-Ahead Market (DAM) and the Real-Time market (RTM). It is a zonal product that is represented as a source-sink pair. It is modeled as a Point of Injection (POI) at the source and as a Point of Withdrawal (POW) at the sink and does not directly affect market outcomes in the RT market. In



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response to a stakeholder question, Mr. Ganesan explained that LVTs can source and sink between internal NYCA zones. They cannot source or sink at an external proxy bus. This is consistent with the rules for Virtual Supply (VS) and Virtual Load (VL) transactions. LVT bids will be evaluated against the difference between LBMP at the POW zone and the LBMP at the POI zone. The NYISO intends to investigate potential LVT mitigation activities and will address impacts to credit requirements as the proposal develops. Mr. Ganesan explained that the current market rules for uplift allocation in virtual markets allocate a portion of the DAM Bid Production Cost Guarantee (BPCG) to net Virtual Supply (VS) transactions to the extent that DAM Energy purchases and Bilaterals are below the NYISO load forecast. A provision of the LVT proposal would remove the uplift cost allocation for all virtual transactions. Following discussion with stakeholders on this proposed change, the NYISO will provide additional information at a future LVT presentation and explain the rationale for removal of the uplift allocation. Examples were provided for LVT Bids, Scheduling, Settlements and Fees. Stakeholders requested that the NYISO provide additional examples at a future presentation. To see Mr. Ganesan's complete LVT presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2016-04-18/LVT\\_MIWG\\_041816.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2016-04-18/LVT_MIWG_041816.pdf)

#### DAMAP Enhancements

Ethan Avallone of the NYISO presented proposed enhancements to the Day Ahead Margin Assurance Program (DAMAP). DAMAP guarantees the difference between a resource's as-bid cost and the market price from the Day Ahead Market (DAM) should the resource be dispatched away from its schedule in Real-time. Mr. Avallone explained the scenarios and provided examples, where possible, that will require tariff revisions. Stakeholders requested additional examples at a future presentation for clarification. The NYISO is anticipating a Q2 2017 implementation of the proposal. To see Mr. Avallone's complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2016-04-18/DAMAP%20Enhancements%20APRIL%20MIWG%20FINAL.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2016-04-18/DAMAP%20Enhancements%20APRIL%20MIWG%20FINAL.pdf)

#### Energy Storage Integration

James Pigeon of the NYISO presented the feedback the NYISO received on its March 1, 2016 presentation on Energy Storage Market rules. Since the announcement of the NYS PSC REV (Reforming the Energy Vision) initiative, there has been a growing interest in storage resources participating in the wholesale market. The NYISO near-term view is to evaluate the programs currently available in which energy storage resources can participate and to assess potential needs for expanding and/or enhancing existing programs, such as:

- Energy Limited Resource (ELR)
- Limited Energy Storage Resource (LESR)
- Demand Side Ancillary Services Program (DSASP)
- Special Case Resources (SCR)



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The long-term approach will evaluate storage optimization techniques that provide additional tools to help the scheduling of in-front-of-the-meter wholesale storage resources. Mr. Pigeon reminded stakeholders that behind-the-meter resources were being addressed through other NYISO initiatives and the REV proceedings.

Mr. Pigeon concluded his presentation by summarizing the numerous written and oral comments received from stakeholders. To see Mr. Pigeon's complete presentation, please go to:

[http://www.nyiso.com/public/committees/documents.jsp?com=bic\\_miwg&directory=2016-04-18](http://www.nyiso.com/public/committees/documents.jsp?com=bic_miwg&directory=2016-04-18)

#### Broader Regional Markets Metrics

Dave Edelson of the NYISO presented metrics for the Broader Regional Markets (BRM) initiative for the month of March 2016. To see Mr. Edelson's presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2016-04-18/Monthly%20Report%20-%202016\\_03.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2016-04-18/Monthly%20Report%20-%202016_03.pdf)

#### **Tuesday, April 19, 2016**

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

##### FitzPatrick Deactivation Assessment

Dana Walters of the NYISO announced that the FitzPatrick Deactivation Assessment was not ready for release at the time of the meeting. The report was posted on the NYISO site on Friday, April 22, 2016. To see the Generator Deactivation Assessment, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/services/planning/Planning\\_Studies/Reliability\\_Planning\\_Studies/Generator\\_Deactivation\\_Assessments/FitzPatrick\\_Generator\\_Deactivation\\_Assessment\\_2016-02-11\\_superseded.pdf](http://www.nyiso.com/public/webdocs/markets_operations/services/planning/Planning_Studies/Reliability_Planning_Studies/Generator_Deactivation_Assessments/FitzPatrick_Generator_Deactivation_Assessment_2016-02-11_superseded.pdf)

#### 2016 Planning and Data Reference Report

Arthur Maniaci of the NYISO announced that the Draft 2016 Planning and Reference Data (Gold Book) was released for review today. Mr. Maniaci highlighted some changes in the format of the Gold Book for 2016. The final Report will be posted by the end of April 2016. To see the Draft 2016 Gold Book please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/services/planning/Documents\\_and\\_Resources/Planning\\_Data\\_and\\_Reference\\_Docs/Data\\_and\\_Reference\\_Docs/2016\\_GB\\_Draft\\_Final.pdf](http://www.nyiso.com/public/webdocs/markets_operations/services/planning/Documents_and_Resources/Planning_Data_and_Reference_Docs/Data_and_Reference_Docs/2016_GB_Draft_Final.pdf)

#### LS Power – System Upgrade Facilities in the NYISO Public Policy Transmission Process

Lawrence Willick of LS Power presented the process for identifying system upgrades and the concern that assumption differences could lead to a least cost effective solution not being selected. LS Power offered three suggestions for alternatives to identify System Upgrade Facilities (SUFs):

1. Require system impact study agreement to be completed prior to NYISO analysis



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2. Technical conference or formal request process for developers to submit requests for information related to existing facilities to transmission owners, and transmission owners to respond
3. NYISO to identify system upgrades for all proposals regarding viability and sufficiency, and estimate upgrade cost during comparative evaluation

LS Power contends that Option 3 allows for an efficient interconnection queue and efficient Public Policy Transmission Need Process that can identify the most efficient and cost effective solution. Mr. Willick suggested several minor changes to the Transmission Interconnection Process (TIP) and the Public Policy Transmission Planning Process (PPTPP) for improvement. To see the complete LS Power presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2016-04-19/ESPWG%20NAT%204%2019%202016.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2016-04-19/ESPWG%20NAT%204%2019%202016.pdf)

## **FERC Filings**

### **April 22, 2016**

NYISO filing of an answer to the comments and limited protests of the NYISO's Behind-the-Meter Net Generation tariff filing submitted on March 17, 2016.

### **April 20, 2016**

The ISO/RTO Council filing of motion for extension of time to May 23, 2016 to respond to the data requests re: Electric Storage Participation in Regions with Organized Wholesale Electric Markets, issued by the Commission on April 11, 2016.

### **April 20, 2016**

NYISO compliance filing, on behalf of Niagara Mohawk Power Corporation, regarding an Interconnection Agreement (SA 2260) between NMPC and Indeck-Corinth Limited Partnership

## **FERC Orders**

### **April 21, 2016**

FERC order accepted in part and rejected in part certain RMR tariff revisions and directed a further compliance filing within 60 days (i.e., June 20, 2016)

### **April 18, 2016**

FERC order accepting and rejecting in part NYISO's proposed tariff revisions regarding its existing Order No. 1000 Public Policy Transmission Planning Process and directing a compliance filing

### **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)



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