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## NYISO Consumer Interest Liaison Weekly Summary

### March 7 – March 11, 2016

#### **Notices:**

- *The next **MC Board Liaison Subcommittee meeting** will be held on **March 15** at Hunton & Williams, 200 Park Ave, NYC NY. Please note, the meeting with the Board of Directors will begin at 12:00 pm and the Stakeholder pre-meeting will begin promptly at 11:30 am. The MC Board Liaison Subcommittee agenda and the agenda for the Board's meeting have been posted on the NYISO website at: [March 2016 MC BOD Liaison Material](#)*
- *Revisions to Section 3.1 of the **Reliability Planning Process (RPP) Manual** have been posted to the [NYISO Manuals & User's Guide](#) webpage in an [incremental redline](#) from the February 2016 draft. NYISO posted the RPP Manual with these revisions on March 10, 2016 for the OC Meeting scheduled for March 17, 2016.*
- *An **update to the Gap Solution Solicitation** related to the FitzPatrick Generator Deactivation is now posted under: [Reliability Planning Studies](#).*
- *In preparation for the **Sector meetings**, the NYISO requests your **input** on meeting topics. To help facilitate the discussion we ask that you please submit your sector topics along with specific detailed questions to Debbie Eckels ([deckels@nyiso.com](mailto:deckels@nyiso.com)).*

#### **Meeting Summaries:**

**Monday, March 7, 2016**

**Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee**

**Order 1000 Compliance Directives**

Representatives of the NYISO presented proposed tariff revisions to the Public Policy Transmission Planning Process (PPTPP) Operating Agreement and Development Agreement. The NYISO has been directed by FERC to amend the above documents to allow the rights and responsibilities of non-Incumbent Transmission Owners (NTOs) to be substantively comparable



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to the rights and responsibilities of incumbent Transmission Owners (TOs). Stakeholder feedback was noted and the NYISO will brief stakeholders at the OC prior to filing the Agreements with FERC on March 22, 2016. To see the redline tariff language as presented by the NYISO please go to:

[http://www.nyiso.com/public/markets\\_operations/committees/meeting\\_materials/index.jsp?com=bic\\_espwg](http://www.nyiso.com/public/markets_operations/committees/meeting_materials/index.jsp?com=bic_espwg)

### Order 1000 Compliance -- Interconnection Process

Thinh Nguyen of the NYISO presented a proposal to revise the interconnection process to comply with FERC Order 1000. FERC's December 23, 2015 Order on the NYISO's Fourth Order 1000 Compliance Filing directed NYISO to modify its existing interconnection processes so that incumbent transmission projects and non-incumbent transmission projects seeking recovery through NYISO Planning Processes will be subject to the same interconnection requirements. The NYISO is proposing to develop a new Transmission Interconnection Process (TIP) to address this directive. The existing Small Generator Interconnection Procedures will be retained and the NYISO will retain existing Large Facility Interconnection Procedures in Attachments X and S for all Large Generating Facilities and Controllable transmission seeking UDRs. For requests that are not subject to the new TIP, the existing transmission expansion process will apply. The proposed TIP would apply to a transmission project, regardless of the entity that proposes it and regardless of the project's intended cost recovery mechanism.

- Specifically, unless below the de minimis threshold, the following would be subject to the TIP: Transmission projects proposed by incumbent NYTOs and non-incumbents in (or that anticipate entering) the NYISO Planning Process
  - *Transmission projects proposed by NYTOs triggered by their local planning process*
  - *Transmission projects proposed by other Eligible Customers that request to pursue expansions of the transmission facilities owned by NYTOs*
  - *Transmission projects proposed by non-incumbents outside the NYISO Planning Process (i.e., "merchant" projects), including HVDC and hybrid AC/DC transmission (unless controllable transmission seeking UDRs)*
  - *Transmission projects from TOs in neighboring regions (e.g., RTEP projects)*

Mr. Nguyen highlighted exceptions and a proposed de minimis threshold for the TIP and provided details with an overview on the TIP process including:

- Transmission Interconnection Application
- Scoping Meeting
- Optional Feasibility Study
- System Impact Study
- Facilities Study
- Cost Responsibility for Network Upgrades



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- Interconnection Agreement

There will be a transition rule for projects in the queue before the effective date of the proposed TIP that will seek to transition projects to the TIP without subjecting the project to unnecessary rework or delay. There will be a review of the proposal at the March 17, 2016 Operating Committee meeting prior to the March 22, 2016 filing deadline. To see Mr. Nguyen's presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2016-02-05/02\\_Proposed%20Transmission%20Interconnection%20Process.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2016-02-05/02_Proposed%20Transmission%20Interconnection%20Process.pdf)

Update to the FitzPatrick Generating Station Deactivation Assessment

Dana Walters of the NYISO informed the ESPWG that the NYISO had postponed the due date for responses to the February 16, 2016 solicitation for Gap solutions and market-based solutions to address the Reliability Need identified in the Generator Deactivation Assessment that was issued on February 11, 2016. Mr. Walters indicated that the NYISO, as part of the preparation for the 2016 Gold Book, is in the process of updating key assumptions used in the Generator Deactivation Assessment, which could affect the results. The NYISO will perform additional analysis by April 29, 2016. If the NYISO determines that the Reliability Needs remain and that the Gap solution process should continue, then the proposed solutions will be due May 31, 2016. Mr. Walters then discussed and addressed questions on the assumptions that had been updated in the deactivation assessment relative to the 2014 Comprehensive Reliability Plan (CRP). To see the NYISO presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2016-03-07/Agenda%2003\\_FitzDeactivationTopology.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2016-03-07/Agenda%2003_FitzDeactivationTopology.pdf)

Public Policy Transmission Need: AC Transmission

Zach Smith of the NYISO presented an update on the Public Policy Transmission Need (PPTN) as identified in the December 17, 2016 New York State Public Service Commission (PSC) order. The PPTN primarily consists of:

- Segment A (Central East)
  - New Edic/Marcy to New Scotland 345 kV line
  - Decommission Porter to Rotterdam 230 kV lines
  - 345 kV connection to Rotterdam
- Segment B (UPNY/SENY)
  - New Knickerbocker to Pleasant Valley 345 kV line
  - Rock Tavern substation terminal upgrades
  - Shoemaker – Sugarloaf 138 kV line

The NYISO recommended referring to the PSC Order for full descriptions. The NYISO solicited Public Policy Transmission Projects and Other Public Policy Projects on February 29, 2016 with a solicitation window of 60 days. The deadline for submission of Developer qualification information for the Public Policy process is March 30, 2016. Mr. Smith noted that



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a single project does not need to meet sufficiency for both Segment A and Segment B needs. Developers are required to specify which Need they are submitting a Solution for. The solicitation letter provides instructions for the delivery of documentation, fees and deposits. Frequently Asked Questions (FAQ) will be posted by March 30, 2016 and updated with additional revisions on April 13, 2016. A deadline of April 6, 2016 has been set for questions to be submitted to the NYISO before the final revision of the FAQ. Questions can be directed to the NYISO at [PublicPolicyPlanningMailbox@nyiso.com](mailto:PublicPolicyPlanningMailbox@nyiso.com). To see Mr. Smith's presentation, please go to: [http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2016-03-07/Agenda%2004\\_AC%20Transmission%20PPTN.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2016-03-07/Agenda%2004_AC%20Transmission%20PPTN.pdf)

#### NYISO Clean Power Plan (CPP) Study Plan

Peter Carney of the NYISO presented the CPP study plan to understand how the New York compliance approaches interact with existing market rules and system reliability criteria under various scenarios for RGGI (Regional Greenhouse Gas Initiative), CPP and CSAPR (Cross State Air Pollution Rule). Phase 1 of the study approach will coordinate with the DEC (Department of Environmental Conservation), the DPS (Department of Public Service) and NYSERDA (New York State Energy Research and Development Authority) to explore the study year 2024:

- *Reference Scenario builds on 2015 CARIS*
- *Develop operation limits that comply with RGGI, CPP, and CSAPR*
- *Reduce fossil unit installed capacity and energy production while increasing renewable resource penetration*
- *Estimate changes in essential reliability service capabilities: voltage support, frequency control, and ramping*
- *Examine changes in intra-hour starts and shut downs*
- *Report changes in production metrics*
- *Evaluate potential new market products to satisfy new system operating requirements*

Phase 2 of the study will extend the Reliability Needs Assessment (RNA) to 2030 and examine other scenarios such as:

- *FitzPatrick and Ginna retired*
- *1000 MW Canadian Imports*
- *No Nuclear generation in 2030*

Under the No Nuclear generation scenario in 2030, the NYISO will utilize two scenarios for replacing nuclear energy. The first will be to replace the energy with a large concentration of renewable energy and the second will be to replace nuclear energy with a large concentration of natural gas fueled gas turbines.

Phase 1 will deliver estimates of renewable resources necessary to comply with RGGI, CPP and CSAPR in 2024 as well as identify generation operational limits and possible requirements for new markets. Potential changes in IRM (Installed Reserve Margin) will be reviewed and the



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study will provide estimates of allowance levels or Emission Rate Credits necessary to achieve compliance. Phase 2 will provide a review of the initial New York submittal of the CPP and progress the analyses for Phase 1 through 2030.

Mr. Carney anticipates reviewing preliminary results for Phase 1 with stakeholders around July 15, 2016. A draft report that reviews the Phase 2 scenario will be presented on November 15, 2016. A final report is anticipated by December 15, 2016. To see Mr. Carney's complete presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2016-03-07/ESPWG%20CPP%20Study%20Plan%20Mar%207%202016.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2016-03-07/ESPWG%20CPP%20Study%20Plan%20Mar%207%202016.pdf)

## **Tuesday, March 8, 2016**

### **Installed Capacity Working Group**

#### **Renewable and Self Supply Exemption**

Dr. Nicole Bouchez presented updates to the Renewables and Self-Supply buyer-side mitigation exemption compliance filing. Dr. Bouchez began the meeting by announcing that the NYISO would be seeking an extension to the March 14, 2016 filing date from FERC<sup>1</sup>. The extension request is for one month. Dr. Bouchez presented updated language with changes based on feedback from the last presentation while also noting that stakeholders were free to raise additional questions on any part of the proposed filing. Some stakeholders asked the NYISO why Class Year 2015 (CY15) participants would be eligible to request the Renewable and/or Self Supply exemption as the CY15 process was initiated prior to the FERC directive. Dr. Bouchez explained that the NYISO interpreted the directive as CY15 participants should be included but noted the question for further discussion within NYISO before presenting a final response. A stakeholder requested that the NYISO reconsider tying the evaluation for new "Exempt Renewable Technology" classification to the Demand Curve Reset (DCR) process as in their opinion, it would make it difficult for the NYISO to keep up with rapidly progressing technologies. Dr. Bouchez explained that the NYISO provides the ability for a new technology to qualify for a Renewables Exemption if they can reasonably be expected to be an Intermittent Power Resource or Limited Control Run-of-River Hydro Resource at the time they enter the market, plus meet other criteria. The NYISO noted all stakeholder input and will return to an ICAPWG meeting with further revisions prior to filing with FERC, if possible. The NYISO will continue to prepare for a March 14, 2016 filing until FERC provides a response to the extension request. To see the incremental changes to the tariff language, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2016-02-24/Renewables%20and%20Self%20Supply%20Compliance%20Filing%20Feb%202016.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2016-02-24/Renewables%20and%20Self%20Supply%20Compliance%20Filing%20Feb%202016.pdf)

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<sup>1</sup> On March 14, 2016 FERC issued a notice granting the request for extension of the compliance filing deadline up to and including April 13, 2016



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**Wednesday, March 9, 2016**

**Market Issues Working Group**

**FERC Offer Cap NOPR**

Mike DeSocio of the NYISO presented for discussion with stakeholders the proposed NYISO response to the FERC NOPR on offer caps in the energy market. Mr. DeSocio began by stating that FERC requested information on whether or not the ISO/RTOs have the potential for cost verification if energy supply bids were allowed to exceed \$1000/Mwh. Mr. DeSocio explained that NYISO currently has the ability to verify bids using generator reference levels and would utilize this functionality to verify the costs associated with bids over \$1000/MWh. FERC also requested input on the advisability of retaining a hard bid cap if the current bid cap were raised. FERC also requested the NYISO’s view on the level of the new cap. Mr. DeSocio noted that the NYISO is not advocating for a change to the existing cap, but if the cap was changed, \$2000MWh would be reasonable. Stakeholders suggested that if the internal bid cap was raised to \$2000/MWh, then the import transaction bid cap should also be raised to the same level to remove price uncertainty for marketers importing power into NYISO. The NOPR also questions whether or not to increase the bid cap on Virtual Bidding to align with supplier bidding. Stakeholders opined that Virtual Bidding is vital to energy suppliers as a hedging mechanism and market manipulation using Virtual Bidding is highly unlikely. Mr. DeSocio acknowledged stakeholder input for consideration. The filing is due on April 4, 2016.

**BRM Annual FERC Report**

Mike DeSocio of the NYISO led a discussion on the impending NYISO report to FERC on Broader Regional Markets. Mr. DeSocio noted that there will be two areas of difference in the 2016 Report compared to the previous reports. The NYISO has determined there is no need to pursue the buy through of congestion concept at this time. In this filing, the NYISO will inform FERC that this report concludes the objectives of the order and that the NYISO will request that FERC terminate the obligation for future annual reports. Although there is a request for a second study of the Michigan/Ohio PARS, the NYISO maintains that a second study does not apply to this order. The NYISO would support a future study. The report is scheduled to be filed on March 21, 2016.

**Thursday, March 10, 2016**

**System Operations Advisory Subcommittee**

**NYISO Operations Report – February 2016**

**Peak Load**

The peak load for the month was 23,301 MW which occurred on Thursday, February 11, 2016, HB18. Reserve requirements were as follows:

Reserve	10 Sync	Non-Sync	30 Min
Requirement	655	1,310	1,965



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For Hour	1,162	2,633	4,941
DSASP Cont.	61	0	61

**Major Emergencies -- 3**

On February 3, 2016 a Major Emergency was declared at 10:47 when the Gilboa-Fraser GF5-35 tripped causing Central East VC to exceed 105%. The Major Emergency was terminated at 10:56.

On February 3, 2016 a Major Emergency was declared at 15:32 when the Gilboa-Fraser GF5-35 tripped causing Central East VC to exceed 105%. The Major Emergency was terminated at 15:40.

On February 15, 2016 a Major Emergency was declared at 06:47 when the Marcy-New Scotland 18 circuit tripped causing Central East VC to exceed 105%. The Major Emergency was terminated at 06:53.

**Alert States --** On 9 occasions Alert State was declared:

- 3– System Frequency – 2 Low/1 High
- 2 – ACE greater than (+ or -) 500MW
- 1 – Actual Voltage Below Pre-Contingency Low Limit
- 2 – Emergency Transfer Declared
- 1 -- Other

Alert state was declared 15 times during February of 2015

**Thunder Storm Alerts**

1 TSA was declared in February 2016 for a total of 4 hours

**Reserve Activations** – 9

**Emergency Actions** – None

**TLR3 Declared** – 0 for a total of 0 hours

**Thursday, March 10, 2016**

**Installed Capacity Working Group**

**Renewables and Self Supply**

Julia Popova of the NYISO presented proposed tariff language for the impending Renewable and Self Supply Buyer Side Mitigation filing to FERC. Ms. Popova addressed issues for the Net Short and Net Long thresholds. Stakeholders provided feedback to refine the language. The NYISO is awaiting notification from FERC on the status of the filing date. The NYISO has applied for a 30 day extension to allow for further discussions with stakeholders. To see the tariff language as proposed by the NYISO, please go to:

[http://www.nyiso.com/public/markets\\_operations/committees/meeting\\_materials/index.jsp?com=bic\\_icapwg](http://www.nyiso.com/public/markets_operations/committees/meeting_materials/index.jsp?com=bic_icapwg)

Demand Curve Reset – Tariff Language Revisions for Annual Updates



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Randy Wyatt of the NYISO presented the proposed tariff revisions that would be required to accommodate the proposed changes to the ICAP Demand Curve Reset (DCR) process. Mr. Wyatt led a review of the DCR process changes that NYISO will propose at the upcoming BIC meeting. Details were provided for:

- Four year DCR period with annual updates – revisions to Attachment H of the Market Administration and Control Area Services Tariff (Note: proposed revisions to other sections of the tariff were presented at the March 3, 2016 ICAPWG meeting)
- Four year DCR period without annual updates

Mr. Wyatt presented the tariff language associated with both scenarios.

A stakeholder presented an amendment to the NYISO proposal, suggesting that a cap be applied to the amount of any increase (or decrease) to the ICAP Demand Curve reference point price values resulting from the proposed annual update process. The stakeholder was to supply details of their proposal for additional consideration by stakeholders and the NYISO. A special ICAP meeting on March 15, 2016 allowed for further discussion of the proposal prior to the BIC meeting. To see Mr. Wyatt's presentation, please go to:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_icapwg/meeting\\_materials/2016-03-10/NYISO%20DCR%20Tariff%20Changes%20-%2003102016%20ICAPWG.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2016-03-10/NYISO%20DCR%20Tariff%20Changes%20-%2003102016%20ICAPWG.pdf)

## **FERC Filings**

### **March 11, 2016**

NYISO compliance filing to add a verification requirement to the exemption from physical withholding evaluation for generators that indicate they are unable to provide output in the Real-Time Market because doing so would require the generator to burn unauthorized natural gas

### **March 11, 2016**

NYISO filing of a motion to intervene and comments on Dry Lots Wind's March 11, 2016 tariff waiver request regarding Class Year eligibility requirements

### **March 8, 2016**

NYISO filing of a request for an additional 30 day extension make a compliance filing to revise its BSM Rules

## **FERC Orders**

There were no FERC Orders issued 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)





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