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NYISO Consumer Interest Liaison Weekly Summary

September 5 – September 9, 2016

Notices:

- *The New York Independent System Operator (NYISO) will host a workshop on Thursday, September 22, in Albany, NY to discuss ways in which distributed energy resources (DER) should be integrated into wholesale electricity markets. The agenda for the Distributed Energy Resource (DER) Workshop has been posted at the link below. Please note participation will be in-person only. [Agenda](#)*

Meeting Summaries:

Wednesday, September 7, 2016

Installed Capacity Working Group

Tariff Language Review for the RMR Compliance Filing

Representatives of the NYISO presented proposed tariff language for the Reliability Must Run (RMR) compliance filing due to FERC on September 19, 2016. John Buechler began by presenting the tariff language revisions made to affect Cost Recovery for Transmission Solutions to Generator Deactivation Reliability Needs. Mr. Buechler noted stakeholder comments for consideration prior to filing. Dana Walters detailed the language in OATT Attachment FF and Appendices A and B for the Notice Form and the rules addressing the submission of information to the NYISO. Mr. Walters also explained the proposed changes to Section 5.18 of the Market Services Tariff. Alex Schnell presented the revised Pro Forma RMR agreement and the Energy Market participation rules for RMR Generators and Interim Service Providers. The NYISO will attempt to make a final committee presentation prior to filing with FERC if time permits. To see the proposed language discussed with stakeholders, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=2016-09-07

RMR and Interim Service Provider Capacity Market Participation Updates

Michael Lavillotti of the NYISO presented updates on Installed Capacity Market participation for RMR and Interim Service Providers. NYISO's initial RMR compliance filing required units providing service under an RMR Agreement to bid into the Spot Auction above \$0.00/kW-



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month, in certain pre-defined situations. FERC’s determination was that a unit providing service under an RMR agreement should be a “price-taker”, in all scenarios. On September 19th, the NYISO intends to file language in accordance with FERC’s directive and to accommodate the new RMR related concept of Interim Service Providers:

- *Offer Floors shall also cease to apply for the period an Installed Capacity Supplier is an Interim Service Provider or RMR Generator*
- *For an Interim Service Provider or RMR Generator that has UCAP subject to an Offer Floor, the UCAP subject to the Offer Floor shall be offered at \$0.00/kW-month*
- *All UCAP from an Interim Service Provider or RMR Generator shall be offered in each ICAP Spot Market Auction, except if and only to the extent expressly authorized in an RMR Agreement or providing service as an Interim Service Provider due to the existence of a commitment under a bilateral agreement that (a) was effective at the time the RMR Agreement became effective or ISP service commenced, and (b) is effective and executory, requiring the provision of UCAP, for the Obligation Procurement Period.*

To see the complete presentation, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=2016-09-07

Thursday, September 8, 2016
System Operations Advisory Subcommittee
NYISO Operations Report

Peak Load:

The peak load for the month 32,076MW occurred on Thursday August 11, 2016 at HB16. The Operating Reserve requirement during the peak was 1965MW resulting in a minimum total Operating Capacity requirement of 34,041MW.

Reserve Requirements:

Reserve	10 Min Sync	Non Sync	30 Min
Requirement	655	1,310	1,965
For Hour	1,541	1,904	2,349
DSASP Cont.	0	0	0

Major Emergencies: None

Alert States: 18

- 4 ACE Greater than (+or-) 500MW
- 2 Shortage of 10 Min Synch Reserve
- 2 Exceeding Central East Voltage Contingency Limit
- 9 Emergency Transfer Declared
- 1 Other

The Alert State was declared 13 times during August 2015

Thunderstorm Alerts: 7

Reserve Activations: 13



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Emergency Actions:

Special Case Resources:	Activation of all zones (A-K) – 8/12/16 HB13-18 SCR Test Zones F/G/H/I/K – 8/25/16 HB13-14 SCR Test Zone J – 8/25/16 HB14-15 SCR Test Zones B/C/D/E – 8/25/16 HB15-16 SCR Test Zone A– 8/25/16 HB16-17
Emergency Demand Response Program:	Activation of all zones (A-K) – 8/12/16 HB13–18
Purchases:	None
Sales:	None
<u>TLR 3 Declared:</u>	None

Thursday, September 8, 2016

Installed Capacity Working Group

Forecast Enhancements in Buyer-Side Mitigation Rules

Julia Popova of the NYISO presented an overview of the proposal to enhance the forecast used in the Buyer-Side Mitigation (BSM) test for new entry. Ms. Popova led a review of the principles based on which existing generation would be included or excluded for the purposed of the BSM forecast. The refined “inclusion test” rules were detailed and clarified through discussion with stakeholders and will be used to provide a more accurate revenue forecast for the BSM determination. A chart and examples were provided to illustrate which units would be subjected to the inclusion test and the data that will be utilized in the test. Ms. Popova led a review of stakeholder questions and comments from the prior ICAPWG presentation and provided NYISO responses to the requests. Comments were noted throughout the discussion while additional comments can be submitted to deckles@nyiso.com. To see Ms. Popova’s complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2016-09-08/Forecast%20Enhancements%20BSM%2009072016.pdf

Property Tax Rate Recommendation for the Outside NYC for the ICAP Demand Curve Reset

Randy Wyatt of the NYISO presented NYISO staff’s recommendation for the property tax rate outside New York City (NYC) as part of the ongoing ICAP Demand Curve reset (DCR) process. Analysis Group (AG) performed an independent analysis of generator PILOT agreement payments arriving at a median tax rate value of 0.83% with a range of 0.2% - 2.01%. AG recommends use of a 0.75% property tax rate for outside NYC, which is within the range of results observed from its analysis and consistent with the value used in the last reset. After further assessment of available information, the NYISO did not find sufficient evidence to recommend a change to AG’s proposed 0.75% tax rate. NYISO staff, therefore, concurs with AG’s recommended property tax rate outside NYC. The see Mr. Wyatt’s presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2016-09-08/Property%20Tax%20Rate%20Analysis%2009082016%20ICAPWG.pdf



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NYISO Staff Evaluation of Level of Excess Adjustment Factors for the ICAP Demand Curve Reset

Zachary Stines of the NYISO presented NYISO staff's evaluation of the Level of Excess Adjustment Factors (LOE-AF) values for use as part of the ongoing ICAP Demand Curve reset (DCR) process. The LOE-AF is used to appropriately account for the expected change to historic LBMPs if the NYCA and each Locality were at the applicable minimum Installed Capacity requirement, plus the MW value of the peaking plant. NYISO staff evaluated and presented data and information regarding LOE-AF values from three separate databases:

- 2015 CARIS Phase 1
- 2016 CARIS Phase 2
- 2016 CARIS Phase 2 Adjusted (with Ginna and Fitzpatrick Included)

In response to a stakeholder suggestion to not utilize the LOE-AF in the process, it was noted by the NYISO that the use of a LOE-AF values is a tariff requirement for the DCR process. It was noted that the final recommendation regarding the appropriate LOE-AF values to use will be included in NYISO staff's Final Recommendations for the DCR, which will be released on or before September 15, 2016. To see Mr. Stines' presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2016-09-08/ICAPWG_LOE-AF_09082016.pdf

FERC Filings

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

FERC Orders

September 8, 2016

FERC order denying CTD complaint against the NYISO

September 7, 2016

FERC order accepting NYISO compliance filing and granted request for clarification

September 6, 2016

Letter order accepting Con Edison and Transco agreement numbers 2286, 2287, 2288, 2289, and 2290, effective May 27, 2016 as requested.

Link to FERC Filings and Orders:

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