

NYISO Consumer Interest Liaison Weekly

April 20 – April 24, 2015

Notices:

- Per request from BPWG members, the **September 4 BPWG meeting has been** rescheduled to September 9. Additional details will follow.
- Please note, the May 12 BPWG meeting has been cancelled.
- An **ESPWG Meeting has been scheduled for May 12** from 10:00 12:30 at the NYISO Krey Corporate Center. Additional information will follow.
- Market Participant comments on the Forward Capacity Market Study have been posted at the link below. <u>http://www.nyiso.com/public/markets_operations/committees/meeting_materials/index.js</u> <u>p?com=bic_icapwg</u>
- We are pleased to announce that NYISO's Training Team will be offering the, in-class, MT-201 New York Market Overview Course (NYMOC), June 16-19, 2015. The MT-201 NYMOC provides attendees the fundamental concepts of the NYISO markets and major programs. To register for the course, complete the registration process by June 4, 2015, at: <u>http://www.nyiso.com/public/services/market_training/nyiso_courses.jsp</u>.
- The NYISO's annual Joint Board of Directors and Management Committee Meeting will be held on Monday, June 15th, at The Sagamore Resort on Lake George in Bolton Landing, NY. Following the Joint Board/ MC Meeting, a Management Committee meeting will be held on Tuesday, June 16th, also at the Sagamore Resort.

Meeting Summaries:

<u>Thursday, April 23, 2015</u> Market Issues Working Group CTS with ISO-NE Tariff Revisions



Mike DeSocio of the NYISO presented the proposed revisions to the tariffs and the Joint Coordination Agreement with ISO-NE for the CTS with ISO-NE implementation. The OATT and MST were updated as below:

- *OATT* 6.1, 6.2, and 6.5 *Ministerial Changes for defining which transactions are exempt from certain fees*
- OATT 16.3 Ministerial Cleanup
- *MST Section 4.4.4 Updates for CTS Enabled Proxies at NE buses*
- *MST Section* 17.1.6 *Ministerial Change to the definition of Interface ATC Constraint.*

Mr. DeSocio noted several changes to the body of the Joint Coordination Agreement (Agreement) with ISO-NE. The changes were presented in a list. A Schedule D was added to the Agreement to provide detail for the CTS with ISO-NE process. To see the complete presentation by Mr. DeSocio, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_mate rials/2015-04-23/agenda%202%20CTS%20with%20ISO-NE%20Tariff%20Revisions.pdf

Comprehensive Shortage Pricing – Pricing Data Changes Update

Ethan Avallone of the NYISO presented an update to the changes to the pricing data on the NYISO website and Public Datamart associated with Comprehensive Shortage Pricing. The update provided more detail on the dates when the pricing data changes would take place, in order to provide advance notice to market participants to allow for modification of their corporate software in anticipation of the revisions. Mr. Avallone differentiated between the changes that will take place upon the deployment of the Comprehensive Shortage Pricing into the NYISO system and the activation of the software. Mr. Avallone detailed the changes to the OASIS pages and the DSS Public Datamart. A schedule of next steps was provided with the activation scheduled for November 2015. To see Mr. Avallone's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_mate rials/2015-04-

23/agenda%204%20Comprehensive%20Shortage%20Pricing%20April%20MIWG%20FINAL.pdf

Reference Level Manual Changes

Giacinto Pascazio of the NYISO presented the revisions to the Reference Level Manual. Mr. Pascazio detailed changes to the following sections of the manual:

- 6.3.1: Documentation Needed to Assert Higher Fuel Commodity Cost
- 6.3.2 : Bidding, fuel procurement and reference updates in the presence of gas balancing costs or Operational Flow Orders
- 6.3.3: MMA Evaluation of Gas-fired Generators' Fuel Cost
- 6.3.4: Gas Procurement Costs for Generators Committed to Meet Reliability Needs

A redline version of the manual was provided for additional clarity. Mr. Pascazio gave a preview of the upcoming revisions to Attachment H of the tariff including:



- Rules addressing generator requests to recover "unauthorized" natural gas use charges
- Revision of guarantee payment impact test threshold for reliabilitycommitted ROS units that submit inaccurate fuel cost information
- Clarifying sanctions for inaccurate submission of fuel cost information related to minimum generation MWs that have a guarantee payment impact
- Clarifying options for addressing inability to timely include RT fuel cost updates in generator reference levels

The changes will be presented at the MIWG again on May 20, 2015 for final discussion prior to proceeding to the BIC and MC for governance action. To see Mr. Pascazio's complete presentation, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_miwg&directory=2015-04-23

Comprehensive Scarcity Pricing

Ethan Avallone of the NYISO presented the Comprehensive Scarcity Pricing proposal. Mr. Avallone explained that the proposal will include the value of SCR/EDRP resources within the optimization process. Under the proposal, scarcity reserve regions will be in effect during SCR/EDRP events and include only the zone(s) where demand response resources are activated. Mr. Avallone detailed how a scarcity reserve requirement within each scarcity reserve region will be based on the expected load reduction of SCR/EDRP resources for the scarcity reserve region. This will ensure that the market model will more accurately reflect system conditions during these events. An example was provided to clarify how the process and pricing will function. There will be additional presentations of the Comprehensive Scarcity Pricing proposal through June 2015 with a Consumer Impact Analysis pending prior to the expected July 2015 governance action. To see Mr. Avallone's complete presentation, please go to: http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_mate rials/2015-04-

23/agenda%205%20Comprehensive%20Scarcity%20Pricing%20April%20MIWG%20FINAL.p df

BTMG Cost Allocation for BTM Loads

Pradip Ganesan of the NYISO initiated a discussion on the cost allocation for Behind the Meter: Net Generation (BTM:NG) loads. Stakeholders have indicated that the discussion of cost allocation is an important aspect of the BTM:NG initiative. Mr. Ganesan listed the ancillary services that are charged to wholesale loads, which have averaged \$1.66/MWh over the last five years. Some stakeholders expressed the opinion that recovery of costs from BTM:NG loads was strictly a retail issue and therefore under the jurisdiction of the NYS Public Service Commission. The NYISO accepted all feedback for consideration and will continue to request input on the topic throughout the BTM:NG process. Comments can be sent to <u>Mdesocio@nyiso.com</u> and <u>Pganesan@nyiso.com</u>. To see Mr. Ganesan's complete presentation, please go to:



http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_mate rials/2015-04-23/agenda%206%20BTMG_MIWG_CostAllocation_042315.pdf

Broader Regional Market Metrics Report

David Edelson of the NYISO presented metrics for the Broader Regional Markets initiative for the month of March 2015. To see Mr. Edelson's presentation, please go to: <u>http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_mate</u>rials/2015-04-23/Monthly%20Report%20-Mar%202015.pdf

FERC Filings

<u>April 21, 2015</u>

NYISO filing of FERC Reporting Requirement No. 582 of total MW hrs transmission service in Interstate Commerce for Calendar Year 2014

April 20, 2015

NYISO filing, in compliance with a 3/19/15 Order, of tariff revisions to Special Case Resources (SCRs) rules.

FERC Orders

April 24, 2015

FERC order accepting Notice of Cancellation of Service Agreement No. 1916 among NYISO, NiMo, and Allegany Wind

<u>April 24, 2015</u> FERC order accepting amended and restated SGIA No. 1829 between NYISO and RG&E

April 22, 2015

FERC letter order accepting the amended LGIA (SA No. 1396) among NYISO, NYSEG and Sheldon Energy, LLC effective February 18, 2015, as requested

April 20, 2015

FERC order conditionally accepting a new operating reserve demand curve and revisions to the regulation service demand curve and transmission shortage costs values subject to a compliance filing providing the Commission with at least a two week notice of the actual effective date in November 2015

Link to FERC Filings and Orders:

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