

NYISO Consumer Interest Liaison Weekly Summary

April 6- April 10, 2015

Notices:

- The next MC Board Liaison meeting will be held on April 21, 2015 at Hunton and 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. Conference call Information will be circulated with the agenda.
- On April 9, 2015, FERC issued a notice of its intent to hold a technical conference on June 4, 2015 to "discuss policy issues related to the reliability of the Bulk-Power System." A formal agenda will be issued at a later date.
- The next MC Board Liaison meeting will be held on April 21 at Hunton and 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. Conference call Information will be circulated with the agenda.
- Please be advised that a **draft of the 2015 Load and Capacity Data Report** (also known as the "Gold Book") is now available for your review and comment and has been posted to the NYISO website at the link listed below.

http://www.nyiso.com/public/webdocs/markets_operations/services/planning/Documents _and_Resources/Planning_Data_and_Reference_Docs/Data_and_Reference_Docs/2015 _GoldBook_Draft.pdf

Please provide any comments by Friday, April 17. Comments can be provided by e-mail to <u>Market_Services@NYISO.com</u>

Meeting Summaries:

Tuesday, April 7, 2015

Installed Capacity Working Group

Competitive Entry Exemption Conference Call

Lorenzo Seirup of the NYISO presented proposed tariff language to stakeholders in response to the February 26, 2015 FERC Order directing the NYISO to make a compliance filing to include a competitive entry exemption in the buyer-side mitigation rules. The NYISO led a discussion



with stakeholders in an effort to receive feedback and answer stakeholder questions. The compliance filing will be made by April 13, 2015. To see the redline version of the proposed tariff language, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2015-04-

<u>07/CEE%20MST%2023%204%20FID987%20base%20CEE%20redline%20FERC%20Order%204-3-15%20AM.pdf</u>

Tuesday, April 7, 2015

Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee

Attachment Y Clean-Up

Carl Patka of the NYISO presented clean and redlined versions of the OATT Attachment Y sections. Mr. Patka has been meeting with stakeholders for several weeks in a continuing effort to refine the language in the tariff to comply with the NYISO Public Policy Transmission Planning Process (PPTPP). Mr. Patka answered stakeholder questions and accepted feedback to develop a final draft. The changes will be posted prior to BIC, April 15, OC, April 16 and MC, April 29, governance. To see the clean and redline versions of the associated tariff language, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_espwg&directory=2015-04-07

Public Policy Transmission Planning Process (PPTPP) Manual

Zach Smith of the NYISO presented the draft NYISO Public Policy Transmission Planning Process (PPTPP) manual. Mr. Smith introduced Section 8 of the manual, "Post-Selection Developer Requirements", which had been absent in prior presentations. Comments on the PPTPP manual are encouraged. The final draft version of the PPTPP manual will be presented at the April 22, 2015 ESPWG as a review prior to BIC and OC governance action in May 2015. To see the PPTPP manual and the associated attachments, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_espwg&directory=2015-04-07

Comprehensive Reliability Plan – Draft Report

Yachi Lin of the NYISO presented the draft Comprehensive Reliability Plan (CRP). Ms. Lin detailed revisions made to the Executive Summary of the report to incorporate stakeholder feedback received at previous ESPWG meetings. Stakeholders offered suggestions for minor changes to the language in the manual which the NYISO agreed to. The CRP will next be presented to the OC for approval. To see clean and redline versions of the Draft CRP, please go to: http://www.nyiso.com/public/committees/documents.jsp?com=bic_espwg&directory=2015-04-07

CARIS – Additional Metrics and Scenarios



Tim Duffy of the NYISO presented scenarios and additional metrics for the CARIS 1 process. Mr. Duffy began by presenting a target schedule for CARIS 1 development. The tariff Attachment Y, Section 31.3.1.5 was displayed as a guide to the types of scenarios the NYISO and market participants should develop for study. Mr. Duffy providing a listing of scenarios studied in the 2013 CARIS 1 process and proposed a list of scenarios for consideration in the 2015 study. The scenarios proposed by Mr. Duffy are suggestions to initiate stakeholder feedback and include:

- Higher Load Forecast
- Lower Load Forecast
- Athens SPS Out of Service
- Full NY-Sun Attainment
- Higher Natural Gas Prices
- Lower Natural Gas Prices Higher CO₂ Emissions Cost
- Higher Natural Gas Prices in Mid-State

Additional metrics to be considered in the study, per the tariff include a reduction in losses, LBMP load costs, generator payments, ICAP costs, emission costs and TCC payments. The NYISO will review the feedback presented at and following the meeting and develop a final draft set of Scenarios for ESPWG review and comment. Comments can be sent to lbullock@nyiso.com. To see Mr. Duffy's presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_mate_rials/2015-04-07/2015_CARIS%20Additional%20Metrics%20and%20Scenarios.pdf

2015 CARIS 1 Benchmark Results: Preliminary

Tim Duffy of the NYISO presented a report on the preliminary benchmark results from the 2013 CARIS 1 study. Actual 2013 market results were compared to backcasts for 2013 from the production cost model to be utilized in the 2015 CARIS 1 in the categories of:

- Energy produced
- Cost to loads
- Zonal LBMPs
- Imports
- Exports
- Revenues
- Congestion

The results of the benchmarking process assist the NYISO in the validation of forecasts and assumptions used for the CARIS 1 process. To see the preliminary benchmark results please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2015-04-07/2015_CARIS_I_Benchmark.pdf

Natural Gas Price Forecast: Revised Price Structure



Arvind Jaggi of the NYISO presented the revision to the structure of the natural gas price forecast to be utilized in the CARIS 1 pricing. In the 3/20/15 ESPWG the NYISO presented a "spike structure" that was characterized by

- higher amplitude price jumps during certain weeks complemented with negative spikes during others, and
- price separation across the gas regions, especially with respect to Downstate prices

 Stakeholders requested that the NYISO revise the "spike structure" such that it exhibited weekly volatility on a normalized basis. Mr. Jaggi presented a table in which normalization of identified week-clusters was conducted for the areas of Downstate, Upstate and Midstate. To see the data presented by Mr. Jaggi, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2015-04-07/Proposed%20Gas%20Price%20Spike%20Forecast.pdf

Wednesday, April 8, 2015

LCR Task Force

The LCR task force is investigating whether or not the methodology used by the NYISO to determine the LCRs could potentially be improved. At the March 5, 2015 meeting, Dana Walters and Greg Drake of the NYISO presented a review of the methodology used by the NYISO to determine the Locational Minimum Installed Capacity Requirements (LCRs). The NYISO receives the Installed Reserve Margin (IRM) from the New York State Reliability Council (NYSRC) which is calculated in accordance with Policy 5. The NYISO then calculates the LCR using Policy 5 as a guideline. At this meeting, Mr. Walters stressed the need to decide an objective for the group to focus on for the alternatives to the LCR methodology. To initiate stakeholder discussion, Mr. Walters introduced the following methods that could be employed:

- Continue with current methodology
- Minimize Cost: Explore methodologies to set LCRs for J, K and G-J with the objective of minimizing the NYCA-wide capacity procurement costs
- Minimize total MW: Explore methodologies to set LCRs for J, K and G-J with the objective of minimizing the NYCA-wide MW requirement
- Lowest Possible G-J: Retain J and K "as found" and determine the minimum G-J
- Other ideas

Stakeholders suggested that valuable data that could help determine an improved methodology could be gained if the NYISO would perform studies using alternative methodologies. The NYISO responded that performing studies will require an extensive use of resources and should be undertaken with a clear sense of purpose. The NYISO will consider the stakeholder feedback received at and after this meeting and return to the LCR Task Force for further discussion.

Thursday, April 9, 2015

System Operations Advisory Subcommittee



NYISO Operations Report – March 2015

Peak Load

The peak load for the month was 23,122MW which occurred on Monday, March 5, 2015, HB18. Reserve requirements were as follows:

Reserve	10 Sync	Non-Sync	30 Min
Requirement	655	1,310	1,965
For Hour	1,484	2,575	4,555
DSASP Cont.	109	0	109

Major Emergencies

None

Alert States -- On 28 occasions Alert State was declared:

- 1 System Frequency 1 Low, 0 High
- 1 Shortage of 10 Min Synchronized Reserve
- 1 Actual Flow exceeding LTE for less than 5 Min
- 1 Actual Voltage below pre-contingency low limit
- 2 Exceeding Central East Voltage Contingency Limit
- 2 Exceeding Transient Stability Limit
- 19 Emergency Transfer Declared
- 1 FCI (SMD) Activity

Alert state was declared 22 times during March 2014

Thunder Storm Alerts – 1 (8 hours)

Reserve Activations – 9

Emergency Actions – SCR Test 3/3/2015

TLR3 Declared – 1 for a total of 5 hours

FERC Filings

April 9, 2015

NYISO filing, on behalf of National Grid, of a notice of cancellation of Cost Reimbursement Agreement No. 1823 between Niagara Mohawk and Athens Generating Company

FERC Orders

April 10, 2015

FERC deficiency letter regarding NYISO's proposed revisions to the Services Tariff Rate Schedule 2 concerning the voltage support service compensation rate

Link to FERC Filings and Orders:

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