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# Consumer Interest Liaison Weekly Summary

## February 24 – February 28, 2013

### Notices:

- The NYISO Market Training Department is offering a one day MT-101 Market Overview Course on Tuesday, March 11, 2014, from 8:30 AM to 4:30 PM at the NYISO at 10 Krey Boulevard Rensselaer, NY 12144.
- The NYISO Market Training Department is offering a three and a half day MT-201 New York Market Orientation Course (NYMOC). The course begins on March 18, 2014, and ends on March 21, 2014. On March 18-20 the course runs from 8:30 AM to 4:30 PM, and on March 21 the course runs from 8:30 AM to 12 Noon. It is being held at the NYISO at 10 Krey Boulevard Rensselaer, NY 12144.
- On April 1, 2014 FERC will host a technical conference to explore the impacts of recent cold weather events on the RTOs/ISOs, and discuss actions taken to respond to those impacts. The conference will look across multiple RTO/ISO regions to inform the Commission of the challenges posed by these cold weather events. Discussion will focus on a number of issues, including: the impact of cold weather events on operational planning and real-time operations, market prices and performance, and regional infrastructure; the actions taken in response to those impacts; gas procurement; and lessons learned that can be shared between regions and applied in future events. A supplemental notice will be issued prior to the technical conference with further details regarding the agenda and organization of the technical conference.
- For those interested in the March 28th IPSAC meeting, please visit the link below to register.  
<http://www.pjm.com/committees-and-groups/stakeholder-meetings/stakeholder-groups/ipsac-ny-ne.aspx>

<b>Committee:</b> NY/NE IPSAC	<b>Teleconference Passcode:</b> 332134
<b>Date of Meeting:</b> Friday, March 28, 2014	<b>WebEx Address:</b> <a href="https://pjm.webex.com">https://pjm.webex.com</a>
<b>Time of Meeting:</b> 9:00 a.m. – 12:00 p.m.	<b>WebEx Passcode:</b> ips0328pjm
<b>Location:</b> CTC for PJM Staff only	<b>Registration Status:</b> <b>OPEN</b>
<b>Attendance Options:</b> teleconference	<b>Registration Due Date:</b> 03/27/2013
<b>Teleconference Number:</b> 866-398-2885	



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## **Meeting Summaries:**

### **Tuesday, February 25, 2014**

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

##### **Follow up on Hurdle Rate Discussion**

Tim Duffy of the NYISO, presented a follow up to the February 6, 2014 ESPWG presentation on Hurdle Rates to be used in the 2013 CARIS Phase 1. This presentation was in response to stakeholders raising the issue of using historical data to establish Hurdle Rates rather than the NYISO Tuned Data. Historical Hurdle Rate data was compared to the NYISO Tuned Data for import and export transactions. Based on this comparison, Mr. Duffy determined that Tuned Data produced more accurate results. The NYISO found the difference in NYCA-wide production cost savings to be immaterial relative to total system wide production cost. Stakeholders requested the NYISO consider seasonal differences in the study and the NYISO committed to reviewing this possibility. To see Mr. Duffy's complete presentation, please see:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2014-02-25/Agenda%2002%20-%20Hurdle%20Rates%20Follow%20Up.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2014-02-25/Agenda%2002%20-%20Hurdle%20Rates%20Follow%20Up.pdf)

##### **Revised Economic Planning Manual**

Tim Duffy of the NYISO presented the initial draft proposal for the revision of the Economic Planning Manual. This revision is a reformatting of the existing manual to provide consistency with the Reliability Planning and Public Policy Planning manuals. As the entire manual has been revised, a redline version was not provided. Stakeholders requested the NYISO return to the next ESPWG with a method of highlighting material changes to the manual. In the presentation of Section 2.1.2, Post-CRP Reliability Issues, stakeholders expressed concern that there is a need for increased flexibility for events identified as reliability issues after the RNA process is completed. Mr. Duffy explained the method the NYISO employs in this situation and suggested that stakeholders submit comments on alternative methods. The NYISO will return to future ESPWG meetings with further revisions and a final version is anticipated for May, 2014 governance approval. To see the current version of this manual, please see:

[http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2014-02-25/Agenda%2003\\_M-35\\_Economic%20Planning%20Process%20\(CARIS\).pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2014-02-25/Agenda%2003_M-35_Economic%20Planning%20Process%20(CARIS).pdf)

##### **Alternative Proposal for Maintaining a Reliable Base Case in CARIS**

Andrea Fossa presented an alternative proposal for maintaining a reliable Base Case in the CARIS study. Mr. Fossa conveyed NYPA's concern that potential changes to the NYCA system, such as Mothball or Retirement Notices, received after the completion of the NYISO



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RNA study, are not properly reflected in the CARIS process. The NYPA proposal incorporates an April 25, 2013 New York Transmission Owner (NYTO) proposal. The primary fundamentals of the NYPA position are listed below:

- In a case where a unit sends a notice of intent to mothball/retire between the CRP and the CARIS locking dates and no reliability needs are identified, the NYISO should remove the unit from the base case at the noticed date.
- In a case where reliability needs are identified:
  - Leave the unit in the base case for no more than 5 years (unless there is a specific timeline in which the unit is contracted to run) based on the evidence of type infrastructure replacement that will be made;
  - After the unit is retired, the NYISO will translate the MW deficiencies into load zones compensatory MWs of resources that could satisfy the needs. Compensatory MWs should reflect either generating capacity, demand management, transmission additions or combinations
  - The NYISO should perform transmission security analysis (N-1 condition) so that compensatory MW will include a resource adequacy and, eventually, a transmission security component.

The NYISO responded by explaining that the study required to satisfy the requirements of the NYPA proposal could take approximately eight to nine months. This would not allow the CARIS study to be completed in the time frame necessary. The NYISO stated the best way to accommodate changes after the completion of the RNA would be to include the changes as scenarios in the study. To see the complete NYPA proposal as presented, see: [http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2014-02-25/Agenda%2008%20-%20NYPA%20Presentation.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2014-02-25/Agenda%2008%20-%20NYPA%20Presentation.pdf)

#### Proposed Revisions to the Reliability Planning Process Manual

Howard Tarler of the NYISO presented the proposed revisions to the Reliability Planning Process (RPP) and the Public Policy Planning Manuals. These Manuals are being revised and reformatted for consistency with the Economic Planning Manual while incorporating process changes due to FERC Order 1000. As entire Manuals have been reformatted, it was not possible to present a redline version. Mr. Tarler presented a section by section review of the draft manuals while highlighting material process changes. Technical Bulletins 171 and 188 have been incorporated into the RPP manual and retired. New attachments are being prepared to facilitate developer qualification and qualifications/information for proposed projects and will be presented in a future ESPWG meeting. The NYISO agreed to a stakeholder request that the NYISO prepare a timeline of the CRP process to be presented at a future ESPWG meeting. The NYISO is requesting comments on the draft manual proposals be sent to [bullock@nyiso.com](mailto:bullock@nyiso.com) for consideration.

To see Mr. Tarler's presentation and a copy of the draft manual, please see:

[http://www.nyiso.com/public/committees/documents.jsp?com=bic\\_espwg&directory=2014-02-25](http://www.nyiso.com/public/committees/documents.jsp?com=bic_espwg&directory=2014-02-25)



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### Transmission Security Cost Allocation

Zach Smith of the NYISO presented the issue of transmission security cost allocation for transmission projects that resolve transmission security violations, other than those that also resolve resource adequacy issues. There is currently a placeholder in the tariff stating that the NYISO “will address through its stakeholder process the development of a methodology to allow for the allocation of costs of transmission solutions to thermal or voltage security issues.” The objective of this process is to develop a methodology to allocate the costs of bulk thermal security (N-1-1) to transmission customers which contribute to the thermal overload, based on their relative contribution. Mr. Smith presented the following concept:

- N-1-1 analysis results in a single NYCA-wide optimized generator dispatch
- Using that generator dispatch with the most severe first and second contingencies applied to the model, determine how much each load or transmission customer contributes to the power flow on the overloaded element

The method to accomplish this goal is proposed as:

1. Apply the most severe contingency pair to the model with the associated optimized generator dispatch
2. Identify the Contributing Loads
  - a. For each load or transmission customer, increase by 1 MW while simultaneously increasing all supply generation by a total of 1 MW. Each supply generation unit participates relative to that unit’s dispatch (i.e., the higher the dispatch, the greater that unit participates)
  - b. Monitor the change in flow on the overloaded element. This change in flow divided by the change in load (1 MW) is the Transfer Distribution Factor (TDF).
  - c. The load or transmission customer is a Contributing Load if TDF is positive (i.e. flow increases in direction of nominal flow on overloaded element). The TDF represents the percentage of that load that contributes to the flow on the overloaded element on a per-megawatt basis.
3. Calculate each zone, subzone, or transmission customer (export, wheel-through) contributing MW
  - a. For each Contributing Load, multiply TDF by size of load in MW.
  - b. Sum contributing MW for all loads for each zone, subzone, or transmission customer
4. Calculate allocation for each zone, subzone, and transmission customer
  - a. Divide the total contributing MW for each zone, subzone, and transmission customer by the total of all Contributing Load MW.

In response to stakeholders’ requests the NYISO agreed to return to a future ESPWG with examples to provide clarity of the issue. The next steps by the NYISO are to provide the above mentioned examples, develop tariff language and continue to develop the proposal through additional stakeholder meetings in preparation for an anticipated August



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governance approval. Comments on the process are welcome and can be sent to [lbullock@nyiso.com](mailto:lbullock@nyiso.com). To view Mr. Smith's presentation, please see: [http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2014-02-25/Agenda%2005%20-%20TS\\_cost\\_allocation.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2014-02-25/Agenda%2005%20-%20TS_cost_allocation.pdf)

#### 2014 Gold Book Schedule

Arthur Maniaci of the NYISO presented the 2014 Gold Book schedule. The Gold Book is also known as the Load and Capacity Data Report. March 15 is the due date for notification of changes to generation units and transmission lines. This date is followed by the April 1 FERC 715 filing date. A draft Gold Book will be posted on April 9 with the final Gold Book release date of April 19. This schedule is posted with the meeting materials at: [http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2014-02-25/Agenda%2006 ESPWG 2014 GB Schedule.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2014-02-25/Agenda%2006 ESPWG 2014 GB Schedule.pdf)

#### Summary of Recent NY Demand Side Activity

Arthur Maniaci of the NYISO presented an overview of how demand side activity is expected to affect the NYISO load forecast. Mr. Maniaci detailed the following programs:

- *Energy Efficiency*
  - *EEPS 2008 to 2013 achievements*
  - *Current projections*
- *Renewable Energy (Solar PV)*
  - *RPS - Customer-Sited Tier*
  - *New York Sun Initiative*
- *Distributed Energy Resources*
- *Green Bank*

Mr. Maniaci presented the current state of each program and how the NYISO will incorporate the effects of the programs into future load forecasts. To see the specific details of Mr. Maniaci's presentation, please see: [http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_espwg/meeting\\_materials/2014-02-25/Agenda%2007 ESPWG 2014 DSM Summary.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2014-02-25/Agenda%2007 ESPWG 2014 DSM Summary.pdf)

#### **Thursday, February 20, 2014**

##### **Management Committee**

##### **Motion #1:**

Meeting Minutes December 18, 2013

**The motion passed unanimously**

##### **Motion #2:**

The Management Committee ("MC") hereby recommends that the Board of Directors authorize the NYISO to file with the Federal Energy Regulatory Commission, pursuant to Section 205 of the Federal Power Act, the proposal "Defining Outage States to Include Mothball Outage," including the accompanying tariff revisions, as presented and revised



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at the MC on February 27, 2014.

**The motion passed with 73.12% affirmative votes**

### **Friday, February 28, 2014**

#### **Joint Price Responsive Load/Installed Capacity Working Group**

##### **Proposed ICAP Manual Revisions Related to the Changes to Concepts for Provisional ACL Project**

Donna Pratt of the NYISO presented the proposed revisions to the ICAP Manual related to the Provisional and Incremental ACL changes resulting from a conditional FERC order in December of 2013 and a subsequent January 2014 compliance filing. The revisions involve changes to:

- *SCR Load Zone Peak Hours*
- *Average Coincident Load*
- *Provisional Average Coincident Load*
- *Incremental Average Coincident Load*
- *SCR Change of Load and SCR Change of Status*
- *Sanctions, shortfalls, deficiency charges*

Ms. Pratt began her presentation by recommending that Market Participants attend the upcoming, March 4 DRIS Training the NYISO is offering. The revisions presented in this meeting relate primarily to the enrollment and registration functions as the new process will be incorporated into the upcoming Summer 2014 Capability Period enrollment process. The additional affected sections will be the subject of the March PRLWG meeting, as well as incorporating feedback from prior presentations. Ms. Pratt presented changes to the ICAP Manual by conducting a page by page review of the affected sections. Several references to tariff locations have been introduced to the manual to enhance clarity. When the subject of new test hours was presented, stakeholders expressed a desire to have Summer Capability hours defined in the manual as well as Winter. NYISO agreed to reword the section and present the revision to the March PRLWG. Stakeholders also commented that the way Section 4.12.2 was worded could potentially hold RIPS liable for resource compliance with federal, state and local laws and regulatory requirements. The NYISO agreed to review the section. The next step in this process is to return to the March PRLWG with stakeholder comments received incorporated into the manual while moving forward with additional proposed manual language not yet presented. Ms. Pratt stated that a Technical Bulletin, which will be used to assist stakeholders with the new enrollment process while awaiting the approval of revisions to the manual, will be posted the week of March 4 for the stakeholder review process. The manual is expected to be submitted to the April BIC for governance approval. To see Ms. Pratt's complete presentation, as well as specific manual language revisions, please see:

[http://www.nyiso.com/public/committees/documents.jsp?com=bic\\_prlwg&directory=2014-02-28](http://www.nyiso.com/public/committees/documents.jsp?com=bic_prlwg&directory=2014-02-28)

### **FERC Filings**

**February 27, 2014**



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NYISO filing of a request for rehearing of FERC's January 28 decision on the NYISO's proposal to phase-in the price impacts of the new G-J Locality ICAP Demand Curve

February 24, 2014

NYISO compliance filing of tariff revisions to fully implement the ICAP Demand Curve for the G-J Locality for the three Capability Years without any phase-in adjustment

## **FERC Orders**

February 28, 2014

FERC order denying NYISO's request for an extension of time to file tariff revisions regarding the participation of behind-the-meter generation in the Day Ahead Demand Response Program

### **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)