

Consumer Interest Liaison Weekly Summary

January 20 - January 24, 2013

Notices:

- Due to a scheduling conflict with a full day EIPC meeting, the MC meeting scheduled for February 24 is being moved to February 27.
- The January 29 Management Committee Meeting has been cancelled. The monthly reports are posted under the MC meeting material at:
 http://www.nyiso.com/public/committees/documents.jsp?com=mc&directory=2014-01-29
 The next meeting will be held on February 27.
- Please find below details for the January 31, 2014 Webinar of the EIPC Stakeholder Steering Committee. The Webinar will be held from 10:00 AM EPT to 11:30 AM EPT.

Meeting materials, including an agenda, will be distributed and posted prior to the meeting.

- o Date of Meeting: Friday, January 31, 2014
- Time of Meeting: 10:00am 11:30am
- o Teleconference Number: 866-398-2885
- o Teleconference Passcode: 327265
- WebEx Address: https://pjm.webex.com
- WebEx Passcode: eipc0131pjm
 - Registration Status: OPEN (Via Survey Monkey)
- o Registration Due Date: 01/30/2014

Registration can be accessed via the below link:

https://www.surveymonkey.com/s/eipc-ssc-webinar

- The NYISO is making the market aware that on January 23, 2014, the Niagara Generation LLC's
 Niagara Generation Biomass Plant located in Niagara Falls, NY, has returned from Mothball status as
 described in the Generator's notification letter to the New York Independent System Operator dated
 January 21, 2014, and will resume participating in the NYISO markets.
- 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.
- Based on stakeholder feedback, the 2014 End Use Consumer Sector meeting is scheduled for Tuesday, April 8 at the Holiday Inn – 205 Wolf Road, Albany, NY from 10 a.m. – 2:00 p.m. Please be sure to add this date to your calendar as we look forward to having another successful discussion at your sector meeting.
- Due to a lack of agenda topics, the February 3, 2014 TPAS meeting has been cancelled. The next TPAS meeting is scheduled on March 3, 2014.



Meeting Summaries:

Wednesday, January 22, 2014

Joint Installed Capacity/Price Responsive Load Working Group

Provisional ACL - Reporting Summer 2013 Verification Data

Vijaya Ganugula of the NYISO presented an update on reporting Summer 2013 verification data. The new rules for the Capability Period SCR Load Zone Peak Hours will be applicable for SCR enrollments starting with Summer 2014. There will be two different sets of SCR Load Zone Peak Hours from the Summer 2013 that are posted to the NYISO website, each serving a different purpose. Current rules for SCR Load Zone Peak Hours should be used for submitting the verification data for SCRs that were enrolled with a Provisional ACL in Summer 2013 and/or Winter 2013-2014 using the top 40 hours based on the current range of HB13 – HB18 with the current exclusion rules for events and tests. These are posted on the NYISO website as "PROVISIONAL ACL VERIFICATION Summer- 2013 Top 40 SCR Load Zone Peak Hours for Provisional ACL Verification". The top 40 Hours based on the new range of HB11 - HB19 including the new exclusion rules for events and tests should be used for submitting the ACL data for Summer 2014 enrollments based on the new rules. These are posted on the NYISO website as "ENROLLMENT - Summer 2013 Top 40 SCR Load Zone Peak Hours for Summer 2014 ACL Enrollment". Mr. Ganugula explained how Transmission Owners would report TO Add Backs. A similar posting of two different sets of SCR Load Zone Peak Hours will occur for the Winter 2013 – 2014 Capability Period. To see Mr. Ganugula's complete presentation, please see:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic icapwg/meeting materials/2014-01-22/Provisional%20ACL%20-%20Reporting%20Summer%202013%20Verification%20Data.pdf

External ICAP Allocation for the 2014 through 2015 Capability Year

Frank Ciani of the NYISO presented the results of the study to determine the maximum amount of import capacity that will be allowed from external free flowing interfaces. Mr. Ciani displayed a diagram that portrays the various interface ratings and the relationship to flow patterns into the NYCA. The study used the initial MARS database used in the 2014-2015 IRM as updated for the LCR study. The grandfathered imports were modeled consistent with the IRM study. The goal of the study is to maximize the total imports allowed simultaneously without violating the individual area import limit and the LOLE criterion. At the request of stakeholders, the NYISO agreed to review the values stated in the report before presenting to the BIC proposed ICAP Manual revisions stating the import limits for the 2014-2015 Capability Year. The study resulted in a final import limit of 2,490MWs. The NYISO discussed that that limit is subject to the import deliverability analysis, which can further limit the amount of imports.



ICAP Manual Revisions on External ICAP Import Rights Limits for the 2014-2015 Capability Year. To see the NYISO presentation, please see:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic icapwg/meeting materials/2014-01-22/NYISO Import Rights 2014 2015.pdf

ICAP Manual Changes – Addressing Capability Year 2014-2015 Import Rights Limits Mariann Wilczek of the NYISO presented proposed ICAP Manual revisions to incorporate the import rights limits for the 2014-2015 Capability Year, and related ministerial changes. These revisions will be presented at the February 12 BIC and proposed for a vote. The proposed Import Rights Limits determined by the NYISO for the 2014-2015 Capability Year have been incorporated into Section 4.9.6, of the ICAP Manual and are posted with the meeting materials for review. To view the complete changes see: http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_

Thursday, January 23, 2014

Joint Electric-Gas Coordination Working Group/Interregional Planning Task Force EIPC "Non-Grant" Study

Zach Smith of the NYISO presented a discussion on the EIPC Roll-Up Report and Scenarios. Mr. Smith defined the Planning Authority (PA) responsibilities including:

- Create and modify steady-state load-flow models
 - o Develop 2018 and 2023 summer peak models
 - o Prepare 2018 and 2023 roll-up documentation
- Conduct steady-state load-flow analysis
- Identify any reliability enhancements needed
 - o "Gap Analysis"
- Perform transfer analysis
- Prepare roll-up report

Mr. Smith then presented an overview of the model assumptions utilized for the process. Gap Analysis was defined and it was reported that the NYISO had no "Gaps" with neighboring Control Areas. A Linear Transfer Analysis was performed and Areas and Transfers were defined. The Roll-Up Report was posted on the EIPC web site on December 6. 2013 at:

http://www.eipconline.com/Non-DOE Documents.html . Stakeholders can comment on the report through January 31, 2014. Mr. Smith presented the principles and guidelines for scenarios to study in 2014. Sample scenarios were discussed with stakeholders to provide a more clear understanding and solicit stakeholder feedback. Stakeholder comments are due on possible scenarios by January 31, 2014. The EIPC will host a Webinar to discuss stakeholder feedback on scenario options on February 26, 2014. Final scenario descriptions and a 2014 schedule will be posted on March 28, 2014. NYISO stakeholders are required to have completed the NYISO CEII Request Form and Non-Disclosure



Agreement for access to EIPC models. To view Mr. Smith's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic egcwg/mee ting materials/2014-01-06/NYISO IPTF 2014-01-06 EIPC Roll-Up.pdf

<u>EIPC Gas-Electric Interface Study Target 2: Scenarios and Sensitivities</u>
John Buechler of the NYISO described Target 2 of the EIPC Gas-Electric Interface Study including the scenarios and suggestions for potential sensitivities. Mr. Buechler also provided an overview of the four Study Targets:

- Target 1:
 - Develop baseline assessment, including descriptions of the natural gas-electric system interfaces, interaction effects, specific drivers of the pipeline/LDC planning process
- Target 2:
 - Evaluate the capability of the natural gas systems to meet individual and aggregate core and non-core gas demand over a 5- and 10-year horizon
- Target 3:
 - o Identify contingencies on the natural gas system that could adversely affect electric system reliability, and vice versa
- Target 4:
 - Review the operational / planning issues affecting the availability of dual fuel capable generation, including fuel assurance objectives

Flowcharts were displayed to illustrate the interaction of the Electric Simulation model and the Natural Gas System model. Three scenarios were presented and defined, as follows:

- Reference Gas Demand Scenario
 - Continuation of current market conditions with reasonably expected changes consistent with PPA resource planning processes
- High Gas Demand Scenario
 - o Increased coal plant attrition, competitive gas-to-coal price parity assumptions
 - o Represents a plausible maximum gas demand
- Low Gas Demand Scenario
 - Higher delivered gas prices, slower electricity demand growth, higher-thanexpected growth in renewables
 - o Represents a plausible minimum gas demand

Mr. Buechler described the potential sensitivities and how they could be applied to the various scenarios and noted that there will be additional opportunities for stakeholder input –including SSC Webinars on Jan 31st and Feb 28th before the sensitivities are finalized in mid-March. Stakeholder feedback was received by the NYISO.

A schedule for the entire Gas-Electric Study process was presented culminating with the completion of work on all four Targets by the end of 2014. A separate schedule was given for NYISO IPTF/EGCWG meetings with approximate dates to coincide with the EIPC schedule and other interregional activities. To view Mr. Buechler's complete presentation,



please see:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic egcwg/meeting materials/2014-01-

06/EIPC%20G%20E%20Study%20for%20Jan%206%20IPTF%20EGCWG%20FINAL.pdf

<u>Update on CARIS Phase 2 Base Case Development Economic Planning Manual Capacity Metric Analysis</u>

Tim Duffy of the NYISO presented an update on the 2014 CARIS Phase 2 progress. The NYISO is updating the Assumption Matrix. Areas under review are:

- Fuel Prices
- Emission Forecast
- Load Forecast
- Generation and Transmission Updates
- Retirement and Mothball Treatment

Mr. Duffy stated that the NYISO expected to have material prepared for a discussion on Hurdle Rates at the February 6 ESPWG meeting. The Economic Planning Manual is under revision and proposed updates will be brought to future ESPWG meetings for stakeholder review and discussion.

FERC Filings

January 22, 2014

NYISO filing of a request for limited, temporary waiver of tariff provisions establishing bid restrictions

January 21, 2014

NYISO filing of an answer to the Hudson Transmission Partners' request for rehearing and clarification in the HTP v. NYISO proceeding regarding BSM Rules

<u>January 21, 2014</u>

NYISO filing of a limited answer to Indicated Suppliers answer and TC Ravenswood request for evidentiary hearing in the Demand Curve reset proceeding

January 21, 2014

NYISO filing of petition for temporary waivers of certain tariff provisions related to determinations that the NYISO expects to make in the near future under the BSM Rules

<u>January 21, 2014</u>

NYISO filing of a motion to intervene and comments in support of NYSRC's proposal of a 17.0% Installed Reserve Margin for the New York Control Area for the 2014/2015 Capability Year



FERC Orders

January 23, 2014

FERC letter order accepting interconnection study process revisions regarding the evaluation of increases in the energy capability of existing generating facilities

Link to FERC Filings and Orders:

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