

Consumer Interest Liaison Weekly Summary

March 10 - March 14, 2014

Notices:

• 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

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

- 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.
- In preparation for the April 22, 2014 End Use Sector Meetings, the NYISO requests your input on meeting topics. To help facilitate the discussion we ask that you please provide specific detailed questions along with the topic. Please send topics and questions to Debbie Eckels (deckels@nyiso.com) no later than Friday, March 21st.

Meeting Summaries:

Tuesday, March 11, 2014

Joint Electric System Planning /Electric Gas Coordination Working Group/Transmission Planning Advisory Subcommittee/Inter-Regional Planning Task Force



Revised Economic Planning Manual - Phase 2

Tim Duffy of the NYISO presented proposed revisions to the NYISO Economic Planning Manual for the second time. Mr. Duffy presented a redlined version of the manual revisions presented at a previous ESPWG. Stakeholders had several comments and expressed the desire to see their comments included for review at the next ESPWG meeting. A waiver was proposed for the next ESPWG posting time requirements to allow more time for stakeholders to fully vet the proposal and provide their input. Stakeholders raised the question of how the recent proposal on mothballs and other outages n approved at the February 27 Management Committee would relate to the assumption matrix for the economic planning process. Due to the complexity and importance of this issue, stakeholders requested that separate time be allotted in an upcoming ESPWG meeting to allow for a comprehensive discussion of this issue. The NYISO agreed to take back the request. Comments are requested prior to the next ESPWG scheduled for March 27, 2014. To see the clean and redlined version of the Economic Planning Manual, please see http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20">http://www.nyiso.com/public/committees/documents.jsp

RNA Schedule

Howard Tarler of the NYISO presented the preliminary schedule for the 2014 Reliability Needs Assessment process. The timeline highlighted various milestones culminating with approval from the Board of Directors in September of 2014. To see the schedule, please see:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic egcwg/meeting materials/2014-03-11/2014 RNA schedule.pdf

RNA Assumption Matrix

Howard Tarler of the NYISO presented the assumption matrix for the 2014 RNA study. The assumption sources are the same as used in the 2014 Installed Reserve Margin (IRM) study conducted in 2013 and presented to the New York State Reliability Council, with the data updated for 2014. Stakeholders had several questions on the treatment of resources for the study, such as:

- Dunkirk Repowering
- Mothball, ICAP Ineligible Forced Outage
- TOTS projects

Mr. Tarler explained that proposed generation and transmission would be subjected to the inclusion rules established for the RNA process. Issues that are not covered by the inclusion rules would be addressed through future ESPWG discussions with stakeholders. Mr. Tarler stated that there would be much greater detail offered for the assumptions at the March 27, 2014 ESPWG meeting. To see the assumption matrix as presented by the NYISO, please go to:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic egcwg/mee ting materials/2014-03-11/2014 RNA Assumption Matrix.pdf



EIPC Non Grant Update

Zach Smith of the NYISO presented an update on the EIPC non grant study. The NYISO has received suggested scenarios, as requested, and submitted them to the EIPC planning authorities for review. On March 25, 2014, there will be a webinar to discuss scenarios with stakeholders. After the webinar, the NYISO will file final comments that are due by March 28, 2014 for consideration by the planning authorities in their decision. Mr. Smith noted that comments from the Department of Public Service (DPS) clarifying DPS positions have been posted. In response to a stakeholder question on the public posting of all received comments, Mr. Smith will follow up with EIPC planning authorities to determine whether all comments received will be posted and will report back to the ESPWG with their response.

EIPC Gas Electric Study -- Target 2

John Buechler of the NYISO presented an update to the EIPC Gas Electric Study. The Target 1 draft report was posted on February 21, 2014 with comments due on March 14, 2014. The report is anticipated to be completed and posted as a final version on April 1, 2014. The EIPC has decided to provide additional time to stakeholders to review and comment on the initial analysis results from the scenarios before selecting sensitivities. The previous deadline for comments on the first set of sensitivities (March 11, 2014) has been extended to March 21, 2014. A webinar has been scheduled for May 7, 2014 to discuss the status of Target 2 and the second set of sensitivities. There will be a meeting scheduled to finalize the second set of sensitivities at the end of June, 2014. In response to stakeholder's questions, Mr. Buechler explained that there was more in-depth information provided on the scenario assumptions in the December Levitan report that is related to the sensitivities. To view Mr. Buechler's presentation which includes the list of potential sensitivities, please go to:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic egcwg/mee ting materials/2014-03-11/EIPC%20G%20E%20Study.pdf

Revised Reliability Planning Manual

Howard Tarler of the NYISO presented revisions to the proposed Reliability Planning Manual. Mr. Tarler led a section by section discussion of the revisions to the Manual. Stakeholders questioned why the Electric Gas Coordination Working Group (EGCWG) should be engaged in this process. Mr. Tarler explained that it is possible the NYISO will be coming forward with an extreme weather scenario, which could involve input from the EGCWG. Several stakeholders indicated they would be submitting comments and there was an emphasis placed on comments relating to the first four sections of the manual at this time. Stakeholders proposed requesting a waiver of the posting time requirement for the next ESPWG in order to allow market participants more time to fully vet the proposed manual revisions and submit input. Mr. Tarler took the stakeholders request under consideration and committed to responding to them at the March 27 ESPWG. To see the



proposed Reliability Planning Manual, please go to:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_egcwg&directory=20 14-03-11

Wednesday, March 12, 2014 Business Issues Committee Motion #1

The Business Issues Committee ("BIC") hereby recommends that the Management Committee approve changes to the NYISO's OATT with regard to the CTS JOA updates as more fully described in the presentation made to the BIC on March 12, 2014.

Motion passed unanimously

Motion #2

The Business Issues Committee hereby recommends that the Management Committee approve revisions to Section 4.2.1.9 of the NYISO's Market Services Tariff to clarify that Demand Side Resources participating in the DADRP or DSASP may bid Demand Reduction in the NYISO's Day-Ahead Market, above one megawatt, in tenths of a megawatt, as is more fully described in the presentation "Fractional MW Bidding for the DADRP and DSASP" made to the Business Issues Committee on March 12, 2014.

Motion passed unanimously

Motion #3

The Business Issues Committee ("BIC") hereby recommends that the Management Committee approve changes with regard to Generator submittals of alternative fuel type or price information for Day-Ahead Market Energy Bids consistent with the presentation made to the BIC on March 12, 2014.

Motion passed unanimously with an abstention

Thursday, March 13, 2014 Operating Committee

Motion #1:

The Operating Committee hereby approves the meeting minutes from February 13, 2014 **The motion passed unanimously by show of hands**

Motion #2:

The Operating Committee (OC) hereby approves the revisions to the Control Center Requirements Manual as presented and discussed at the March 13, 2014 meeting **The motion passed unanimously by show of hands**

Motion #3:

The Operating Committee (OC) hereby approves the Q#372 Dry Lots Wind System Reliability Impact Study as presented and discussed at the March 13, 2014 OC meeting



The motion passed unanimously by show of hands with an abstention

Motion #4:

The Operating Committee (OC) hereby approves the Q#421 Arkwright Summit Wind System Reliability Impact Study Scope as presented and discussed at the March 13, 2014 OC meeting.

The motion passed unanimously by show of hands with an abstention

Thursday, March 20, 2014

Joint Market Issues/Gas Electric Coordination Working Group

Winter 2013-2014 Cold Weather Operating Performance

Wes Yeomans of the NYISO presented a report on the performance of the New York electric grid during the cold weather periods through December 2013 and January 2014, updating his previous report on the cold snaps at the March 4, 2014 MIWG. The prolonged cold of this winter presented several challenges, including a new all time winter peak of 25,541MWs on January 7, 2014. Mr. Yeomans addressed the period by breaking it up into five separate cold snaps. Stakeholders asked if the NYISO had preliminary MW values for the contributions of the Demand Response (DR) resources when called on for January 7, 2014. Mr. Yeomans explained that although it is very difficult to ascertain an accurate value of the DR response without meter readings, the NYISO believes the contribution was likely less than 200MWs for the hour of the peak. Stakeholders expressed a concern for the lack of advance notice for DR resources, resulting in a voluntary response, and requested the process be brought to the ICAP WG for a thorough discussion on how to improve the predictability of DR resource requirements. The NYISO committed to further discussion with stakeholders on the subject in the proper forum. Mr. Yeomans provided data on generator derates during the period and differentiated the fuel and cold related outages and non-weather related outages.

Consolidated Edison gas system representatives addressed stakeholder questions on gas pipeline adequacy during the period of extreme cold weather and committed to providing stakeholders further information through the NYISO stakeholder communication system. Kelli Joseph of the NYISO presented charts illustrating derate information. Stakeholders requested that Ms. Joseph reconfigure the charts for clarification. Ms. Joseph took the request under consideration. Mr. Yeomans provided details of events that occurred during the five separate cold snaps and NYISO responses and reactions to these events. Mr. Yeomans described the newly adopted "Cold Weather Protocol" which greatly aided the NYISO with providing information on generators and their fuel status. Stakeholders commented on several aspects of fuel uncertainties which the NYISO noted. Mr. Yeomans presented highlights of a National Gas Council proposal to investigate the following potential actions:

- Retain the 10a.m. ET (9a.m. CT) start of the gas day
- Extend Timely Cycle Nomination Deadline to 2p.m. ET (1p.m. CT)
- Add a third, intraday cycle for early morning gas flow



• Provide two bump-able intra-day cycles during business day Mr. Yeomans suggested that the NYISO will have a discussion with stakeholders at the next EGCWG meeting on this proposal to formulate a NYISO position on it. The NYISO intends to use this extreme cold weather experience to implement improvements to the seasonal and daily generation fuel inventory reporting requirements and daily replenishment schedules during "cold weather events". The NYISO will also work with NY State regulatory agencies to develop a formal process for the NYISO to identify reliability needs that would be mitigated by generator requests for certain waivers. To see Mr. Yeomans' complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets operations/committees/bic miwg/meet ing materials/2014-03-13/Winter%202013-

1014%20NYISO%20Cold%20Snap%20Operations%20EGCW-MIWG.pdf

FERC Filings

March 14, 2014

NYISO filing of a limited answer to certain requests for rehearing of FERC's January 28, 2014 order regarding the ICAP Demand Curve Reset

March 14, 2014

Clarifications to the MST and OATT tariff provisions regarding the price correction processes to improve internal consistency

March 13, 2014

NYISO compliance filing to comply with ordering paragraph B of the March 4, 2014 FERC order directing revisions to Services Tariff Section 17.1.6.5 regarding proxy generator bus pricing rules

FERC Orders

March 13, 2014

FERC letter order accepting a large generator interconnection agreement between National Grid and CARR Street Generating Company

Link to FERC Filings and Orders:

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