



Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings

End Use Weekly Summary

November 11– November 15, 2013

Notices:

- *The monthly Consumer Interest Liaison conference call will be held on Thursday, December 5 at 9:30AM. Call in information will be distributed prior to the call.*
- *2014 Sector Confirmation Letter and Governance Fee*
 - *Per Section 7.04 of the ISO Agreement, Management Committee members must advise the President of the NYISO by November 30, 2013, in writing, of the sector in which they choose to participate for 2014. If a Party is qualified to participate in more than one sector, it shall advise the NYISO President, in writing, of the sector in which it chooses to vote.*
 - *Sector confirmation letters should be addressed to:*
Mr. Stephen Whitley, NYISO President and CEO
New York Independent System Operator
10 Krey Blvd
Rensselaer, NY 12144
 - *Electronic versions of the sector confirmation letter, addressed to Mr. Whitley, can be sent to Kirk Dixon (kdixon@nyiso.com).*
- *The NYISO will hold a workshop on Distributed Energy Resources on December 13, 2013 to help identify issues and focus discussion of distributed resources*

Meeting Summaries:

Tuesday, November 12, 2013

Joint Market Issues/Installed Capacity/Electric System Planning Working Group Overview of TCC Auction Manual

Lisa Travaly of the NYISO presented revisions to the TCC Auction Manual. The last previous update of this manual was in 2007. The name of the manual will be changed from TCC Auction Manual to TCC Manual. The updates include new TCC products, changes due



Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings

to FERC Orders and new functionality. The manual will incorporate four NYISO Technical Bulletins (TBs). Once these TBs are accepted into the manual, the TBs will be retired. They are:

- TB144 – NYISO MP Review and Verification of TCCs
- TB152 – TCC Market: PJM Keystone Proxy Bus Pricing and Scheduling
 - Includes description of treatment for outage state
- TB207 – Revised TCC Bidding Points for Astoria 3, 4, and 5 Generators
- TB222 – Non Historic Fixed Price TCC reduction process

Ms. Travaly explained the description for the incorporation of incremental TCCs from the Transmission Expansion Interconnection Manual to the TCC Manual. In Addition to TCC Manual Update, the TCC Data & Information webpage will be refreshed. To see Ms. Travaly's presentation, as well as the associated tariff language changes, please see: http://www.nyiso.com/public/committees/documents.jsp?com=bic_miwg&directory=2013-11-12

MST Attachment E Revisions – Price Corrections

Michelle Gerry of the NYISO presented the proposed revisions to price corrections in reference to RTC prices. With the March 2014 software deployment, the settlement system will no longer use RTC prices. Since RTC prices will no longer be included in the settlement system, the NYISO will no longer reserve or correct them. The NYISO will continue to review all RTC outcomes to ensure markets are producing correct outcomes, as is done today. Sections of the tariff that will be updated are 20, 20.1, 20.1.1, 20.3 and 20.4.

- 20 – Move sentence “These provisions shall control the reservation and correction of Energy and Ancillary Services prices that are posted on OASIS and used in ISO settlements” to the beginning of paragraph.
- 20.1 – Add “posted to the OASIS before the reservation deadline” as additional criterion for determining if a price is in accordance with the ISO tariffs.
- 20.1.1 – Ministerial edit.
- 20.3 – Remove “Real-Time Commitment price” from sentence regarding the ISO providing notice that it is reserving a potentially erroneous price.
- 20.4 – Add Ancillary Services prices to the ISO's reporting requirements following a price correction.

Ms. Gerry explained the next step for this proposal is to continue through the governance process in December prior to filing the changes with FERC. To see the complete NYISO presentation, along with tariff language, see: http://www.nyiso.com/public/committees/documents.jsp?com=bic_miwg&directory=2013-11-12

CTS Phase 1 – Price Posting Updates

Kevin Pytel of the NYISO presented the proposed updates to price posting changes resulting from the Special Pricing Rule Updates for CTS (see Management Committee



Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings

9/30/2013). The goal of this proposal is to realign Real-Time postings to provide stakeholders with authoritative and intuitive Real-Time energy market information while combining the NYISO OASIS RTM and HAM postings into one cohesive set of RTM postings. Mr. Pytel outlined the individual changes to be made and provided examples of how price postings will be displayed in the future. A new report, RTC LBMP, will be created and four rarely used reports will be eliminated. The proposed changes are scheduled to take effect in the March, 2014 software deployment. To see Mr. Pytel's presentation, please see: http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2013-11-12/OASIS-MIWG-2013-11-12.pdf

Graduated Transmission Demand Curve (GTDC)

Mike DeSocio presented proposed tariff language changes required for the Graduated Transmission Demand Curve (GTDC). Mr. DeSocio had presented the GTDC several times at the working group level and returned with the language to be filed with FERC. The specific changes are posted with the meeting materials on line and include changes to the MST Section 17, Attachment B along with the MST and OATT definitions. The manuals requiring updates were identified as well. Approval of the proposed tariff changes will be sought at the December 11, 2013 BIC meeting. To see Mr. DeSocio's proposal, as well as the associated tariff language, please see:

http://www.nyiso.com/public/committees/documents.jsp?com=bic_miwg&directory=2013-11-12

Defining Outage States to Include a Mothball Outage

Emilie Nelson of the NYISO presented a proposal to further define outage stages to include a Mothball Outage. Ms. Nelson has led several discussions on this proposal at the MIWG and ICAP WG meetings. Ms. Nelson presented the proposed method of extending a Forced Outage by qualifying for Commenced Repair. Ms. Nelson provided definitions for the terms "Repair Plan" and "Commenced Repair". Stakeholders offered feedback to the NYISO which will be considered as this proposal continues through the stakeholder process. To see the proposal presented by Ms. Nelson, please see:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2013-11-12/mothballing_111213.pdf

Thursday, November 14, 2013

NYISO SCR Baseline Study Analysis

Roger Kirkpatrick of the NYISO presented the CBL study results for the SCR baseline study analysis. At the January 26, 2011 BIC meeting, the motion to approve the change from APMD to ACL included a commitment by NYISO to conduct an evaluation of the revised baseline methodology and report on its evaluation of the revised SCR baseline performance methodology to the ICAP WG in 2013. Data was requested and received from NYISO RIPs. Data utilized in the study ranged from November 1, 2010 through October 31, 2012. The objectives of the study were:



Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings

- Task 1: To evaluate multiple energy CBLs and adjustment options
- Task 2: To validate the NYISO's current ACL and ACL alternatives
- Task 3: To identify the combination of capacity baseline and energy baseline to use for market participation and performance evaluation

Mr. Kirkpatrick described the steps taken to define the market segments and distribution. The ACL and ACL alternatives were calculated and compared for each of the resources for all days, by capability period. Each candidate baseline was developed and ranked based on accuracy, bias and variability. Mr. Kirkpatrick provided analysis utilizing several graphs and charts leading to the determination that the five best candidate energy baselines of the eleven tested were:

1. NYISO 10 of 10 Multiplicative
2. NYISO 5 of 10 Multiplicative
3. NYISO 5 of 8 Multiplicative
4. ISO New England CBL
5. CAISO CBL

The NYISO then made a comparison to the PJM empirical analysis of DR baseline methods and found as a result of the fundamental differences in the analysis details, the PJM results are not directly comparable to the NYISO results. The NYISO must now complete the remaining tasks of the Baseline Study and conduct further stakeholder presentations in December, 2013 before going on to complete the overall report and recommendations. To see Mr. Kirkpatrick's complete presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2013-11-14/ICAPWG_CBL_Results_11142013_final.pdf

Consumer Impact Analysis: 2014 Project List

Tariq Niazi of the NYISO presented the list of topics that will be the subject of consumer impact analysis in 2014. Each year, Mr. Niazi, considering stakeholder input, selects four to six approved projects to analyze for impact to consumers. Mr. Niazi described and listed the criteria used in the selection of the topics. For 2014, the projects are:

- Demand Response: Real-Time Energy Market
 - Allows or encourages a new type or category of market product
- Criteria for When to Include Mothballed Units in the Forecast in Buyer-Side Mitigation Determinations
 - Emergent stakeholder issue
- Possible Mechanisms to Determine Need to Eliminate Capacity Zones
 - FERC directive where the NYISO has implementation flexibility
- Predefine Capacity Zones
 - Significant market design concept
- Market Rule Changes for DR Performance Obligations
 - Significant market design concept



Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings

Mr. Niazi explained the timing of the impact analyses and their presentation to stakeholders. The analyses are presented at the working group phase of the projects to inform stakeholders of the consumer impact of a particular project to aid them in their voting decision. Mr. Niazi assured stakeholders that as issues of concern arise throughout 2014, the Consumer Interest Liaison has the discretion to conduct a thorough analysis on these emerging issues. To see Mr. Niazi's presentation, including descriptions of each topic for analysis, please see:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2013-11-14/2014%20Project%20List.pdf

Generator Submittal of Alternative Fuel Type or Price for DAM Energy Bids

Mark French of the NYISO presented the proposal allowing generators to submit an alternative fuel type or price for DAM energy bids. The new Increasing Bids in Real Time (IBRT) option that would allow adjustments to fuel type/price in DAM bids has been delayed due to a potential risk of inflating Bid Production Cost Guarantees (BPCG) without NYISO's ability to impose penalties at appropriate thresholds in some circumstances. Two additions to Attachment H of the tariffs will be required to implement this proposal:

1. Correct the omission of In-City DARU units in Section 23.3.1.2.
 - a. Clarity that mitigation measures for In-City DARU units are discussed elsewhere in Attachment H
2. Correct the omission of In-City DARU units in Section 23.4.3.3.3
 - a. Explicitly reference in this section the implied conduct and impact thresholds of Section 23.5.2.1. As a result, revenues of an In-City DARU unit providing inaccurate information will revert to the level required by Section 23.5.2.

Upon the March, 2014 deployment, the generator bid form will accept pricing information for "Fuel Type" and "Burdened Fuel Price (\$/mmbtu)" which will be subject to MMA review. This proposal will be presented to the BIC and MC for approval prior to filing with FERC. To see Mr. French's presentation, please see:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2013-11-14/GeneratorSubmittalOfAlternativeFuelType MIWG 2013-11-14.pdf

FERC Filings

November 13, 2013

NYISO filing of an answer to a DR Coalition protest of proposed tariff revisions regarding SCR ICAP program enhancements

November 12, 2013

NYISO filing of tariff revisions to comply with FERC's Order on Integration of Variable Energy Resources (Order No. 764)



Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings

FERC Orders

There were no FERC orders issued to the NYISO for this week.

Link to FERC Filings and Orders:

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