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End Use Summary

April 23 - April 27, 2012

Items of Interest

The NYISO was featured on the PBS television series, *America Revealed*, during its "Electric Nation" episode on Wednesday April 25. The *America Revealed* crew visited the NYISO as part of their travels around the country taking a look at the nation's electric system to "understand its intricacies, its vulnerabilities, and the remarkable ingenuity required to keep the electricity on every day of the year."

Series host Yul Kwon interviewed the NYISO's Chief Operating Officer, Rick Gonzales, about the electric grid and our experience during the August 2003 northeast blackout.

For more information about the series, see the release below or visit the *America Revealed* website: <http://www.pbs.org/america-revealed/>

The NYISO has received and posted a "Rescission of Notice of Intent to Retire Sithe Massena Generating Facility (PTID# 23902)" to the New York State Public Service Commission by Power City Partners, LP, regarding their Sithe-Massena Generating Facility in Massena, NY.

This Notice of Generator Retirement can be found on the NYISO's Planning Web Page at:

http://www.nyiso.com/public/webdocs/services/planning/planned_gen_retirements/Rescind_Retirement_Sithe-Messena_04232012.pdf

Comments due:

Please note that comments provided during the working group meetings are recorded and carefully considered by the NYISO Staff.



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ICAP/MIWG/ESPGWG: Submit comments on the alternative Reliability Resource Compensation proposal by **April 30** to [Leigh Bullock](#).

ICAP: Submit comments on the New Capacity Zone Mitigation proposal by **May 7** to [Leigh Bullock](#).

Meeting Summaries:

Monday, April 23, 2012

Budget and Priority Working Group (BPWG)

2011 Budget Vs Actual Results

The NYISO provided a recap of the 2011 Budget vs Actual results by stating that the NYISO under-spent two million dollars in 2011. 1.7 million dollars of the 2 million underrun is anticipated to be used to offset the 2011 Rate Schedule 1 under-collection. The NYISO is awaiting the Board's approval to move forward with that approach. The remaining .3 million dollars has been recommended to the Board to offset the potential 2012 Rate Schedule 1 under-collections. The NYISO reported that the under-collection for Rate Schedule 1 still continues for 2012 and revised the revenue projection to 166.1 million dollars. The NYISO stated that the under-collection is a result of unusual warm weather that the Northeast has been experiencing since November 2011 coupled with slow economic growth. NYISO agreed to report back on the impact of the reduced Rate Schedule 1 recoveries on its customers.

2012 Project Schedule Milestone Status Update

The NYISO reviewed and provided a status update for the 2012 projects. The NYISO reported that the Project to implement FERC Order 745 has been reprioritized as a result of the impending FERC decision. An updated delivery date for the project will be based on the FERC response. The NYISO reported the DSASP Direct Communication Phase II project is delayed due to the continued discussions with stakeholders. It is anticipated that more time will be required to incorporate additional requirements into the design. A



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revised delivery date is under development. The NYISO reported that the Enhanced Scarcity Pricing project is delayed as a result of the implementation of FERC Order 755. The implementation of FERC Order 755 requires a tremendous amount of internal staff support as the requirements impact a multitude of systems. Other projects delayed by the FERC Order 755 project include the Ancillary Services Mitigation Provision Modifications and Transaction Credit Enhancements with revised delivery dates for both projects under development. The Graduated Transmission Curve project is planned for 2013.

The NYISO agreed to report back on when the Available Transfer Capability (ATC) posting on the NYISO website will be adjusted to reflect the schedule pass of Security Constrained Unit Commitment (SCUC). Currently, the ATC value posted on the web is based on the reliability pass.

Infrastructure Master Plan Update

The NYISO reported that efforts are underway to refinance the debt incurred from the Infrastructure project. The loan is expected to be refinanced with a full point less interest rate. The NYISO is targeting the July PSC session for approval on the proposal.

Interregional Planning Task Force/Electric System Planning Working Group

EIPC Update

The NYISO provided an update on the status of the tasks planned for the second phase of the Eastern Interconnection Planning Collaborative (EIPC). Phase one of the initiative is complete. The second phase has begun with the Transmission Options Task Force (TOTF) developing the reliability criteria for the transmission build-out proposals for the three scenarios selected to be analyzed. Five cases were derived from those three scenarios for further analysis. The next steps are to perform the production cost analysis, and provide a high level cost estimate for both generation and transmission. The final step before presenting the final report is to review the results with stakeholders. The next TOTF meeting is planned for May 15 – 16, 2012.



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FERC Order 1000

The NYISO summarized the comments submitted by stakeholders and reviewed the proposed topics and meeting schedule.

Wednesday, April 25, 2012 **Management Committee (MC)**

The final motions are as follows:

Motion #1:

Motion to approve the Minutes of the March 28, 2012 MC meeting.

Motion passed with an abstention.

Motion #2:

The Management Committee (MC) hereby approves and recommends that the NYISO Board of Directors authorize the NYISO staff to file under Section 205 of the Federal Power Act, amendments to the NYISO's OATT Section 18 as described in the presentation entitled "TCC Markets OATT ATT L Revision", made to the MC on this date, April 25, 2012.

Motion passed with abstentions.

Please see the Management Committee meeting minutes for more detailed information.



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Thursday, April 26, 2012

Market Issues Working Group/Price Responsive Load Working Group (MIWG/PRLWG)

Operations Update – Reserve Requirements, West Zone Constraints, New Astoria PAR

The NYISO reported that modifications to the Operating Reserve requirements will be needed as a result of the Nine Mile Point 2 uprate. The reserve requirement will be increased to 1310 MW. The NYISO reported that beginning May 2012 it is improving the constraint modeling for the West zone 230 kV transmission system in the DAM and RT markets. This is a result of the need to take DARU/SRE/OOM actions for certain West zone generators for ISO transmission security periodically over the past few months. It is expected that prices will change as a result of securing, or including these lines in the DAM and RT Markets. The NYISO provided an update on the new Phase Angle Regulator (PAR) that is part of the transmission project that connects Astoria Annex 345 kV substation to the Astoria East 138 kV substation. The PAR is expected to be in service prior to summer 2012. The PAR will be modeled in the DAM and RT markets and will be optimized according to the DAM and RT specifications. See presentation for more information. This project has not been modeled in the TCC markets at this time.

Proposal for Participation of Aggregations in the NYISO's Demand Side Ancillary Service Program (DSASP)

The NYISO provided a detailed presentation on the Demand Side Ancillary Service program. This presentation identifies the types of sources that qualify as DSASP providers, provides instructions on how to register, and offers information on metering and measurement procedures. The presentation highlighted the definitions to be included as Tariff language. For more detailed information see the presentation. This is planned to be discussed and voted on at the June Business Issues Committee meeting.

Proposal to Reduce Minimum Size and Same LSE Requirement for DADRP

Norman Mah, a representative for Consolidated Edison Solutions, made a presentation and requested that the NYISO review the policy of not allowing participants who are less than 1 MW in the DADRP. The NYISO responded



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that as a result of aggregation participants who are less than 1 MW can in fact participate in the program.

Viridity Overview of DSASP Market Rules

Sam Wolfe, a representative for Viridity Energy, presented a request for the NYISO to address their views regarding program rules that cause barriers to entry for the DSASP program. Viridity recommended allowing participants who are less than 1 MW in the DASAP program as it would encourage participation. Viridity recommended lowering the participation level to 100 or 250 kW. In addition, Viridity had concerns regarding the \$75 energy bid requirement and the types of market participants that can participate in the DSASP and DADRP programs. The NYISO responded that demand response providers can participate in DSASP and DADRP through aggregation. In addition, the NYISO responded to the inquiry regarding that \$75 minimum energy bid requirement by stating that it is a place holder as Demand Response providers do not get scheduled for energy. The NYISO reiterated that aggregation is allowed in DSASP which would allow for participants less than 1 MW to participate in the program.

15 Minute Transactions with PJM and e-Tagging Changes

The NYISO provided an update to the 15 minute scheduling capability with PJM scheduled to commence on June 13, 2012. The proxy buses impacted by this scheduling protocol are the Keystone (AC interface), Neptune Scheduled line, and Linden VFT Scheduled line. In addition, the NYISO highlighted the changes to the NERC E-Tag system when submitting an energy transaction between NY and PJM. This is the second phase of a multi-phased effort on an interface by interface basis for energy transactions. The first phase was kicked off with HQ in July 2011.

MMATF – Final Report

The NYISO reported on the completion of the tasks the Market Mitigation and Analysis Task Force began in November 2011. The NYISO reported on the finalization of the Technical Bulletin which focuses on reference level and mitigation consultation process. It was finalized on April 20, 2012. The NYISO also reported on the development of the Technical Guide which discusses the major components of the cost-based references. The NYISO reviewed the Consultation Process Scorecard showcasing the mitigation consultation process and a separate scorecard showcasing the reference level process. The mitigation consultation root cause is the time between requesting and receiving information. No additional issues were revealed



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while collecting the data for the reference level process. The NYISO proposed to incorporate the Technical Guide into a Manual subject to BIC approval and continue to report on the consultation process scorecards on a quarterly basis to MIWG to assess compliance with the adopted guidelines.

FERC Filings

April 23, 2012 – NYISO filing of FERC Reporting Requirement No 582 Total Megawatt Hours of Transmission Service in Interstate Commerce for Calendar Year 2011.

April 24, 2012 – NYISO filing of an Answer to the April 20, 2012 Riverbay Answer regarding TB 217.