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# End Use Summary

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## July 9 – July 13, 2012

### Items of Interest

- The Nominating Subcommittee of the NYISO Operating Committee (OC) is seeking qualified individuals willing to serve as Vice-Chairperson of the Committee.  
The scope of responsibilities of the Operating Committee can be found in Article 7 of the ISO Agreement. As specified in the Agreement, the Chairperson and Vice-Chairperson will serve a one-year term, and the Vice-Chairperson will become the Chairperson following the completion of the Chairperson's term. The Operating Committee Bylaws specify that the individuals elected to the position of Vice Chair may not be active in the same sector as the Chair of the Operating Committee, nor may he or she be a representative of the members that occupy the positions of Chairperson of the Operating Committee or those serving as Chairperson or Vice Chairperson of the Business Issues or Management Committees during his or her term.

These provisions preclude representatives of the following companies and the following sector from consideration for Vice-Chairperson for the upcoming term:

Public Power/Environmental  
NYPA  
Galt Power  
PSEG  
Con Edison  
National Grid

The Nominating Subcommittee will review the credentials of the presenting candidates and may screen the pool. The Nominating Subcommittee is required (pursuant to the OC By-Laws) to bring



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at least one qualified candidate before the Operating Committee for election. The election for Vice-Chairperson will be held at the **August 16, 2012** Operating Committee meeting.

Therefore, the Nominating Subcommittee requests interested individuals, who are **not** representatives of the members or sector listed above, to present the following material by **Noon on July 27, 2012:**

A current resume

Brief answers to the following questions:

1. Please describe all relevant experience you have had in chairing groups or committees of diverse interests, with a list of such groups.
2. Please describe the support of your organization for your assuming the position of Vice-Chairperson, and describe your ability to make the necessary time commitment.
3. Please describe any training or experience you have had in mediation, ADR or consensus building.
4. Please describe briefly why you would like to have this job.
5. Please describe briefly your organization's actual and/or potential business interests in the Northeast and New York State, including the sector in which your organization participates for purposes of NYISO governance.

Please send this information by electronic mail to Debbie Eckels, [deckels@nyiso.com](mailto:deckels@nyiso.com).

## **Meeting Summaries:**

### **Monday, July 9, 2012**

#### **System Operations Advisory Subcommittee**

##### **June Operations Report**

The NYISO reported that the peak load for the month of June was 32,127 MW which occurred on Thursday, June 21, 2012 for HB 16:00. The NYCA all time summer peak load is 33,939 MW which occurred on Wednesday, August 2, 2006 HB 13:00. The NYISO reviewed the emergency actions taken for the month of June which consisted of the SCR/EDRP activations on June



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20 and June 21, 2012. A NYPA representative agreed to look into the 7040 Chateauguay Massena trip which caused the loading onto 1010 line into NY on June 21, 2012 at 10:10 which resulted in a Reserve Pick UP (RPU).

#### June 20 and June 21 System Operations Presentation

The NYISO reviewed the state wide system demand, transmission operations, generation operations and demand response operations for June 20 through to June 22<sup>nd</sup>. Please see presentation for detailed information.

### **Tuesday, July 10, 2012**

#### **IPTF/ESPWG**

##### FERC Order 1000 DRAFT Proposed Tariff Revisions

The NYISO reviewed the June 20, 2012 version of FERC Order 1000 Tariff revision discussion material. Stakeholders discussed the eligibility criteria under section 31.2.4.1 Eligibility and Qualification Criteria for Entities and Projects. The NYISO agreed to clarify who is eligible and the type of entity can submit projects.

The NYISO stated that the proposal for the 90 day review period as described in the Public Policy Process section of the proposed Tariff language is intended to run in parallel with CARIS process. The NYISO agreed to construct a time line of all of the processes for the next meeting.

During the discussion of Tariff language, stakeholders were concerned with the ambiguity in the cost recovery mechanism for public policy builds as defined in section 31.4.1.7. Stakeholders indicated that it is clear under the CARIS and RNA processes for cost recovery but the public policy process lacks clarity on how to allocate costs. The NYISO agreed to review the public policy cost recovery process.

The NYISO agreed to clearly state in the Public Policy Requirements Planning Process section of the Tariff that alternative projects can also include demand response and other environmentally friendly projects. The NYISO stated that a project would be considered for only one process either the RNA, CARIS or as public policy project.



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The next steps are to finalize the proposed Tariff language. This language will be discussed at the August BIC and OC. No vote is required as the incorporation of the language comes from a FERC order.

## **Wednesday, July 11, 2012**

### **Business Issues Committee**

The following are the final motions for the Business Issues Committee meeting.

Motion #1:

The Business Issues Committee (BIC) approves the June 1 and June 12, 2012 meeting minutes.

***The motion passed unanimously***

Motion #2:

The Business Issues Committee (BIC) approves the Reference Level Manual as presented to the BIC on July 11, 2012.

***The motion passed with abstentions***

Motion #3

The Business Issues Committee hereby recommends that the Management Committee approve revisions to the NYISO's Tariffs to include power suppliers that depend upon municipal solid waste for their fuel as Intermittent Power Resources, as is more fully described in the presentation made to this BIC meeting on July 11, 2012.

***The motion failed with 55.43% affirmative votes***

Motion #4

The Business Issues Committee ("BIC") recommends that the Management Committee recommend to the NYISO Board that it approve for filing at FERC the addition of three new definitions in Section 2.4 and modifications in Sections 4.1.6, 4.2.1.3.3, and 4.2.1.9 of the Market Services Tariff described



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in the presentation titled "Proposal for Participation of Aggregations in the NYISO's Demand Side Ancillary Service Program (DSASP)" and as presented at the July 11, 2012 BIC meeting.

***The motion passed with abstentions***

## **Thursday, July 12, 2012**

### **Operating Committee**

The following are the final motions for the Operating Committee meeting;

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

Motion to approve the Minutes of the May 16 Joint BIC & OC and the May 17 OC meetings.

*Motion passed unanimously.*

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

The Operating Committee hereby approves the Q#380 NYPA Marcy South Reinforcement, Q#384 NGrid Knickerbocker-Pleasant Valley 345 kV Line Project & Q#385 NGrid Hudson Valley Reinforcement Project Study Scopes.

*Motion passed unanimously with an abstention*

### **Installed Capacity Working Group**

#### **Reliability Resource Compensation**

The NYISO identified the key factors considered in developing the proposal which were to recognize the PSC authority and responsibility for resource adequacy as that relates to retirements, NYISO obligations and concerns with reliability, consistency with the NYISO reliability planning process, and address the 6-month PSC review process and the Going Forward Avoidable Costs (GFAC) payment mechanism.

The NYISO then defined the key elements of the proposal were to modify the NYISO reliability planning process (CRPP) in Attachment Y to provide for an explicit process to request a confidential reliability analysis of a potential



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generator retirement. The timing of the NYISO process would provide timing for a PSC process for a compensation mechanism for those units requesting to retire. The NYISO process would include a study that would be similar to the study process as currently defined in Attachment Y. The study process would include the TO, NYSDPS and Generator participation. The NYISO stated that the generator's request for a study is confidential as the generators have financial concerns to keep the study confidential. The NYISO stated that since the study request is in advance of the retirement process, the generator is required to pay for the study. The evaluation will be completed within 3 months of the request. The NYISO stated that this is the same type of analysis the NYISO would provide in the RNA study. The NYISO also stated that it is difficult to quantify the cost of a study as it is site specific.

Stakeholders inquired how this retirement process is different from a Gap solution. The NYISO stated that the Gap solution process description lacks a time line because those provisions are meant to apply to a variety of circumstances and a retirement of a generator is one of those instances. The types of analysis will be the same but the process may be different.

The NYISO stated that compensation negotiations could begin upon submission of a formal retirement notice from the generator. This negotiation is between the responsible TO, NYSDPS and the Generator.

A requirement of the RRC payment is for the unit eligible to receive the payment to bid into the capacity market at \$0. Stakeholders inquired if the payment would change the dispatch to where it could potentially cause the unit to be dispatched more frequently than it is today. A correlation between the RRC payment eligibility and the requirement to bid into the capacity market for \$0 could potentially harm units in the market and potentially more frequently call on the unit that plans to retire (i.e., the unit receiving the RRC payment.) The NYISO agreed to review the requirement that the RRC payment would make a unit bid \$0 in the capacity market. NYSDPS and NYISO agreed that the RRC payment also applies for bulk power and local reliability needs.

The NYSDPS proposal was presented by Dave Drexler, who stated that the timeline as outlined in the presentation is based on the generator filing date. It was noted that mothballed units and units who are filing for retirement will be considered for the DPS process as each category of unit poses a



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potential reliability impact. The proposed process is to have a just and reasonable rate reached between the Affected/Responsible TO, Generator and NYSDPS at the end of the 180 day schedule. Stakeholders expressed concerns about allowing mothballed units to enter into this process to receive RRC payments as the unit may potentially jump in and out of the market based on economic conditions.

Stakeholders urged the NYSDPS to review the proposed process to receive an RRC payment as it is too vague to reach a just and reasonable rate. A standard rate needs to be defined. Several stakeholders who spoke at the meeting said that if a unit is being required to stay in the market for reliability needs it should be given full cost recovery.

The NYISO said its next steps are to address what is currently addressed in Attachment Y and how the proposed retirement process fits in with that process.

#### Buyer-side Mitigation Increased CRIS Requests Proposal

The NYISO reported the proposed changes which states that only new additional CRIS will be evaluated.

It was proposed in the past working group meeting that these rules apply to NYC and any new capacity zone identified. The NYISO agreed to review the new capacity zone proposed grandfathering provision and identify how it would be factored if a unit requests additional CRIS.

The NYISO agreed to consider the suggestion on clarifying the tariff language to include the "2 MW" provision when describing the 2 MW treatment of CRIS rights.

The NYISO reviewed the examples of how each scenario would be evaluated.



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## **FERC Filings**

July 12, 2012 – NYISO filing of tariff section to apply effective date. *Docket No. ER11-2547.*

July 12, 2012 – NYISO filing to withdraw letter from eFiling system. *Docket No. ER11-2547-005.*