



## End Use Weekly Summary

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### Items of interest:

- The New York State Public Service Commission received a “Notice of Intent to Mothball Astoria Gas Turbines 10 and 11” by NRG Energy, Inc., regarding their 31.8 MW Astoria GT 10 and GT 11 facilities located in Queens, NY. This Notice of Intent to Mothball can be found on the NYISO’s Planning Web Page at:  
[http://www.nyiso.com/public/webdocs/services/planning/planned\\_gen\\_retirements/Mothball\\_NRG\\_Astoria\\_GT10\\_GT11.pdf](http://www.nyiso.com/public/webdocs/services/planning/planned_gen_retirements/Mothball_NRG_Astoria_GT10_GT11.pdf)
- The Market Monitoring Analysis TF will have its first meeting on February 9<sup>th</sup> from **1:00 – 3:00** at the NYISO Krey Corporate Center.
  - Teleconference information is as follows:
  - Dial in: 866-280-1753
  - Conference code: 51835602
- Erin Hogan, representing NYSERDA in the NYISO governance process, will be co-chairing the upcoming joint Inter-regional Planning Task Force (IPTF)/ESPPWG meeting on February 27, 2012 beginning at 11:00 a.m. at the NYISO’s Krey Corporate Center to discuss FERC Order 1000. Order 1000 is a Final Rule that reforms the Commission’s electric transmission planning and cost allocation requirements for public utility transmission providers. The rule builds on the reforms of Order No. 890 and corrects remaining deficiencies with respect to the transmission planning processes and cost allocation methods. Meeting material will be posted within a few days of the meeting date.



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### Comments are due for the following items:

- Capacity Review Study comments are due Monday, February 13<sup>th</sup>. For more information on the discussion see the Monday, January 30 ICAPWG meeting summary. Send comments to Leigh Bullock at [lbullock@nyiso.com](mailto:lbullock@nyiso.com).
- Ancillary Service Mitigation comments are due February 9<sup>th</sup> to Leigh Bullock, [lbullock@nyiso.com](mailto:lbullock@nyiso.com). For more information on the discussion see the February 2<sup>nd</sup> MIWG meeting summary.
- Revised NYISO Technical Bulletin #176, "Scheduling Transactions at the Proxy Generator Bus Associated with the Dennison Scheduled Line" is being distributed for review and comment. The changes in the technical bulletin are characterized as: increased imports during the summer capability period on the Dennison Scheduled Line. The summer import capacity will increase from 166 MWs to 190 MWs. The existing winter import capacity will remain in effect at 199 MWs. The export capacity in both seasons will remain at 100 MWs. The increased summer import capacity will become effective with the beginning of this year's summer capability period (05/01/2012). Please forward any comments to Bill Porter, [wporter@nyiso.com](mailto:wporter@nyiso.com) by Feb 10<sup>th</sup>. The technical bulletin can be found at the following address: [http://www.nyiso.com/public/markets\\_operations/documents/technical\\_bulletins/index.jsp](http://www.nyiso.com/public/markets_operations/documents/technical_bulletins/index.jsp)
- The draft ICAP Manual revisions, reviewed at the January 30<sup>th</sup> ICAP meeting, have been posted on the NYISO website under "Manuals Under Review" at: [http://www.nyiso.com/public/markets\\_operations/documents/manuals\\_guides/index.jsp](http://www.nyiso.com/public/markets_operations/documents/manuals_guides/index.jsp)  
This manual will be presented for approval at the February 13<sup>th</sup> BIC. The revised manual is included in the February 13 BIC meeting material.



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- Request for information regarding planning data canvassing the next ten years. This information is critical for the development of the 2012 Gold Book and the 2012 RNA. The initial questions in the request are geared toward Transmission Owners and Generators but Demand Response provider information is also needed. Comments are due Feb 15. *For more information on how this data will be used please see last week's notes on the LFTF.*

### Meeting Notes:

**Monday, January 30**

#### **Installed Capacity Working Group/Price Responsive Load Working Group**

- Capacity Market Review Study  
NYISO reported that a study is planned to review and provide improvement alternatives for the NYISO capacity market. NYISO requested comments and guidance on developing the scope of the study. Stakeholders requested an opportunity to provide review and provide input on the draft. RFP. . Comments regarding the study scope are due February Feb 13<sup>th</sup>. Send them to Leigh Bullock at [Lbullock@nyiso.com](mailto:Lbullock@nyiso.com)
- External ICAP Allocation for 2012/2013 Capability Year  
NYISO presented the study parameters and the method used to perform the study; and reviewed the results, which were without the application of the deliverability test. Stakeholders inquired when the deliverability study would be factored into the import rights. NYISO reported that the deliverability study referencing the import rights would be posted in early February 2012.
- ICAP Manual Revisions for Capability Year 2012/13 Import Rights  
NYISO proposed revisions to the ICAP manual to reflect the result of the new 2012/2013 ICAP import limits.
- Buyer Side Mitigation Analysis of Increased CRIS  
NYISO reviewed the revised version of the proposal discussed at the December 20, 2011 ICAP meeting. This proposal discussed the evaluation of additional CRIS requests subsequent to the NYISO's final determination of buyer-side mitigation



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for CRIS previously awarded to projects except those grandfathered under Attachment H. NYISO presented example scenarios to demonstrate how the tests would be applied. It was reported that these tests would be applied during the annual Class Year (CY) process. The CY process is the process pursuant to OATT Attachment S in which the NYISO evaluates the proposed projects ~~that~~ in the current Class Year—for deliverability and capacity rights and cost allocations in conjunction with interconnecting to the NYCA grid. Certain stakeholders indicated concern with stating a position of commitment or acceptance of the NYISO proposal because it did not capture the repowering concern, and said they are waiting to see how this proposal and how the repowering proposal will interplay with each other.

- Update on year end FERC Filing on DR programs

NYISO noted the errata to the FERC filing on the annual review of the Demand Response program made on January 17, 2012. The errata filing was to correct hourly data listed in the event tables. NYISO reviewed the annual demand response program summary report. It was noted that the summary of event performance during the July 21 – 22 2011 time frame improved over the course of the two day demand response event.

- Concepts for DSASP Aggregations

NYISO reviewed how the Demand Side Ancillary Service Providers (DSASP) will have the ability to communicate with the NYISO their aggregated performance.

- Discussion on Approved 2012 PRLWG-related Projects

NYISO reviewed the time lines for the Demand Response related 2012 approved projects.

- Discussion on Customer Perspective/Expectations on DR Information System

NYISO reviewed the DRIS system changes and inquired about the application.



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### Tuesday, January 31

#### Electric System Planning Working Group

##### 2011 CARIS Report

The Draft 2011 CARIS report was reviewed. Stakeholders reviewed and provided comments regarding the results descriptions.

### Thursday, February 2

#### Market Issues Working Group

- Ancillary Services Mitigation –  
In response to a proposal from Potomac Economics to modify two mitigation provisions that may limit competitive 10-minute reserves offers in the Day-Ahead market, the NYISO reviewed the history of the of the two mitigation rules, and results from its market power analysis. The NYISO proposed to step in the modifications. There was discussion from members of the End Use Sector and Transmission Owners regarding an estimate of the annual cost of potential price changes that may result. The NYISO pointed out that such an approach would be of little predictive value as there are too many moving parts such as gas prices, line outages, etc. Members of the Generator Sector proposed introducing the modifications without stepping them in, with the opportunity to reinstall them if market outcomes changed drastically. This safety net could be written in the Tariff with a sunset provision. There was a request to have a representative from Potomac Economics fully vet the economic rationale for the removal of the mitigation measures. Comments are due February 9<sup>th</sup> to Leigh Bullock, [lbullock@nyiso.com](mailto:lbullock@nyiso.com)
- 15 Minute Scheduling Analysis  
This was postponed to the next MIWG meeting.
- FERC Order 755 Frequency Regulation Compensation  
NYISO reviewed the changes to the FERC order to schedule and pay for movement MW in the regulation market. NYISO reviewed the possible DAM and RT settlements with the additional movement bid parameter.
- New RT Forecasting Method  
NYISO reported on revisions to its RTD load forecasting methodology which has since been installed. This will be implemented mid February 2012.



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### **Electric Gas Coordination Task Force**

The first meeting was well attended by NYS Public service staff, gas company personnel, gas pipeline personnel and NY generator representatives. Meeting participants discussed different industry terms to ensure everyone is speaking the same language. There were many suggestions for future meetings. Keep this on the list of working groups to attend.

### **FERC Filings**

**January 27 – NYISO Response to the PJM MMU’s Protest of the NYISO’s 12/22/11 Interface Pricing Compliance Notice.** NYISO filed a response to the PJM’s MMU protest filing against the methodology proposed in the filing to use the non-conforming Scheduling Mode and utilize the unscheduled power flow determination protocol used when accounting for Lake Erie Loop flow. PJM MMU alleges that the December Order required the NYISO to “use information about the actual source and sink of a transaction, regardless of its scheduled path, to determine the price. NYISO’s response is that the above methodology in question has been consistent with the pricing solution described in the numerous reports submitted to FERC by NYISO on behalf of the ISO/RTOs. In addition, the proposed model is more transparent than the other participating ISO/RTO’s as NYISO broadcasts the assumptions and inputs it will use to develop the interface prices on a weekly basis to its neighbors and stakeholders.

**January 31- NYISO filing of its 11<sup>th</sup> Semi Annual Price Validation Informational Report**

The NYISO filed its Price Validation informational report which details the corrections that the NYISO has made to erroneous locations based marginal prices.



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### **FERC Orders**

#### **February 2 – FERC letter Order Accepting Revisions Regarding an Exemption of Solar Fueled Generators from Scheduling and Day Ahead Bidding Requirements.**

FERC accepted the December 22, 2011 filing requesting to amend the Market Services Tariff to reflect that solar-fueled generation would not be obligated to bid into the DAM or meet daily scheduling requirements to qualify as an ICAP supplier.

#### **February 2 – FERC Letter Order Accepting Revisions Regarding Delegation of Management Oversight of the NYISO's Internal Market Mitigation and Analysis Department**

FERC accepted the December 21, 2011 filing requesting to amend the NYISO's Market Monitoring Plan to allow the CEO to delegate management oversight of the NYISO's internal Market Mitigation and Analysis Dept to the CEO's designee, the COO.