
Stage 2 ICAP Manual

Proposed by the ICAP Working Group

July 19, 2001
Business Issues Committee Meeting

Outline

- **Background & Process**
- **Objective**
- **Stage 2 Manual Key Changes**
- **Stage 2 Revisions and Clarifications**

Background & Process

- **Stage 2 Manual will Replace Stage 1A Manual which was Approved by BIC on Feb. 15, 2001.**
- **ICAPWG Last Met to Review Manual on June 26**
- **ICAPWG Subcommittees Addressed Two Open Issues at End of June/Beginning of July**
- **Stage 2 : 2001-2002 Winter Forward**
 - *Tariff: approved by BIC on May 24 & by MC on June 6 – filed with FERC on July 6.*
 - *Manual: as distributed today. The ICAPWG has agreed to meet to discuss future refinements.*

Objective:

- **Tariff: Framework for ICAP Market**
 - **Manual: Details Necessary to Implement that Framework**
- e.g., Tariff requires the NYISO to calculate the amount of UCAP a Supplier qualifies to supply (§ 5.12.6). Attachment J of the Manual provides Resource specific formulae to make this calculation.**

STAGE 2 MANUAL

KEY CHANGES

UCAP Methodology

- **NYISO Planning**
 - *Formula for the Conversion of the NYCA ICAP Requirement to UCAP – § 2.5*
- **ICAP Suppliers**
 - *UCAP Qualification Based on Formulae Included in ICAP Manual Attachment J*
 - *UCAP Ratings Are Affected if Operating Data is not Submitted Every Month – § 4.6.1*
- **LSEs**
 - *Formulae for Converting Requirements to UCAP – § 3.4*

One-Month OPP

- **LSEs**
 - *Annual UCAP Requirement Modified Monthly to Reflect Customer-Switching – §§ 3.4 & 3.5*
 - *Must Certify Every Month that Sufficient UCAP has been Procured for Following OPP – § 3.4*
- **ICAP Suppliers**
 - *Qualified Every Month by NYISO – § 4.5 & Attachment J*

One-Month OPP - continued

- **NYISO Administration of Auctions**
 - *Still 6-Month “Strip” Auction + 6 “Pre-Capability Period Monthly Auctions”*
 - *Regular Monthly Auctions*
 - *Deficiency Procurement Auction Every Month as Required - No Longer a Strip Deficiency Procurement Auction*

Other Changes in Stage 2 Manual

Clarifications and Technical Revisions

Revisions and Clarifications - 1

- **New Resources or Modified ICAP
Suppliers: Can Submit Info Up to 2 Days
Before Auction to Qualify – § 4.2.1 (added
to Stage 1A earlier this year and retained in
Stage 2).**

Revisions and Clarifications - 2

- **Special Case Resources:** Operating Data Requirements, Formulae for Calculating UCAP, and Certification and Verification Forms – Clarifications via Redrafting of §§ 4.4.7 and 4.12, § 3.3 of Attachment J, and Attachment K.

Revisions and Clarifications - 3

- **Control Area System Resources:** Operating Data Submission Requirements and Formulae for Calculating UCAP – Clarifications and Simplifications through Redrafting of § 4.4.3 and § 3.4 of Attachment J.

Revisions and Clarifications - 4

Section 4.4.11:

- **Covers Generators that temporarily may not wish to sell or certify their UCAP .**
- **Such Generators not considered forced out for purposes of UCAP calculations.**

Revisions and Clarifications - 5

Section 4.6.2:

- **Clarify impact on UCAP rating of outage that occurs beyond, and including, the step-up transformer.**
- **Treated as a Reserve Shutdown for purposes of EFOR_D calculation when unit is not already on a maintenance outage.**

Revisions and Clarifications - 6

Section 5.5:

- **Removal of confusing language describing roll-over characteristics of bids between phases of an auction.**
- **Auction procedures are explained elsewhere in Section 5.**
- **Will not affect the ISO administration of auctions.**