

New Capacity Zone: Pivotal Supplier Threshold

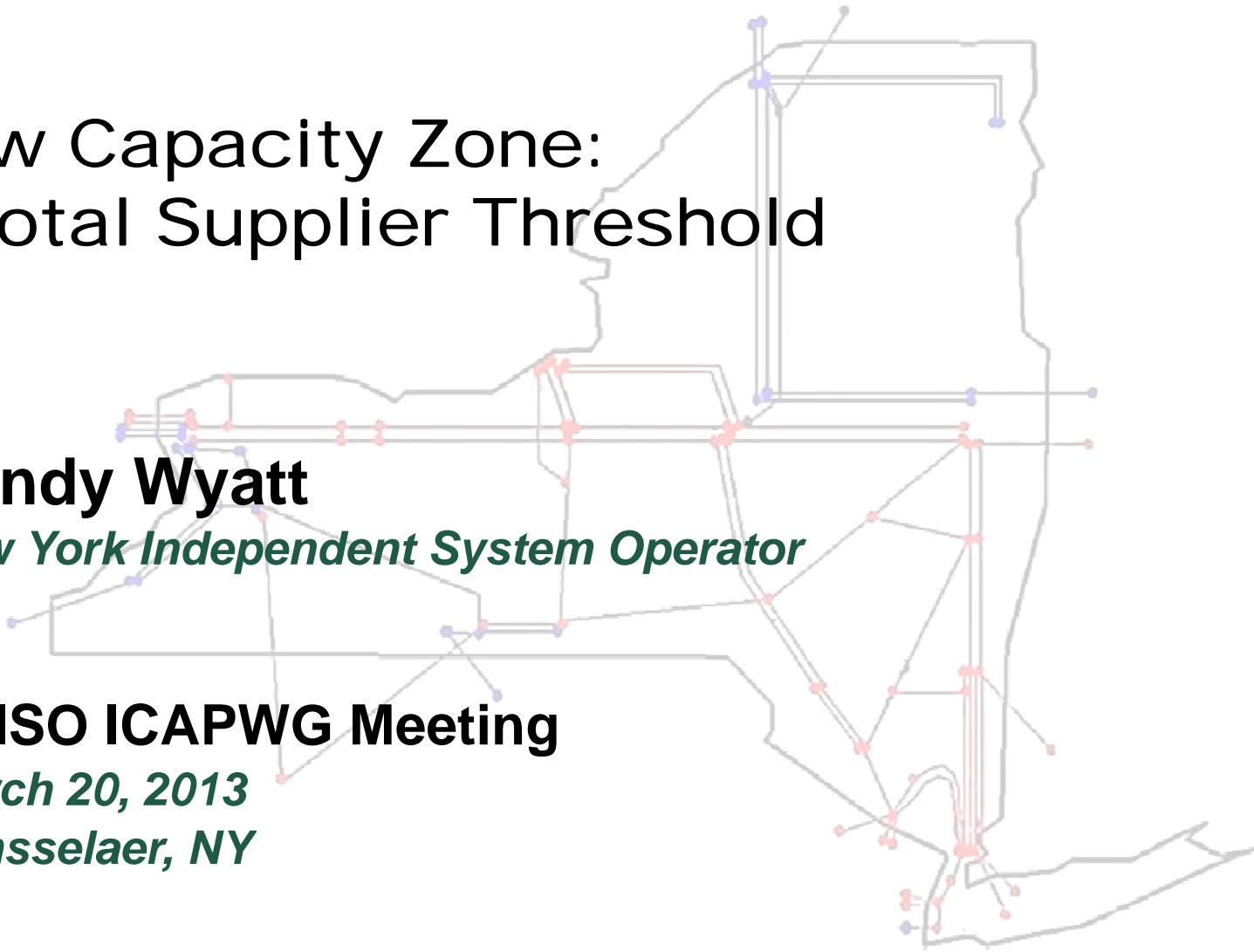
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NYISO ICAPWG Meeting

March 20, 2013

Rensselaer, NY



NCZ Pivotal Supplier Threshold

- ◆ **NYISO proposes to calculate the NCZ Pivotal Supplier threshold based on how large a portfolio a supplier must control in order to profit by withholding capacity, and to conservatively set the pivotal supplier threshold slightly below that level**
- ◆ **To estimate the profit, the NYISO utilized data from the G-K Locality ICAP Demand Curve information developed by FTI**
- ◆ **The sensitivity analysis is based on 4 reference prices and 3 zero crossing points, similar to the consumer impact study.**
 - *Driver is Zero Crossing Point*

NCZ Proposed Pivotal Supplier Threshold Results

- ◆ **Principal Driver is Zero Crossing Point**

Demand Curve Zero Crossing	Pivotal Supplier Threshold (MW)
115%	1392
112%	1113
110%	928

- ◆ **The NYISO proposes to conservatively set the pivotal supplier threshold at 900 MW**

The New York Independent System Operator (NYISO) is a not-for-profit corporation responsible for operating the state's bulk electricity grid, administering New York's competitive wholesale electricity markets, conducting comprehensive long-term planning for the state's electric power system, and advancing the technological infrastructure of the electric system serving the Empire State.



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