

# **NYISO Business Issues Committee Meeting**

May 24, 2001  
NYS Nurses Association, Albany, NY

## **MOTIONS OF THE MEETING**

### **Motion #1:**

Motion to approve the minutes from the April 3, April 16, April 24, April 27, 2001 Meeting.  
*(Motion passed unanimously by a show of hands)*

### **Motion #2:**

Motion to amend the Bylaws to change the Meeting Notice time period from 7 days to 5 days.  
*(Motion passed unanimously by a show of hands)*

### **Motion #3:**

Motion to accept the "Rules to Allocate Responsibility for the Cost of New Interconnection Facilities" as set forth in the document designated as the "Final Draft for BIC Meeting on May 24<sup>th</sup> 2001" with the modification that the word "Load" be deleted from Section I.A ; And the IITF address, prior to the Management Committee vote, the issue of Transmission Owner cost recovery in the event of regulatory rejection of baseline plan cost expenditure; And that nothing in the Rules shall preclude the eventual crediting or recovery of cost to the Developer as otherwise consistent with FERC regulations; And that minority positions designated in bold type in the Rules document referenced above are removed.  
*(Motion passed by a majority show of hands)*

### **Motion #4:**

Motion to table Motion #3  
*(Motion failed with 20% affirmative votes)*

### **Motion #5:**

Motion to amend Motion #3 by adding: Netting will not apply to the elimination or reduction of System Upgrade Facilities identified in the Annual Transmission baseline assessment if the alternative presented by the Developers project does not provide equivalent reliability, capability, or equipment margins.  
*(Motion failed with only 2 affirmative votes)*

### **Motion #6:**

Motion to approve the Emergency Demand Response Program Manual with the following text:  
*When more than 150MW of CDEPGU's has been signed up statewide, dispatch will occur in a "Round Robin" sequence. Dispatch will be by CSP, after NYISO has given consideration to the zonal load conditions and expected transmission constraints during the emergency. Position number in the round robin dispatch sequence will be based on the submission date of the first valid EDRP Attachment B form by the CSP, which registers as a CDEPGU.*

*Once the CSP is called for an EDRP event they will move to the back of the line, in order, and wait their turn for the next EDRP event.*  
***(Motion passed unanimously by a show of hands)***

**Motion #7:**

Motion to approve the Day Ahead Demand Response Program Manual with Amendments as noticed and discussed at BIC 5/24/01 (see Attachment A for full text of motion)  
***(Motion passed unanimously by a show of hands)***

**Motion #8:**

Motion to approve the Stage 2 ICAP Tariff.  
***(Motion passed with 84.00 % affirmative votes)***

**Motion #9:**

Motion to amend Motion #8 to add: provided that the ICAP to UCAP translation factor be applied equally to the in-city price cap and the deficiency penalty.  
***(Motion failed with only 2 affirmative votes)***

**Motion #10:**

Motion to Amend Motion #8 to retain the current 6 month obligation procurement period in the Stage 2 ICAP filing and to direct the ICAP WG to develop a proposal for FERC approval as part of a comprehensive look at the ICAP Market structure and rules and implementation for the Summer 2002 capability period.  
***(Motion failed with 37.90 % affirmative votes)***

## Attachment A

### Full text of the BIC Approved Amendment to Motion # 7:

#### New Section – Award Methodology

The following methodology will be used to determine the awards and will be re-evaluated for 2002 to incorporate the program participation experience during the 2001 summer capability period to ensure the award methodology continues to be just and reasonable.

As a necessary step in implementing the Day-Ahead Demand Response Program (DADRP), LSEs interested in participating must submit to the NYISO their good faith estimate of the number of required bid slots. Since it is anticipated that there will be a limited number of Demand Response Bid Slots available this year, LSEs are asked to submit the following information:

- For aggregated loads, provide the company name, Zone, demand reduction MW, and type of reduction (interruptible load or non-diesel standby generation) for each aggregated resource. Aggregated load bids must total at least 1 MW per bus.
- For individual Demand Side Resource bids, in addition to the above information, LSEs must submit a letter of intent to participate signed by the Demand Side Resource. Individual DSE bids must total at least 1 MW per bus. A sample letter of intent is provided below.

The NYISO will weigh all submissions with the intent to maximize participation in the program, recognizing location and MW offered. In allocating slots, the historical superzone price information compiled by Neenan Associates will be used to ratio the MWs offered. Preference will be given to interruptible load over non-diesel standby generation (the latter may see equal benefit from participating in the Zonal Price-Capped Load Bidding Program). All bids aggregated together must be interruptible load OR non-diesel standby generation. Within a single bid there will be no intermingling of types of reduction.

Submission of individual or aggregated Demand Side Resource information does not constitute a commitment to the program on behalf of any Demand Side Resource. This can only be done through the registration forms included in the DADRP manual.

The NYISO intends to allow at least two rounds of submissions for the summer of 2001; to this end, LSEs should submit their requests by the following dates:

- May 31 (first round)
- June 15 (second round)

As a guide for slot allocation, the NYISO will observe the following division of slots between NYC/LI and the remainder of the state (ROS):

- Round 1: 14 NYC/LI(at least one of which will be LI if requested), 26 ROS
- Round 2: 4 NYC/LI(at least one of which will be LI if requested), 6 ROS

After the first round, unassigned LSE requests will be queued and considered for bid slots in the second rounds. If slots are not allocated in the the first round, they will be carried over to the second round.

The NYISO will actively investigate increasing the number of available bid slots, by contacting market participants in the NYCA zones, among other things.

Expressions of interest should be submitted to:

DJ Lawrence

New York Independent System Operator

290 Washington Avenue Extension

Albany, NY

fax: 518-356-6208

e-mail: [dlawrence@nyiso.com](mailto:dlawrence@nyiso.com)

Letters of Intent may be faxed with originals sent via regular mail.

Questions may be e-mailed to: [dlawrence@nyiso.com](mailto:dlawrence@nyiso.com).

Sample Letter of Intent (fill in the appropriate information noted in square brackets)

“Pursuant to procedures adopted by the NYISO, [Demand Side Resource] hereby provides this letter as evidence of its intent to participate in the NYISO Day-Ahead Demand Response Program (DADRP). Based upon the current understanding of the DADRP, [Demand Side Resource] would be willing to commit to bid approximately \_\_\_ MW of [curtailable load or non-diesel standby generation] into the DADRP, depending upon the day-ahead price of energy and other factors. “

In addition, Three specific changes are moved for the draft dated 5/21/2001:

- On page 30, “a3” should be defined as **“fraction of time when Sprainbrook-Dunwoodie interface is constraining (0.061).”**
- On page 30, “a4” should be defined as **“fraction of time when Con Ed-Long Island interface is constraining (0.337).”**
- On page 30, the last sentence before Figure 9.1 should be replace with **“The specific values for a<sub>1</sub>...a<sub>4</sub> will be used for 2001. The specified values and the overall methodology will be reviewed by the Price-Responsive Load Working Group prior to 2002.”**

In addition, **5.4 Exclusion provisions**

Three types of exclusions are required when computing the calculation of the simple average: DADRP event days, days when load curtails as part

of the Emergency Demand Response Program (EDRP), and shutdown days.

- a) If one or more EDRP event days occur within the range of days used to calculate the Customer Baseline for the day of an EDRP event, the previous EDRP event day is eliminated from the average. The simple average for each hour is determined from the remaining days following the calculation provisions established above for the appropriate Customer Baseline day-type.
- b) If one or more DADRP event days occur within the range of days used to calculate the Customer Baseline for the day of a DADRP event, the previous DADRP event day is eliminated from the average. The simple average for each hour is determined from the remaining days following the calculation provisions established above for the appropriate Customer Baseline day-type.
- c) In the case where a day included in the simple average contains 4 or more consecutive hours with hourly values are less than 75% of the simple average for the corresponding hour, that day is excluded and the simple average is determined from the remaining days following the calculation provisions established above for the appropriate Customer Baseline day-type.