

Proposed Real-Time Market Operation for NYC Load Pocket Constraints

ISO Market Structures WG

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ISO Energy Market Operations

Proposed NYC Load Pocket Operation

➤ **Day-Ahead Market:**

- ▶ No change in NYC load pocket constraint treatment for the DAM
- ▶ Individual 345kV and 138kV transmission facilities will continue to be secured
- ▶ Cable normal ratings = normal facility ratings
- ▶ Cable contingency ratings = midpoint (LTE, STE) facility ratings

➤ **Real-Time Market:**

- ▶ Existing RTM operation uses nine (9) NYC area load pocket interface constraints
- ▶ Future RTC and RTD operation will move to securing individual transmission facilities in the same manner as in the DAM
- ▶ Nine load pockets interface constraints may continue to be used in the event of congestion management issues related to securing the individual transmission facilities

Proposed NYC Load Pocket Operation

➤ **Benefits:**

- ▶ Allows for more efficient NYC congestion management as a result of the more detailed transmission constraint model
- ▶ More consistent DAM and RTM modeling should result in lower balancing congestion costs that may result in uplift
- ▶ Expectation of improved DAM and RTM price convergence within the NYC load pockets with the more consistent constraint models

➤ **Implementation timeline:**

- ▶ Expected to be in place for start of Summer 2006 Capability Period – May 1, 2006
- ▶ Transition may occur in part in April 2006 to gain operational experience
- ▶ This announcement is being made in advance of the Summer 2006 Capability Period Auction for the TCC Market