

Ramapo PAR MW Adjustment in the DAM

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Agenda

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Background

- **Since 2013, the PARs at Ramapo have been operated in Real-time to meet a target flow that includes 80% of the RECo load.**
 - This was introduced as part of M2M Coordination, providing a mechanism for PJM to deliver MWs into SENY to serve RECo load and to pay a portion of the congestion costs incurred in NY for PJM service to RECo.
- **To date, the 80% service to RECo portion of the real-time target has not been included in the Day-Ahead Market.**
 - However, the NYISO has been monitoring market outcomes to determine if an adjustment to the Day-Ahead Market is warranted to reflect PJM service to RECo.

Objective

- **Different expectation of flows between Day-Ahead and real-time can contribute to Balancing Market Congestion Residuals (BMCR).**
 - When flows from PJM to NY over the Ramapo PARs are higher in real-time than in DA, this may drive:
 - BMCR shortfalls associated with Western NY constraints
 - BMCR surpluses associated with Eastern NY constraints
 - When flows from PJM to NY over the Ramapo PARs are lower in real-time than in DA, this may drive:
 - BMCR surpluses associated with Western NY constraints
 - BMCR shortfalls associated with Eastern NY constraints
- **To better align the Day-Ahead and Real-Time Markets, NYISO intends to include a MW adjustment to the Ramapo PARs' schedule in the Day-Ahead Market.**

Tariff section 17

- Section 17 of the MST contains the following provision:

17.1.1.1.2 Determining Expected Power Flows Resulting from NYISO Interchange Schedules

In the Day-Ahead Market, for purposes of scheduling and pricing, SCUC will establish expected power flows for the ABC interface, JK interface and Hopatcong-Ramapo interconnection based on the following:

- a. The percentage of PJM-NYISO scheduled interchange that is expected to flow over the Hopatcong-Ramapo interconnection;
 - 1) The expected flow over the Hopatcong-Ramapo interconnection may also be adjusted by a MW offset to reflect expected operational conditions;

Expected MW over Ramapo PARs

- To better align Day-Ahead and real-time, beginning with the June 14th, 2017 market day, NYISO will include a MW adjustment in the Day-Ahead Market that reflects PJM's service to RECo load over the Ramapo PARs.
 - The adjustment will be a total of +150 MWs all hours from PJM to NY. This represents a conservative assumption based on historical average RECo loads.
 - The same value will be used, without regard to whether there are one or two Ramapo PARs in service, consistent with real-time expectations.
 - This value will be reviewed periodically to determine if updates would be beneficial.
 - The value, including any updated value, will be posted on OASIS at http://www.nyiso.com/public/webdocs/markets_operations/market_data/power_grid_info/NY-NJ_PAR_Interchange_and_OBF.pdf
- The TCC market will begin including this MW adjustment in the July 2017 Monthly Reconfiguration auction.

Questions?

The Mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefits to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policy makers, stakeholders and investors in the power system



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