

# CTS with ISO-NE

## How it will Work

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# What is CTS?

- ◆ **Coordinated Transaction Scheduling (CTS)**

A new protocol that allows market participants to schedule energy based on projected price differences between market areas.

# Why CTS w/ ISO-NE? The Benefits

## ◆ Coordinated Transaction Scheduling (CTS)

The objective of CTS is to improve efficiency of energy scheduling with neighboring ISOs.

## ◆ Efficiency Impact

CTS will allow market participants to schedule based on the price difference between the NYISO and the neighboring ISOs, thereby:

- *improving the arbitrage opportunities available;*
- *improving the convergence of energy prices throughout the regions resulting in more efficient utilization of existing transmission capability; and*
- *allowing more efficient access to lower cost resources throughout the regions.*

In addition, the NYISO and ISO-NE will make quarter-hour scheduling available at the Sandy Pond Proxy Generator Bus when CTS is implemented.

# How CTS will work with ISO-NE

- ◆ **Only at the Sandy Pond Proxy**
- ◆ **Transaction Offers**
  - *CTS offers will be required for 15min Transactions offers*
  - *15min offers are single pt bid curves*
  - *CTS hourly offers are only permitted for Wheel-Through Transactions through NE beginning or ending at the Sandy Pond Proxy (e.g. New Brunswick -> ISO-NE -> NYISO)*
  - *Decremental or Sink Price Cap hourly offers will continue to be required for Wheel-Through Transactions through NY (e.g. OH -> NYISO -> ISO-NE)*
  - *All transaction offers will be entered into the Joint Energy Scheduling System (JESS)*
    - **The same process as is used today.**

# How CTS will work with ISO-NE

## ◆ ISO-NE Supply Price Points

- *ISO-NE will provide Supply Price Points to NYISO to enrich CTS offers for evaluation by RTC*

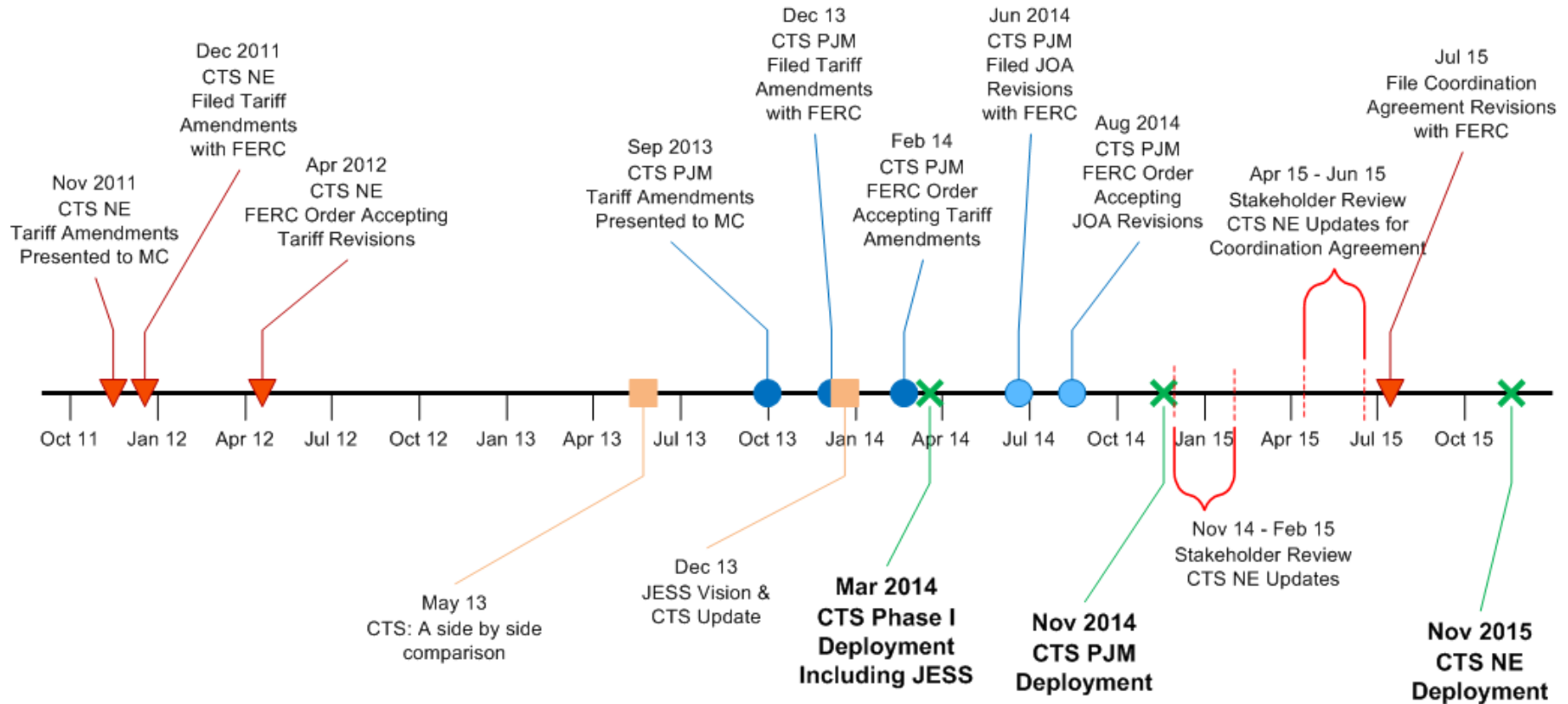
## ◆ ISO-NE Reliability Limits

- *ISO-NE will provide the NYISO with Transfer Limits to be used by RTC in it's evaluation of Transaction bids that reflect ISO-NE transfer limitations due to:*
  - ISO-NE Minimum Generation
  - ISO-NE 30 minute Reserves
  - ISO-NE 10 minute Reserves
- *These limits will restrict the interchange schedules between the NYISO and ISO-NE*

# CTS Congestion Sharing

- *When RTC is attempting to enforce a set of limits based on defined ISO-NE reliability needs, congestion costs resulting from enforcing those limits will be borne solely by ISO-NE.*
- *When RTC is attempting to enforce a set of limits based on defined NYISO reliability needs or NYCA-wide ramp limits, congestion costs resulting from enforcing those limits will be borne solely by NYISO.*
- *The congestion costs associated with enforcement of all other limits will be borne by both ISOs equally using a 50%/50% split.*

# CTS with ISO-NE Timeline

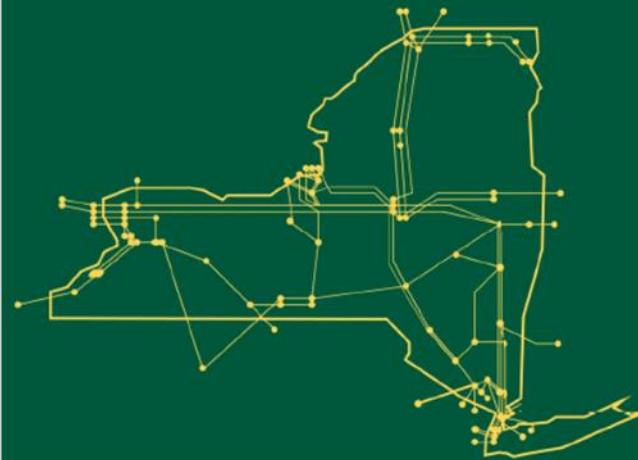


# Next Steps

- ◆ **December MIWG**
  - *Continue to discuss with Stakeholders*
- ◆ **January MIWG**
  - *Continue to discuss with Stakeholders*
- ◆ **April MIWG**
  - *Present Tariff changes to Stakeholders*
- ◆ **June MIWG**
  - *Present any final Tariff to changes Stakeholders*



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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