

Fuel Availability Self Reporting

James Pigeon

*Market Product Specialist, Energy Market Design
New York Independent System Operator*

Market Issues Working Group

December 18, 2014

NYISO KCC Conference Center

Background

- ◆ **Fuel Availability Self Reporting supports the NYISO’s Fuel Assurance Initiative**
 - *The State of the Market Report Recommends the following for Winter Market Operations*
 - Require Generators to provide daily information on fuel availability (e.g., on-site inventory, scheduled deliveries & nominations) to provide NYISO Operations with reasonably accurate forecasts of the availability of generating capacity intra-day

Fuel Assurance Initiative: *Fuel and Performance Incentives*

Incent
Intra-day
Operational
Flexibility

Promote
Increased
Resource
Availability
and
Performance

The NYISO’s Efforts

Capacity Market

- *Ways to better incent and reflect performance*
- *Possible separate Summer/Winter EFORD*

Energy Market

- *Comprehensive Shortage Pricing*
- *Comprehensive Scarcity Pricing*
- *RLS Changes*

Gas-Electric Coordination

- *EMS Visualization of Gas System*
- *Gas Operational Information Sharing*
- *Fuel Availability Self Reporting project*

Why is it important to NYISO?

- ◆ Provide NYISO Operations with situational awareness data on generator availability to:
 - *Assist the NYISO in maintaining reliability with fuel inventory and environmental limit information*
 - *Improve real-time market efficiency by reducing the need for out-of-market actions due to fuel or environmental limitations for generators*

Proposal

- ◆ Automate the ad-hoc reporting process that is already in place to lessen the burden on both Generators and NYISO
 - *A subset of data to be collected weekly and as requested.*
 - *A more comprehensive set of data to be collected periodically, this will be an MP benefit as this will eliminate the need to re-populate all of the data.*
- ◆ The NYISO envisions integrating this application with other existing applications that are collecting other fuel and outage information (e.g. Reference Level Software ('RLS') and Forced Outage Information) to reduce the administrative burden
 - *Create a single location for submitting the information that would help orchestrate the collection of generator data*
- ◆ NYISO will treat the submissions as confidential, competitively sensitive information, to the extent the submitted information is not publicly available elsewhere

NYISO's Anticipated Questions

- ◆ **The Weekly/As Requested and Periodic questions will be provided at the next MIWG presentation**
- ◆ **Questions will be tailored to each fuel type**

Follow Up From Prior MIWG

Stakeholder questions at the 11/19 MIWG:

- ◆ **Can NYISO avoid asking these questions daily as this will just cause un-useful repetitious answers?**
 - *NYISO will expect responses on the first business day of the week by 1pm, or as requested (e.g., Critical operating days) by 1pm of the requested day*
- ◆ **Can there be some defined parameters that would trigger Generators to update their answers to avoid this being a daily issue?**
 - *Weekly/As Requested and Periodic*
 - *Criteria for the 2014/2015 winter: NY Generators that are dual fuel, oil only or gas only and a facility 50mw or larger (with a few exceptions)*
 - *In the future the facility mw amount may change and will be expanded to include all fuel types when necessary, questions for non-fossil fuel would most likely be related to any conditions that would restrict output*

Follow Up From Prior MIWG

Stakeholder questions at the 11/19 MIWG :

- ◆ Are questions to be answered based only on capacity sold?
 - *For Generators that meet the criteria specified, the answers should be based on DMNC for Internal Generators and for the ICAP contract amount for External Generators*
- ◆ How does timely cycle question work considering the gas and electric market times don't line up?
 - *Answer should be based on your gas market position as well as updated positions at the time of report submission to the NYISO*
- ◆ Would NYISO expect gens that have no schedule to answer these questions?
 - *Yes, answers are expected from all Generators that meet the criteria specified*

Follow Up From Prior MIWG

Stakeholder questions at the 11/19 MIWG :

- ◆ Can there be some type of the checkbox for *“No change” and “Answer applies to whole portfolio”*
 - *NYISO will provide checkboxes*
- ◆ Will NYISO require these questions to be answered by external gens or UDRs?
 - *Criteria for External Generators would be dual fuel, oil only, gas only, facility with ICAP contract of a specified mw or larger (The mw value would be the same as the mw value for NY Generators)*

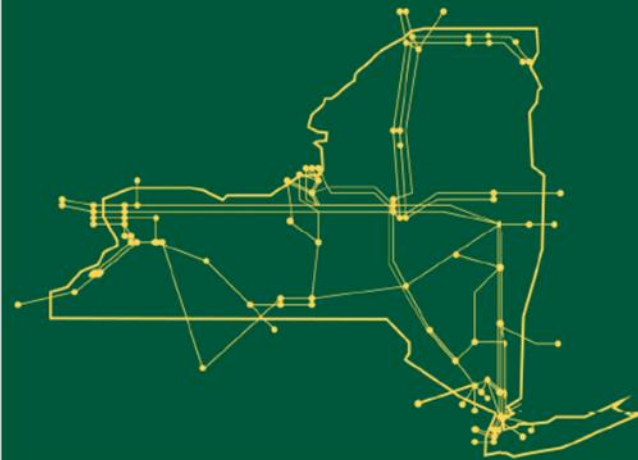
Where are we in the process?

- ◆ **The NYISO leveraged an ad-hoc outreach for fuel availability data during the 2013/2014 winter cold snap**
- ◆ **The NYISO has enhanced the ad-hoc manual process and will maintain it until it can be automated in Q4 of 2015**
- ◆ **The 2014/2015 winter questionnaires were sent out and NYISO is currently in the process of compiling the results**
- ◆ **A test of the ad-hoc process for Cold Weather was initiated on 12/3/14**

Next Steps

- ◆ **October MIWG**
 - *Initial discussion with Stakeholders*
- ◆ **November 2014 MIWG**
 - *Continue to discuss with Stakeholders and Collect Feedback*
- ◆ **December 2014 MIWG**
 - *Continue to discuss with Stakeholders and Collect Feedback*
- ◆ **January 2015 MIWG**
 - *Finalize Proposal*
- ◆ **February 2015 through October 2015**
 - *Build Software and Test with Generators*
- ◆ **October 2015 – Implement automated process**

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.



www.nyiso.com