GITF Issues Review

February 23, 2004

GITF Issues Review

- **RTS order regarding off-dispatch units**
  - *Option evaluation*
  - *ISO staff recommendation*
- **Combined Cycle Unit Modeling**
- **Other GITF agenda items**

RTS order regarding off-dispatch units

- ***FERC directed the ISO to implement one of the following options.***
  - *Self-Scheduling with 30 minutes notice*
  - *RTC 15-minute dispatch*
  - *Price Chasing*
- ***Each has varying degrees of complexity and implementation issues.***
- ***All three of these options were supported by the commenter in their filing to FERC.***

RTS order regarding off-dispatch units

- ***Self-Scheduling with 30 minutes notice***
  - *Significant complexities with implementing this option.*
  - *Creates consistency issues with timing of external scheduling decisions.*

RTS order regarding off-dispatch units

- ***RTC 15-minute dispatch***
  - *Previous MSWG (design period) discussions on RTS indicated that this would be a desirable enhancement.*
  - *Does not have undesirable sub-optimal scheduling or operational issues identified with other two options.*
  - *This is a feasible objective for Summer '05 deployment if approved and given appropriate priority.*

RTS order regarding off-dispatch units

- ***Price Chasing***
  - *Will impair optimal economic decisions by RTS.*
  - *Can adversely affect system operations.*
  - *Improving market efficiency and reducing uplift were key benefits identified in approval of the RTS project.*
  - *These primary design objectives led to enhancing the forward look-ahead of both the dispatch and commitment programs and a focus on ensuring consistency across the scheduling timeframes.*

RTS order regarding off-dispatch units

- ***ISO Staff recommendation***
  1. *Off-dispatch unit scheduling optimization by RTC on a 15 minute periodicity.*
  2. *Integration of a comprehensive Multi-unit Combined Cycle (MCC) generation model into SCUC and RTS.*
  3. *Support for funding and elevated priority (early implementation) as all of these recommendations are improvements to current market design and desired future market operation.*

Combined Cycle Modeling

- ***Current NYISO modeling flexibility is state-of-the-art in ISO/RTO operation.***
  - *Coupled modeling option discussed at the last GITF meeting permits explicit representation of startup costs for each GT but has limitations.*
  - *ISO recognizes that greater ability to represent economics and constraints for each potential configuration is beneficial to the market and desirable.*

Combined Cycle Modeling

- ***Explicit MCC modeling (1 of N) appears doable within the ABB model.***
  - *ABB has implemented such a model in a non-ISO environment.*
  - *Initial review of documentation from ABB indicates the model includes the desired characteristics and features discussed to date.*
  - *Need to discuss further with ABB to confirm model capabilities and the scope of work to integrate it into NYISO scheduling, dispatch, and settlements.*
  - *Will share appropriate documentation with GITF after discussions with ABB.*

Other GITF agenda Items

- ***Dragging Issues***
  - Persistent Steam Dragging
  - GT Penalties
- ***RT restriction on DAM offer prices***

Dragging Issues

- ***Persistent Steam Dragging***
  - *Review of basepoint data w/TOs and a sampling of generators to see:*
    - What is being sent to the generators?
    - Are there significant delays or distortions?
    - Are basepoints interpreted and applied properly?
  - *Determine what guidance can be provided to generators and what achievable measures at the ISO and/or TOs can improve the situation for Summer '04?*
  - *Status report on progress at the next GITF.*

Dragging Issues

- ***GT Penalties***
  - *Considering option to provide flexibility to revise UOLs for hourly bids in-day.*
  - *Would likely include limits on how much the UOL can be reduced.*
  - *Will bring a recommendation and implementation plan to GITF.*

RT restriction on DAM offer prices

- *Desire by generators to have the flexibility to revise real-time energy bids to reflect option value of taking a financial buy-out and selling gas rather than generating electricity in-day.*
- *Currently under evaluation by the ISO.*