



Start-up Bids Treatment

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MIWG

January 17, 2017

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Agenda

- ◆ Background
 - *Issues identified*
 - *Overview of Start-up Bids*
- ◆ Proposal
- ◆ Next Steps
- ◆ Questions/Feedback

Issues Identified

- ◆ The NYISO has identified two issues regarding the treatment of Start-up Bids:
 - Generators scheduled for Energy and/or Regulation services in the DAM, have been able to inappropriately increase their Start-up Bids in RT. This occurs due to the order of precedence for single point and multi-point Start-up Bids.
 - Generators scheduled for Reserve services in the DAM, who should be allowed to increase Start-up Bids in RT, can not do so.

Different Types of Start-up Bids

- ◆ Generators can submit two types of Start-up Bids:
 - *Single point Start-up Bid*, which specifies the cost to start the Generator as part of hourly offers.
 - *Multi-point Start-up Bid*, which specifies the cost to start the Generator based on how long the Generator has been offline and how long it takes to start.
- ◆ If both types are submitted, the single point Start-up Bid takes priority over the multi-point Start-up Bid. The Bids are exclusive.

Different Types of Start-up Bids

- ◆ Examples of Start-up Bids

<i>Single point Bid</i>	
Hourly offer	Start-up Bid <i>[thousand USD]</i>
HB 5	15
HB 6	18
HB 7	12
HB 8	20

<i>Multi-point Bid</i>	
Down time [Hr]	Start-up Bid <i>[thousand USD]</i>
< 4	10
4 - 8	15
8-12	20
> 12	25

Energy and Regulation Bids Must Not Be Increased

- ◆ Pursuant to NYISO's Market Administration and Control Area Services Tariff (MST), if a Generator is scheduled in the Day-Ahead Market ("DAM") to provide Energy and/or Regulation services, the Start-up Bids in Real-Time ("RT") must not exceed the Bids made in the DAM for any hour in which the Generator was scheduled. [Section 4.4.1.2.1, MST]

Reserve Bids Can Be Changed

- ◆ In March 2011, the Attachment D of the NYISO's MST was removed.
- ◆ This change lifted the prohibition for Generators scheduled to provide reserves in the DAM to increase Start-up Bids in Real-Time.

Proposal

- ◆ The NYISO proposes to permit any Generator scheduled in DAM to increase its Start-up Bids in the RT market. Therefore, the NYISO intends to:
 - Develop tariff revisions to permit Generators with DA Energy and/or Regulation schedules to increase Start-up Bids in RT. Implement software modifications based on tariff revisions.
 - Implement software logic to permit units to increase Start-up Bids in RT when scheduled for Reserves in the DAM.
- ◆ This proposal is subject to the review of guarantee payments eligibility.

Next Steps

- ◆ The NYISO intends to work with its stakeholders during Q1-2017 to develop tariff revisions to permit Generators with DA Energy schedules to increase Start-up Bids.
- ◆ The NYISO will implement software logic to permit units to increase Start-up Bids in the RT market when scheduled for Reserve services in the DAM.

Questions/Feedback

Please contact
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by January 31, 2017

The mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefit 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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