



Out of Merit (OOM) Treatment

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Agenda

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- **Overview**
- **OOM Price Setting Eligibility**
- **OOM Operational Announcements**
- **Summary/ Next Steps**

Background

Background

- **Stakeholders approved Hybrid GT Pricing Improvements at the September 28, 2016 Management Committee meeting***
- **The NYISO was asked to return to a MIWG for clarification of:**
 - *Which OOM types are eligible to set price*
 - *Which OOM types are posted to the NYISO's Operational Announcements*

*Link to the 9/28/2016 Management Committee meeting presentation:

http://www.nyiso.com/public/webdocs/markets_operations/committees/mc/meeting_materials/2016-09-28/Agenda%2007_Hybrid%20GT%20Pricing%20Improvements.pdf

Overview

Overview

- **OOM actions by the NYISO fall into three action types, further classified based on the reason for the OOM**
 - *The OOM types in the table at right are currently in use*

Action Type	OOM
ISO Action	ISO VOLTAGE SUPPORT
	OPS INTERVENE/MODIFY MINGEN
	OPS INTERVENE/MODIFY UOL
	OPS INTERVENE/MODIFY BOTH
	COMMITTED FOR ISO RELIABILITY
	ISO ENERGY LIMITED RES
	OOM FOR RESERVES
Gen Action	GEN REQUEST/MODIFY MINGEN
	GEN REQUEST/MODIFY UOL
	GEN REQUEST/MODIFY BOTH
TO Action	OOM FOR TO RELIABILITY
	TO VOLTAGE SUPPORT

Note: OOM for Testing and START UP/ SHUT DOWN are two additional OOM types assigned by the NYISO's settlements department after the market software has run.

Price Setting Eligibility

Price Setting Eligibility - Fundamentals

- A dispatchable resource in between Lower Operating Limit (LOL) and Upper Operating Limit (UOL) is eligible to set price, regardless of whether or not the unit is OOM
 - *Dispatchable resources at LOL or UOL cannot be marginal*
- A GT operates at a single point (LOL equal to UOL)
 - *In the ideal dispatch, GTs are normally modeled as dispatchable between zero and UOL*

Price Setting Eligibility – GT Treatment

- **GTs that are Out of Merited are eligible to set price, provided the OOM type allows commitment flexibility**
 - **A GT with an OOM type that limits flexibility is modeled as having LOL equal to UOL in the pricing pass**
 - **This is effectively the same treatment as when a GT is not eligible to set price under the current hybrid GT pricing logic**
(the current hybrid GT pricing logic will be modified Q1 2017, see slide 21 of the Hybrid GT Pricing Improvements MC presentation for more information on the hybrid GT pricing logic)
- **If a GT is committed in Real Time to resolve a constraint that is modeled in the market software, then the GT will be eligible to set price**

Price Setting Eligibility – GT Treatment

- A GT with the following OOM types is not eligible to set price
 - *ISO Action*
 - ISO Voltage Support
 - *Transmission Owner Action*
 - TO Reliability
 - TO Voltage Support

OOM Operational Announcements

OOM Operational Announcements

- The NYISO posts certain OOM notices on its website under Market & Operational Data, Reports & Information, Operational Announcements*
- Notices are posted for the following OOM types, except where noted:
 - **ISO Action**
 - Committed for ISO Reliability (notice is not posted if the unit is a GT)
 - OOM for Reserves (notice is not posted if the unit is a GT)
 - ISO Voltage Support
 - **TO Action**
 - TO Voltage Support
 - OOM for TO Reliability

*Link to Market & Operational Data:

http://www.nyiso.com/public/markets_operations/market_data/reports_info/index.jsp

Summary/ Next Steps

Summary

Action Type	OOM	GT Eligible to Set Price?	Public Notice Posted?	Example Message
ISO Action	ISO VOLTAGE SUPPORT	No	Yes	ISO REQUESTS HUNTLEY___67 OUT OF MERIT. ISO VOLTAGE SUPPORT AT START TIME 08/02/2007 10:00 FOR VOLTAGE SUPPORT @ GARDENVILLE / WESTERN VOLTAGES..
	OPS INTERVENE/MODIFY MINGEN	Yes	No	N/A
	OPS INTERVENE/MODIFY UOL	Yes	No	N/A
	OPS INTERVENE/MODIFY BOTH	Yes	No	N/A
	START-UP/SHUT DOWN	Yes*	No	N/A
	NYISO GEN AUDIT	Yes*	No	N/A
	COMMITTED FOR ISO RELIABILITY	Yes	Yes, Unless the unit is a GT	ISO REQUESTS GILBOA___3 OUT OF MERIT. COMMITTED FOR ISO RELIABILITY AT START TIME 08/24/2016 12:00 FOR Security..
	ISO ENERGY LIMITED RES	Yes	No	N/A
Gen Action	OOM FOR RESERVES	Yes	Yes, Unless the unit is a GT	ISO REQUESTS GILBOA___4 OUT OF MERIT. COMMITTED FOR ISO RESERVES AT START TIME 02/01/2008 11:00 FOR 10 MIN SYNC.
	GEN REQUEST/MODIFY MINGEN	Yes	No	N/A
	GEN REQUEST/MODIFY UOL	Yes	No	N/A
TO Action	GEN REQUEST/MODIFY BOTH	Yes	No	N/A
	OOM FOR TO RELIABILITY	No	Yes	Metering Authority - New York State Electric & Gas REQUESTS MILLIKEN___2 OUT OF MERIT. OOM FOR TO RELIABILITY AT START TIME 07/06/2015 07:00 FOR security.
	TO VOLTAGE SUPPORT	No	Yes	Metering Authority - Niagara Mohawk UPDATES HUNTLEY___68 OUT OF MERIT. TO VOLTAGE SUPPORT AT START TIME 08/02/2006 12:00 FOR Var support in western NY.

*Note: OOM for Testing and START UP/ SHUT DOWN are two additional OOM types assigned by the NYISO's settlements department after the market software has run

Next Steps

- **The Transmission & Dispatching Operations Manual describes OOM Generation at section 5.7.4***
 - *The NYISO will clarify its description of OOM types with the next round of updates to the Transmission & Dispatching Operations Manual*

*Link to Transmission & Dispatching Operations manual:

http://www.nyiso.com/public/webdocs/markets_operations/documents/Manuals_and_Guides/Manuals/Operations/trans_disp.pdf

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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