

# Incremental ACL for SCRs

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# Topics

- ◆ **Summary of Provisional ACL issues**
- ◆ **Concept to allow an increase to ACL highlighted in Stakeholder presentations and comments**
- ◆ **Preliminary concepts for Incremental ACL**
- ◆ **Next Steps**

# Summary of Provisional ACL Issues

- ◆ **Based on stakeholder presentations and comments, the NYISO will be discussing the following topics related to the Provisional ACL:**
  - *Address use of Provisional ACL for SCRs that change RIPs*
  - *Review limitation on Provisional ACL for three consecutive Capability Periods*
  - *Review SCR Load Zone Peak Hours for Winter ACL*
  - *Address increased baseline with reporting process to increase ACL values within Capability Period*
  
- ◆ **The remainder of this presentation focuses on the last bullet above**

## Stakeholder Issues related to ability to increase an ACL

- ◆ **Summary of issues and suggestions brought to the ICAPWG by Innoventive on 3/13/12 and stakeholder comments**
  - *Establish a mechanism which allows an SCR resource to increase its ACL above the calculated ACL determined by the Top 40 Hours in the Prior Equivalent Capability Period*
  - *Current ACL calculation effectively penalizes a resource with increased load in the Capability Period in which it enrolls*
    - Resource can curtail its committed reduction, but due to higher load is unable to reduce to its CMD
  - *An increase to a resource's ACL would require verification of actual meter data after the Capability Period has closed*
  - *How would the increase in ACL be used in the Top 40 Hours for the resource calculated ACL in the following Equivalent Capability Period?*

## Stakeholder Issues related to ability to increase an ACL - continued

- ◆ **Summary of comments and suggestions brought to the ICAPWG by Innoventive on 3/13/12 and Stakeholder comments – continued**
  - *Establish a threshold on the increase*
  - *Consider basing Shutdown and Incremental ACL at an aggregate level*
    - **Comparable to a RIP measured against aggregate performance**
  - *Consider requiring an adjustment to CMD when increase is a result of the addition of non-curtable load*
  - *Propose using a mechanism similar to Change in Load rather than incorporating into the Provisional ACL*

# NYISO Concepts for Incremental ACL

- ◆ **Allow a resource to increase its ACL above the calculated ACL based on the Top 40 SCR Load Zone Peak Hours for the Capability Period**
- ◆ **Resource will be required to demonstrate eligibility in order to increase its ACL**
- ◆ **Resource will be required to perform in the Capability Performance Test based on the increased ACL value**
- ◆ **Resource will be required to submit Incremental ACL Verification data after the close of the Capability Period**

# Require a Resource to Demonstrate Eligibility to Increase its ACL

- ◆ **Demonstrate that an increase to load has been in place for at least one complete calendar month (“reference” month) prior to enrollment for the month for which the increase is being submitted**
  - *NYISO will establish monthly Top 40 Hours for each month in the Capability Period*
    - Monthly Top 40 Hours will only be used for the purpose of increasing a resource’s ACL
  - *The difference between the “reference” month’s calculated ACL from the Prior Equivalent Capability Period and the calculated ACL based on the metered load of the same “reference” month in the current Capability Period will be the maximum increase the resource is eligible to make to the calculated ACL (Example begins on Slide 13)*

## Require a Resource to Test at the Increased ACL Value

- ◆ **When the Resource ACL is increased *prior* to the first Performance Test in the Capability Period**
  - *Resource will be required to demonstrate its maximum enrolled capability for the Capability Period based on the new ACL in the first Performance Test*
- ◆ **When the Resource ACL is increased *after* the first Performance Test in the Capability Period**
  - *Resource will be required to demonstrate its maximum enrolled capability based on the new ACL, for the portion of the Capability Period in which the Incremental ACL is in effect, in the second Performance Test in the Capability Period*
  - *Response to the first Performance Test will be used to measure the maximum enrolled capability prior to enrollment with the Incremental ACL*
  - *Performance in both tests will be used in the calculation of the resource, MP, and Aggregation Performance Factors, and the calculation of RIP Deficiency*

## Require a Resource to Test at the Increased ACL Value

- ◆ **The resource Declared Value (DV) used in performance calculations for the test hour will be the highest DV across all months in the Capability Period for which the Incremental ACL is applied**
- ◆ **The resource Declared Value (DV) used in performance calculations for event hours will continue to be the ICAP equivalent of the UCAP sold in the month in which the event occurred**

# Change to Performance Testing for Resources Reporting a Shutdown

- ◆ **Resources that report or change a reported Shutdown value *after* the first Performance Test in the Capability Period will also be required to demonstrate performance against the new ACL in the second Performance Test in the Capability Period**
  - *Response to the first Performance Test will be used to measure the maximum enrolled capability prior to the reported Shutdown or change to the reported Shutdown value*
  - *Performance in both tests will be used in the calculation of the resource, MP, and Aggregation Performance Factors, and the calculation of RIP Deficiency*

# Require a RIP to Verify Incremental ACL after the Capability Period

- ◆ **Report Incremental ACL Verification data after the close of the Capability Period**
  - *NYISO will establish monthly Top 40 Hours for each month in the Capability Period*
  - *Report verification data for each month beginning with the “reference” month through the end of the resource enrollment in the Capability Period for which the resource was enrolled with the Incremental ACL*
  - *A monthly ACL will be calculated for each month that required verification data*
  - *An “Average ACL” will be calculated using the two highest calculated ACLs from all months of verification data submitted*
  - *The “Average ACL” will be used in performance, deficiency, and penalty calculations for months with an Incremental ACL*

When all required months of verification data are not reported:

- ◆ **A calculated ACL of zero will be assigned to each month for which verification data was required for the Incremental ACL and not reported**
- ◆ **The “Average ACL” will *no longer* be calculated using only the two highest calculated ACLs from all months reported**
- ◆ **The “Average ACL” will be calculated using the two highest calculated ACLs *and* all months that were assigned a zero as the calculated ACL**
- ◆ **Example on following slide**

# Example of calculating an "Average ACL" based on required data reported

All Required Months Reported		
Required Month of Reporting	Calculated ACL	Used in "Average ACL"
June	340	Yes
July	330	No
August	336	Yes
September	325	No
October	335	No
<b>"Average ACL" = (340 + 336)/2 = 338</b>		

All Required Months NOT Reported			
Required Month of Reporting	Data Reported?	Calculated ACL	Used in "Average ACL"
June	Yes	340	Yes
July	Yes	330	No
August	Yes	336	Yes
September	No	0	Yes
October	Yes	335	No
<b>"Average ACL" = (340 + 336 + 0)/3 = 225</b>			

# Incremental ACL Example - 1

- ◆ **Resource is enrolled for the Summer 2013 Capability Period beginning with the May 2013 auction month**
- ◆ **Resource ACL is increased beginning with the August 2013 auction month**
- ◆ **SCR Enrollment for August: 6/22 through 7/9**
  - *Reference month must be the full calendar month before the date of the close of enrollment*
  - *In this example*
    - **Enrollment month: August**
    - **Close of enrollment for August: July 9**
    - **Reference month: June 1- 30**

# Incremental ACL Example - 2

## **ELIGIBILITY:**

**NYISO determines monthly Top 40 Hours from the Prior Equivalent Capability Period for use in evaluating resource eligibility to increase ACL**

**RIP imports Incremental ACL Eligibility file containing values from the reference months:**

- 1. kW values from Top 40 Hours from Prior Equivalent Capability Period: June 2012 (Previous Year Reference Month)**
- 2. kW values for the SAME Top 40 Hours (day of the month and time) for the same month of the current Capability Period: June 2013 (Current Year Reference Month)**

**DRIS calculates the ACL for the reference months, June 2012 and June 2013**

**The calculated difference between the reference months is the maximum kW amount which may be stated as an increase to the resource ACL:**

**$ACL\ June\ 2013 - ACL\ June\ 2012 = \text{maximum increase which can be made to the resource ACL}$**

**The kW increase is entered in the "Incremental kW Value" field on the SCR enrollment file for August 2013**

**DRIS adds the kW increase to the calculated ACL of the resource for the remainder of the Capability Period:**

**$Calculated\ ACL + Incremental\ kW\ increase = Net\ ACL$**

# Incremental ACL Example - 3

## **TESTING:**

**Resource was enrolled beginning May 2013: ACL of resource calculated based on Top 40 Hours from Summer 2012 Capability Period**

**Resource performed in the first Performance Test (July) of the Summer 2013 Capability Period using the calculated ACL**

**Resource increases ACL beginning with the August 2013 auction month and is required to perform in the second Performance Test in the Capability Period based on the new Net ACL (Calculated ACL + Incremental ACL value)**

**Both test hours are used in performance calculations:**

- **The DV used in performance calculations for the first test = the Max DV across all months prior to the increased ACL: May, June, July**
- **The DV used in performance calculations for the second test = Max DV across all months with the increased ACL: August, September, October**

# Incremental ACL Example - 4

## **VERIFICATION:**

**Resource was enrolled with an Incremental ACL in Summer 2013 for the auction months of August – October and used June as the “reference” month when determining eligibility**

**RIP is required to report Incremental ACL verification data for the months of June - October**

**NYISO determines the monthly Top 40 Hours for each month in the Summer 2013 Capability Period**

**RIP imports Incremental ACL Verification file containing Top 40 values from every month that the resource was enrolled with an increased ACL from the “reference” month forward**

**DRIS calculates the ACL for each month imported on the verification file: June, July, August, September, October**

**DRIS calculates an Average ACL using the two months with the highest calculated ACLs**

**DRIS compares the calculated Average ACL to the Net ACL (Calculated ACL + Incremental ACL) stated on the resource enrollment to determine deficiency/penalty**

## Continued Use of Incremental ACL in other Capability Periods

- ◆ **To increase the ACL in the next Capability Period (i.e., Winter) after the first Capability Period in which the resource enrolled with an Incremental ACL (i.e., Summer), the resource would follow the Incremental ACL process for the Winter Capability Period**
- ◆ **The resource ACL for the next Equivalent Capability Period will be determined by the current ACL baseline calculation method**
  - *If 20 or more of the Top 40 Capability Period hours do not include the period in which the resource was enrolled with an Incremental ACL, the resource would follow the Incremental ACL process for the next Equivalent Capability Period*

## Threshold for Increase to ACL

- ◆ **Establish a threshold for the increase to ACL which is the same as the existing rules for Change in Load**
  - *Resource must have a calculated ACL of 500 kW or greater*
  - *Increase must be greater than or equal to the lesser of*
    - **Thirty percent of the calculated ACL and**
    - **10 MW if in Rest of State or Long Island or 5 MW in the NYC Locality**

## Additional Stakeholder Comments

- ◆ **Consider basing Shutdown and Incremental ACL at an aggregate level to be comparable to a RIP measured against aggregate performance**
  - *Performance calculations require an input of the ACL value at the resource level, therefore, an increase or decrease must be applied against the individual resource level*

# Additional Stakeholder Comments

- ◆ **Consider requiring an adjustment to CMD when increase is a result of the addition of non-curtable load**
  - ***Existing program rules and procedures already address this comment:***
    - **The RIP is responsible for adjusting the resource's Subscribed Load and/or Subscribed Generation on the resource enrollment as a result of an increase to the resource ACL**
    - **The Declared Value of the resource may not be greater than the calculated ACL of the resource**

## Additional Considerations

- ◆ **An Incremental ACL is assumed to be the result of an increase that will be in effect for the Capability Period, not normal load fluctuations from month to month, therefore:**
  - *A resource ACL may be incremented only once per Capability Period*

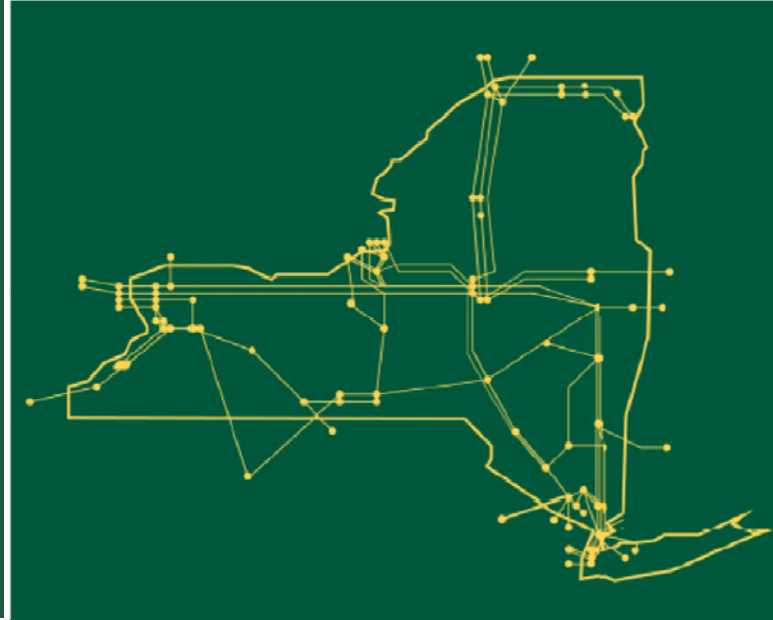
## Additional Considerations

- ◆ **A resource enrolled using an Incremental ACL may not enroll with another RIP until the next Capability Period**
  - *If multiple RIPs enroll the same resource and report different verification data after the Capability Period, the NYISO would need to administratively determine which set of verification data to use for calculating performance and deficiency penalties of the SCR and RIP*
- ◆ **A resource enrolled with a Provisional ACL may not use the Incremental ACL to increase its ACL in a Capability Period**
  - *Provisional ACL is established by the RIP at the time of enrollment*
  - *Any changes in load from the prior Equivalent Capability Period should be considered when the Provisional ACL is developed*

# Next Steps

- ◆ **Work toward solutions for Provisional ACL issues between August and December 2012**
  - *Tariff, software, and manual changes expected*
  - *Provided project remains on schedule, including regulatory approval, implementation may be ready for Winter 2013-2014*

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