

# Update on Coordination Efforts

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*September 17, 2014*

# FERC: Gas & Electric Coordination

- ◆ **Technical Conferences in 2012 and 2013**
  - *Examined issues related to scheduling and market timing differences, and communication and information-sharing.*
- ◆ **FERC Order 787 - November 2013**
  - *Permits ISO/RTOs and interstate pipelines to share non-public, operational information with each other for the purpose of promoting reliable service or operational planning on either system.*
- ◆ **FERC NOPR - March 2014**
  - *Proposed modifying the Gas Operating Day (from 9am-9am CT to 4 am-4am CT)*
  - *Proposed modifying the Timely Cycle Nomination (from 11:30am CT to 1pm CT)*
  - *Proposed additional intra-day cycle times*
  - *Electric and Gas Industries to work through NAESB to reach consensus on any revisions to the proposed changes*

# ISO/RTO: Gas & Electric Coordination

- ◆ **Increased Coordination and Information-Sharing (FERC Order 787)**
  - *Maintenance and Outage Coordination: Transmission, Generation, and Pipeline*
  - *Real-time gas system conditions: Impact of unplanned events on gas generators*
  - *Real-time electric system conditions: Actual or anticipated electric service interruptions to gas compressor locations*

# NYISO Tariff Revisions (Order 787)

- ◆ **Approved at July 2014 MC**
  
- ◆ **Consistent with FERC Order 787, NYISO proposes Code of Conduct revisions to permit sharing non-public, operational information concerning natural gas-fueled generation for the purpose of promoting reliable service or operational planning:**
  - *With operating personnel of interstate pipelines*
  
  - *With operating personnel of LDCs and intrastate natural gas pipeline operators, after they have acknowledged, in writing, that they may not disclose, or use anyone as a conduit to disclose, that information to an affiliate or third party*

# Information Sharing

- ◆ **The NYISO is focusing on three areas for information sharing:**
  - 1) *Maintenance/Outages*
  - 2) *Pipeline System Conditions*
  - 3) *DA and/or RT Unit Commitments for Energy and Reserves*
  
- ◆ **The NYISO has an internal process for tracking generator gas nominations and oil inventory.**

# FERC NOPR/NAESB Efforts

- ◆ From the NOPR:
  - *“We continue to recognize that the natural gas and electric industries are best positioned to work out the details of how changes in scheduling practices can most efficiently be made and implemented.”*
  - *“The Commission has recognized that even the most efficient standards need to be modified to accord with changing realities.”*
- ◆ Gas and Electric Industries given 180 days to work through the NAESB
- ◆ No consensus achieved at NAESB, because there was no agreement on the start of the Gas Day.
  - *The NAESB Board of Directors voted to make changes to gas scheduling practices (Timely, ID1, ID2, ID3 cycles) through the Business Standards Committee*
  - *Will remain silent on the start of the Gas Day*
- ◆ Final Comments due on the FERC NOPR in November 2014.

# NOPR & Proposed Market Timing Changes

- ◆ **ISO/RTOs\* support 4 am (CT) start to the gas operating day, additional intra-day nomination cycles, and later close of the Timely Cycle.**
  - *Moving the Gas Day allows generators to nominate gas in the day-ahead Timely Cycle to cover the morning and evening peaks of the same electric day.*
  - *This is especially helpful during extreme cold weather, when operating conditions on the gas pipeline can change drastically from one day to the next.*
  
- ◆ **IRC Comments to NAESB:**
  - *Supportive of proposed ID nomination cycles, although recognize that additional ID cycles, including the four total ID cycle proposed in the NOPR, could provide greater flexibility to gas-fired generators responding to RT electric system conditions.*
  - *The IRC supported the proposed 3 ID cycles when they were considered as part of a package that included an earlier start of the Gas Day.*

\* CAISO and IESO support various gas day start times, in addition to the 4 am gas day start.

# Fuel Assurance Initiative

- ◆ **Needed to meet NY needs for the future.**
- ◆ **Multiple components:**
  - *Energy & Ancillary Service Market Changes,*
  - *Capacity Market Changes.*
- ◆ **Multi-phase with implementation over the next several years.**
- ◆ **The first task will be working on identifying components of the initiative to meet NY needs.**



# Fuel Assurance Initiative

- ◆ **Possible Energy & Ancillary Market Changes**
  - *Winter outage/availability (MMU recommendation in the 2013 State of the Market Report)*
  - *Additional Reserve areas and quantities*
  - *Creation of critical operating days*
- ◆ **Possible Capacity Market Changes**
  - *Looking at ways to better incent and reflect performance especially on critical operating days*
  - *Separate summer and winter EFORd*
- ◆ **Work Already Underway or Implemented**
  - *Reference Level Changes (June 2014)*
  - *EMS Visualization of the gas system (October 2014)*
  - *Code of Conduct Revision: Gas Operational Information Sharing (Approved at August MC)*
- ◆ **Next Steps**
  - *Identification of Fuel Assurance components with stakeholders in the working groups.*



NEW YORK INDEPENDENT SYSTEM OPERATOR



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.

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