

SCR/ICAP Issues/Priorities

**PRL Working Group Meeting
February 24, 2005**

Major NYISO SCR/ICAP Topics of Interest (Not Necessarily In Order of Importance)

- **Audits/Periods** – Every SCR resource that sells/certifies UCAP in a capability period must be audited in that capability period. Audits will take place only during the “core” months (Dec/Jan/Feb in the Winter and Jun/July/Aug in the Summer). NYISO is considering having two audits during this each three month “core” period (i.e., June and Aug, Dec and Feb)
- **Mandatory responses** – Resources sold in a month during which an audit is called are obliged to respond unless they have sold in the strip auction, in which case they may respond to a subsequent audit later in the capability period.
- **Limit on in-hour excursions** – A 200 MW load reduction lasting only 15 minutes is not the same as a 50 MW reduction lasting an hour (even if the hourly average is the same). The former is not acceptable from an operations standpoint. SCRs must make every effort to avoid producing disruptive transients, both during audits and actual events. NYISO will work with RIPS as necessary. For SCRs 25 MW and larger, NYISO is proposing that excursions should be limited to no more than 25 MW in a given hour.
- **Base Line time period** – Audits should be conducted during peak hour periods (2-6 PM in the summer, 4-8 PM in the winter.)
- **Base Lines for new or increased loads** – SCRs lacking historical load data may provide a provisional APMD, subject to confirmation during subsequent audits/events. Unsubstantiated APMDs may result in penalties and/or deratings. Most recent interval data available will be used as reasonableness guide for new loads.

Major SCR/ICAP Topics of Interest (cont.)

- **Load Loss/Energy Efficiency/CHP implications** - Under current rules, “baseload” (permanent) reductions below APMD baseline levels may be claimed as SCR capacity until the following year, when new APMD will reflect the reduction. For direct metered DG/CHP the value continues indefinitely.
- **Small Customer Aggregation Rules** – SCAs are eligible to receive UCAP credit, however the rules by which Metering and Verification protocols are proposed, reviewed, and approved are not specified in the ICAP Manual. NYISO proposes that the same rules applicable to the EDRP and DADRP SCA programs be used, with addition of review step by the ICAP WG.
- **Use of Load Shapes for ICAP Tags for Customers with Interval Meters** – Even where the existence of interval metering allows the determination of customers’ contribution to system peak loads, some customers’ ICAP tags are based on load shapes. NYISO believes the issue merits further discussion.
- **Long Range Resource Adequacy**
 - Forward Market Design – To the extent that NYISO considers the adoption of forward markets for capacity, the needs of demand response need to be considered (as they were in the RAM process).