

Interface Pricing Documentation Updates

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Agenda

- Background
- New OASIS Posting
- Technical Bulletin 152 Updates
 - Intermediary Technical Bulletin 152 Modification
- Technical Bulletin 213 Retired
- Next Steps



Background

- On January 18, 2013 the NYISO filed proposed Interface Pricing revisions to Market Services Tariff (MST) 17.1 with the FERC
- The MST changes were discussed with stakeholders at the 1/10/13 and 1/24/13 MIWG meetings
- The NYISO committed to return to stakeholders to review the additional documentation updates required for Interface Pricing; which is the objective of today's discussion



New OASIS Posting

- The filed MST language states that the NYISO will publicly post the on-peak and off-peak unscheduled power flows for the Day-Ahead market on its web site
 - This information is currently communicated through a weekly TIE list announcement
- The filed MST language states that the NYISO will post the percentage values of PJM-NY interchange that it is currently using to establish Day-Ahead and real-time expected Branchburg-Ramapo interconnection, ABC interface and JK interface flows for purposes of scheduling and pricing on its website
 - This information is currently communicated via TB 152



New OASIS Posting: Format

- The NYISO will consolidate the unscheduled power flow and the percentages used on the PJM-NY interface into one OASIS posting
 - The posting will include a description of the process used to determine DAM expected unscheduled power flows as included in the proposed MST language as well as a data table.
- The location of the Interface Pricing data file will be in the "Markets & Operations" section of the NYISO website in the "Power Grid Data" directory under "Interface Flows"
- The NYISO intends to have the new posting available in mid-March at which time a TIE list announcement will be provided redirecting stakeholders to the information on the NYISO website for future updates



New OASIS Posting - Description

The expected unscheduled power flow (UPF) value described in MST Attachment B and used in the Day-Ahead Market (DAM) evaluation will ordinarily be updated weekly, based on the average hourly loop flows observed over the past 30 days. Revised expectations of the UPF for the upcoming week will ordinarily be calculated on the first business day of each week, and applied in the Day-Ahead Market evaluation performed on the subsequent day. The expected UPF will be calculated based on observed Lake Erie Circulation less the estimated power flow contribution associated with NYISO/PJM and NYISO/IESO scheduled interchange.

For purposes of determining the UPF value for use in the Day-Ahead Market, "On Peak" includes Monday -Saturday HB07 - HB22 and "Off Peak" includes Monday - Saturday HB23 -HB06 & Sunday HB00 - HB23.

In the Day-Ahead Market and Real-Time Markets, for the purposes of scheduling and pricing, the interface flows will be established for the ABC, JK, and 5018 interconnections based on the methodology described in MST Attachment B and the percentages included below.



New OASIS Posting - Data Table

	DAM Expected Unscheduled Power Flow		DAM/RT Modeled Percentage of NY-PJM Interchange		
Date	On Peak (MW)	Off Peak (MW)	ABC (%)	JK (%)	5018 (%)
11/28/2012	-150	-200	0	0	40
12/5/2012	-50	-150	0	0	40
12/12/2012	50	-50	0	0	40
12/19/2012	150	0	0	0	40
12/28/2012	150	0	0	0	40
1/2/2013	100	0	0	0	40
1/9/2013	50	0	0	0	40
1/16/2013	0	-100	0	0	40
1/24/2013	0	-100	0	0	40
1/30/2013	0	-100	0	0	40
2/6/2013	-100	-100	0	0	40
2/13/2013	-50	-150	0	0	40
2/15/2013	-50	-150	0	0	61

Note: Positive values of UPF indicate counter-clockwise loop flows around Lake Erie.



Technical Bulletin 152 Revisions

- TB152, PJM Keystone Proxy Bus Pricing and Scheduling, currently describes how the expected flows over the ABC, JK and 5018 interconnections with the PJM Control Area are established in the Day-Ahead, Real-Time and Transmission Congestion Contracts (TCC) Markets.
- The concepts described in TB152 for the Day-Ahead and Real-Time energy markets are included in the filed Interface Pricing MST language
- The percentage values used to establish PJM-NY interface flows will be included in the new OASIS posting
- TB152 has been revised to address the TCC market exclusively



TB152 Intermediary Revisions

- It is expected that TB152 will remain "under review" until the FERC rules on the NYISO's Interface Pricing filing.
- In the meantime, it is necessary to update the current TB152 to reflect a change in the TCC market to model 61% of PJM-NY interchange across the Branchburg-Ramapo interconnection
 - The change to 61% in the TCC market will be implemented for centralized TCC auction rounds conducted after March 1, 2013 and for all Spring monthly reconfiguration auctions going forward
 - This will align the TCC market with the February 15, 2013 change in the energy markets to reflect 61% of interchange across the Branchburg-Ramapo interconnection rather than 40%
 - The change to 61% is consistent with the terms established in OATT Attachment CC Schedule D



Technical Bulletin 213 Retired

- TB213, (Interface Pricing) Method for Modeling Unscheduled Power Flows, describes how the NYISO will account for expected unscheduled power flows across the NYISO/IESO and NYISO/PJM interfaces in the Day-Ahead and Real-Time Markets in its pricing and scheduling
- The concepts described in TB213 that remain relevant are included in the filed Interface Pricing MST language and in the new OASIS posting
- It is expected that TB213 will be retired

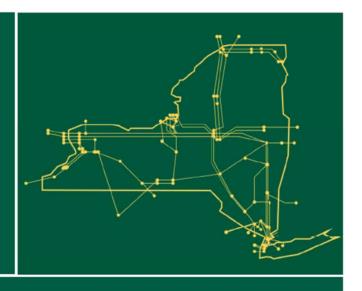


Interface Pricing Next Steps

- The NYISO is targeting mid-March to establish the new OASIS posting
- Revised TB152 will remain under review until the FERC rules on the NYISO Interface Pricing filing
- It is expected that TB213 will be retired when the FERC rules on the NYISO Interface Pricing filing



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