

Statewide DARU

Shaun Johnson
Product Manager, Energy Markets Products
New York Independent System Operator

Management Committee Meeting

September 30, 2009
Agenda 05

Summary of Current DARU Capabilities

- ◆ Currently Transmission Owners have the ability to request a Day-Ahead Reliability Unit (DARU) prior to the close of the Day-Ahead Market to meet the reliability needs of their local system.
- ◆ The ISO does not have the ability to commit a Generator for NYCA reliability prior to the close of the Day-Ahead Market nor the authority to add a day 2 SRE unit to the DAM.

Proposed Modifications

- ◆ Recent feedback from Market Participants has indicated a desire for the NYISO to have the ability to request a DARU for NYCA reliability; the NYISO concurs.
 - *Phase 1 of this implementation will NOT allow the ISO to DARU a unit in NYC.*
 - *ISO DARU's will be notified of this request at DA market close and a notification will be posted to OASIS.*
- ◆ Settlements for ISO DARU requests for NYCA reliability would work similarly to other commitments for NYCA reliability. Any BPCG associated with the commitment would be allocated across the NYCA on a load ratio share.

Proposed Tariff Modifications

- ◆ Tariff changes would be needed to permit this functionality:
 - *Sheet No. 33B of the Market Services Tariff*
 - The definition of Day-Ahead Reliability Unit would need to be amended to indicate the ISO may request commitment of Generators in the DAM to meet NYCA reliability.
 - *Sheets No. 91A and 91B of the Market Services Tariff*
 - This section would need to be amended to indicate the ISO may request commitment of Generators in the DAM to meet NYCA reliability.
- ◆ This would require similar updates to TB 182 and the DA Operating Manual.

Timeline

- ◆ MIWG – 08/20/09
- ◆ SOAS – 08/31/2009
- ◆ BIC – 09/09/09
- ◆ MC – 09/30/09
- ◆ **BOD – October 2009**
- ◆ **File with FERC by end of October to seek approval by January 2010**
- ◆ **Implement functionality January 2010**
 - *Implementation prior to January is not possible due to NYISO's participation in Sarbanes-Oxley standards.*



The New York Independent System Operator (NYISO) is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and provides comprehensive reliability planning for the state's bulk electricity system.

www.nyiso.com