

CTS with ISO-NE

Tariff Revisions Follow Up

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Benefits of CTS with ISO-NE

◆ Coordinated Transaction Scheduling (CTS)

The objective of CTS is to improve efficiency of energy scheduling with neighboring ISOs.

◆ Efficiency Impact

CTS will allow market participants to schedule based on the price difference between the NYISO and the neighboring ISOs, thereby:

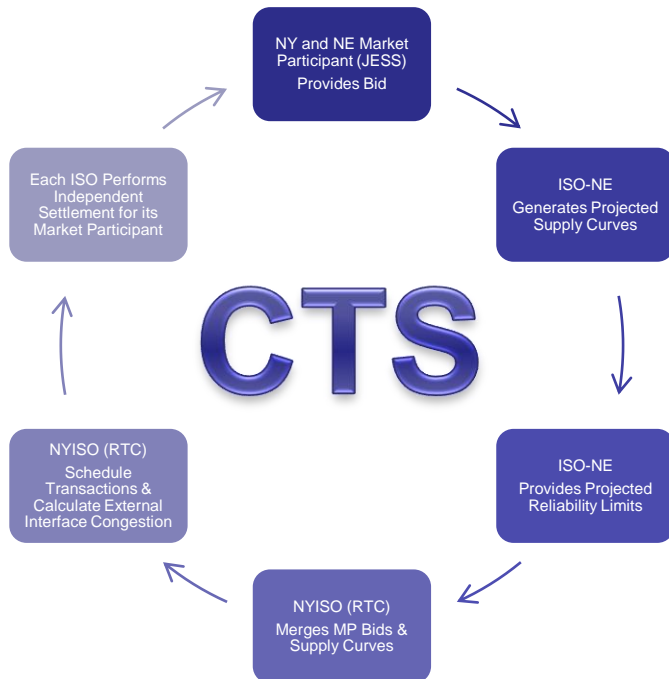
- *improving the arbitrage opportunities available;*
- *improving the convergence of energy prices throughout the regions resulting in more efficient utilization of existing transmission capability;*
and
- *allowing more efficient access to lower cost resources throughout the regions.*

In addition, the NYISO and ISO-NE will make quarter-hour scheduling available at the Sandy Pond Proxy Generator Bus when CTS is implemented.

Benefits of CTS with ISO-NE

◆ Today

- *RTC schedules interchange without any knowledge of ISO-NE reliability limits.*
- *Any reductions in the normal Reliability Limits after RTC has produced an interchange schedule can result in transaction cuts by operators during the checkout process, potentially resulting in a less economic interchange schedule.*



◆ Tomorrow (post CTS w/ ISO-NE activation)

- *RTC will be supplied with reliability limits as inputs, allowing RTC to schedule the most economic interchange possible within the range of the limits.*
- *Transaction cuts after RTC has scheduled interchange should be minimized.*

Proposed Tariff Changes

- ◆ **NYISO is proposing the following changes to the Coordination Agreement and Schedule D per stakeholder requests**

Coordination Agreement Body

- ◆ **Section 6.1(i), the fourth bullet:**
 - *NYISO and ISO-NE Operating Reserves reserves and reserve requirements;*
- ◆ **Section 6.1(i), the sixth bullet:**
 - *(to be provided by NYISO);*
- ◆ **Section 1 Definitions, item (4) in the definition of “Control Area”, “Operating Reserves” capitalize to match the defined term:**
 - *provide sufficient capacity to maintain Operating Reserves in accordance with Good Utility Practice.*

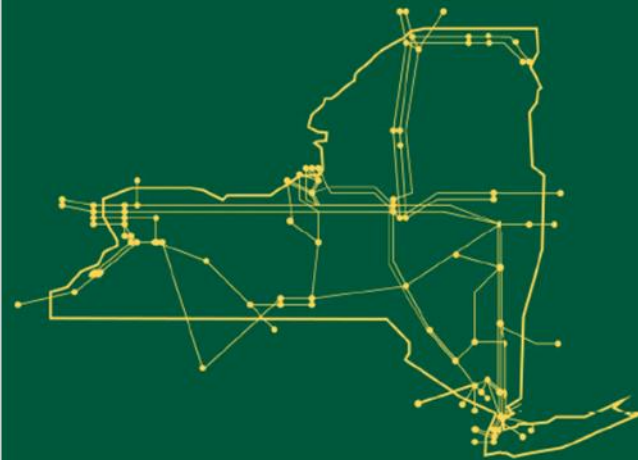
Schedule D

- ◆ **Section 4.1 Evaluation of CTS Interface Bids**
 - *The words ~~clear~~, ~~clears~~, ~~cleared~~ and ~~clearing~~ are changed to **schedule**, **schedules**, **scheduled** and **scheduling**.*

Next Steps

- ◆ **Coordination Agreement & Tariff**
 - *MIWG (March 2015)*
 - *MIWG (April 2015)*
 - *MIWG (May 2015)*
 - ***BIC (June 2015)***
 - ***MC (July 2015)***
 - ***BOD (August 2015)***
 - ***Filing (August 2015)***
 - ***FERC Approval (October 2015)***

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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