Example NYC Default Reference Price Calculation

New York Independent System Operator

Installed Capacity Working Group
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- The example shown is intended to illustrate how the default reference price for NYC ICAP supply-side mitigation will be calculated.
- The example uses the most current information available to the NYISO.
- Market Participants should not rely on the information presented and should consider this as an example only; the actual default reference price will be calculated monthly after certification by the ICAP system.

Parameter	Label	ICAP	UCAP	Remarks
EFORd	**A**	**- - -**	**6.9%**	Per ICAP/UCAP translation of demand curve[1]
NYC reference price ($/kW-mo), 100% LCR	**B**	**$13.36**	**$14.35**	Per ICAP/UCAP translation of demand curve[1]
NYC load forecast (MW)	**C**	**11964**	**- - -**	LCR study[2]
80% * C	**D**	**9571**	**8911**	**- - -**
Demand curve zero crossing point (MW)	**E**	**- - -**	**10515**	Per ICAP/UCAP translation of demand curve[1]
Generator UCAP (MW), May 2008	**F**	**- - -**	**9353**	Generator DMNC values as of May 2008, adjusted for EFORd
SCRs (MW)	**G**	**- - -**	**450**	Footnote 3
Available UCAP MW (F+G)	**H**	**- - -**	**9803**	**- - -**
Default reference price, $/kW-mo (E-H)/(E-D)	**I**	**- - -**	**$6.37**	**- - -**
Sensitivity ($/kW-mo)/100 MW	**J**	**- - -**	**-$0.89**	Per ICAP/UCAP translation of demand curve[1]

Footnotes:

1. Available at http://www.nyiso.com/public/webdocs/products/icap/auctions/Summer-2008/documents/DemandCurveSummer2008_FINAL_posting.pdf
2. Available at https://www.nyiso.com/secure/webdocs/committees/oc/meeting_materials/2008-02-28/LocationalMinimumICAPRequirementsStudy.pdf
3. Estimate based on registered levels of 316 MW (April 2007), 446 MW (May 2007) and 357 MW (April 2008).

NEW YORK INDEPENDENT SYSTEM OPERATOR

The New York Independent System Operator (NYISO) is a nonprofit corporation that began operations in 1999 to facilitate the restructuring of New York's electric industry. The NYISO operates the state's bulk electricity grid and administers New York's wholesale electricity markets.

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