

Draft Recommendations

Nicole Bouchez, PhD

Principal Economist, NYISO

IPPTF

July 16, 2018, KCC, Rensselaer, NY

DRAFT – FOR DISCUSSION PURPOSES ONLY

©COPYRIGHT NYISO 2018. ALL RIGHTS RESERVED



Agenda

- **Background & presentation objective**
- **Draft recommendations: Overview of expected changes to the straw proposal**
- **Questions and feedback**

DRAFT – FOR DISCUSSION PURPOSES ONLY

Background & presentation objective

- **The work plan anticipates Draft Recommendations by August 1, 2018.**
 - The draft recommendations will be based on the NYISO's straw proposal.
 - The draft recommendations will reflect the work performed by the IPPTF including feedback received from stakeholders (written and verbal).
 - The draft recommendations will also indicate where additional meetings are anticipated and/or more work is anticipated by the IPPTF.
- **The recommendations will be finalized by the end of October 2018 and the proposal will be issued by the end of December 2018.**
- **Today's meeting provides a summary of the changes that the NYISO intends to reflect in the draft recommendations and provides an opportunity for additional feedback from stakeholders.**

DRAFT – FOR DISCUSSION PURPOSES ONLY

Proposal Sections

- **Concept for Carbon Pricing**
 - No changes to this section are anticipated at this time.
- **Setting the Gross Social Cost of Carbon**
 - Incorporate the information provided in the April 23, 2018 DPS staff presentation.
- **Application of the Carbon Price to Internal Suppliers**
 - Add more details to the emissions reporting proposal.
 - Add proposed alternative that the NYISO estimate emissions and that the emitting resources only report EPA-accepted data.
 - Add information on the proposal to approximate the carbon component of LBMP for transparency.
- **Application of the Carbon Price to External Transactions**
 - Reflect July 9 presentation on benefits and drawbacks of the two options considered.

DRAFT – FOR DISCUSSION PURPOSES ONLY

Proposal Sections (continued)

- **Allocation of the Carbon Charge Residuals to Loads**
 - Report on the comments received from stakeholders
 - Issue Track 5 work will report the allocations of all three approaches
- **Changes to Other NYISO Markets and Planning Processes.**
 - No substantive changes expected to this section.

Questions?

Feedback?

- Questions and/or comments can be sent to IPP_feedback@nyiso.com

The Mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefits to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policy makers, stakeholders and investors in the power system



DRAFT – FOR DISCUSSION PURPOSES ONLY

©COPYRIGHT NYISO 2018. ALL RIGHTS RESERVED