

Tariff Revisions:
ICAP Rules for Intermittent
Power Resources and Run of
River Hydro

Management Committee
February 28, 2006

Issue

- The evaluation done for the NYISO by GE in 2005 recommended the UCAP measure for Intermittent Power Resources (IPRs) be revised:
 - ICAP Working Group and the BIC recommended the UCAP of IPRs be measured as their average output over the period during which the NYISO expects its peak loads to occur.
- The Tariff's inconsistent references to intermittent resources, between Article 4 (energy market rules and settlements) and Article 5 (ICAP) needed to be corrected. NYISO proposing to:
 - Use the term Intermittent Power resource consistently throughout the Tariff; and
 - Add the term “Limited Control Run of River Hydro” to identify those resources which qualify for some but not all of the market rules as do Intermittent Power Resources.

Intermittent Power Resources

- Wind and Solar
- Proposed tariff to state that UCAP be:
 - The NYISO's calculation of the amount of capacity that the Intermittent Power Resource can reliably provide during system peak load hours;
 - Separate summer and winter calculations;
- Existing Article 5 obligations and exemptions clarified:
 - But for changes to UCAP measure, no substantive changes proposed for this filing.

Limited Control Run of River Hydro Resources

- New Term:
 - A Generator above 1 MW in size which has demonstrated to the satisfaction of the ISO that its Energy production depends directly on river flows that it does not control and that such dependence precludes accurate real-time scheduling of the facility's output;
 - Patterned after Technical Bulletin 16 definition
- Proposed tariff provision states that their UCAP be measured as:
 - The ISO's calculation of individual seasonal Equivalent Demand Forced Outage Rates;
 - Separate summer and winter calculations.
- Existing Article 5 obligations clarified:
 - But for new term (above) and changes to UCAP measure, no substantive changes proposed for this filing.

Planned ICAP Manual revisions:

- Describing the implementation of these new rules;
- Imposing capacity values established in the GE study on new resources;
- To be brought to the BIC in the near future.

Next Steps

- Proposed Tariff filing, if approved at this Management Committee meeting, will be presented to the Board for approval in March and filed shortly thereafter; effective date [of 11/01/06] 90 days after filing*.
- Discussion over additional Article 4 Market Rules for Intermittent Power Resources and Limited Control Run of River Hydro facilities will continue in the MSWG.
- Discussion over additional, low impact, market rules changes sought by other generators will continue internally and at the MSWG, including:
 - 15 minute scheduling;
 - OOM status for additional generator testing.

*Change in effective date discussed and approved during this Management Committee meeting

presented by Mollie Lampi