

TB152 Modifications to Reflect OATT Attachment CC – Schedule C

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Background

- ◆ **Technical Bulletin 152 “PJM Proxy Bus Pricing and Scheduling” describes the expected transmission grid power flows on the ABC, JK and 5018 interconnections that are represented at the PJM proxy bus in the NYISO’s scheduling and pricing processes.**

Background Continued

- ◆ Revisions, effective May 1, 2012, were made to OATT Attachment CC – Schedule C to incorporate the terms reached in the Settlement Agreement associated with the 1000MW Transmission Service Agreements for Con Ed to deliver power to Northern New Jersey and for PSEG to redeliver the power to Con Ed in New York City, the “600/400MW Contracts”.
- ◆ The following provision is relevant to today’s discussion:
 - *The 13 percent distribution factor in the calculation of the Day-Ahead Market and Real-Time Market desired flows “will apply only when steps taken by PJM and NYISO to coordinate tap changes on the PARs to control power flow on transmission lines between New York and New Jersey are unable to maintain the desired flow.”*
- ◆ This change requires corresponding changes to TB152 to maintain consistency.

Modifications to TB152

- ◆ **Based on the terms of the Settlement Agreement, the 13% distribution factor of PJM-NY interchange will no longer be applied across the ABC and JK interconnections in the Day-Ahead, Real-Time, and TCC markets effective May 1, 2012.**
- ◆ **The 40% distribution factor of PJM/NY scheduled interchange across the Branchburg-Ramapo interconnection will not be changed.**
 - *Correction to reflect that the Branchburg-Ramapo 500kV Operating Agreement allows for up to 61% (not the originally stated 62%) of PJM-NY interchange to flow over the 5018 interconnection.*
 - *Correction to remove reference to a specific 2500MW PJM-NY scheduling limit given that the limit is not static, but is impacted by factors such as topology.*

Revisions for the TCC Market

- ◆ In the TCC Market, for the purposes of conducting Centralized TCC Auctions and Reconfiguration Auctions, the TCC Auction Optimal Power Flow (OPF) analysis desired flows will be established for the ABC, JK, and 5018 interconnections based on the following:
 - *Consolidated Edison Company of New York's Day-Ahead Market hourly election for the "600/400MW Contracts" will be assumed to equal 1000 MW assuming all ABC and JK transmission equipment is represented in-service for these Auctions. Should any of this equipment be represented as out-of-service, the election shall be reduced to less than 1000MW, to a value consistent with elections observed in the Day-Ahead Market when such outages are modeled*
 - *0% (13% for months from May 2011 to April 2012) of the net TCC auction injection at the PJM Proxy Bus TCC bidding PTID will be scheduled on the ABC interconnection.*
 - *0% (-13% for months from May 2011 to April 2012) of the net TCC auction injection at the PJM Proxy Bus TCC bidding PTID will be scheduled on the JK interconnection.*
 - *40% of the net TCC auction injection at the PJM Proxy Bus TCC bidding PTID will be scheduled on the Branchburg-Ramapo interconnection. The Branchburg-Ramapo 500kV Operating Agreement allows for the assumption that up to 61% of PJM-NY transaction schedules flow over the 5018 interconnection. However, flows over the 5018 interconnection will be conservatively modeled at 40% to ensure feasible TCC auction schedules.*

Implementation in the TCC Market

- ◆ **The revisions for the PJM-NYISO ABC and JK interconnections will be implemented for the Spring 2012 Centralized TCC Auction and the subsequent Summer 2012 Reconfiguration Auctions.**
 - *May 2012 through October 2012.*
- ◆ **The current assumptions for the PJM-NYISO ABC and JK interconnections will be utilized for the remaining Winter 2011/2012 Reconfiguration Auctions to maintain consistency with the Autumn 2011 Centralized TCC Auction.**
 - *February 2012*
 - *March 2012*
 - *April 2012*

Revisions for the Day-Ahead Markets

- ◆ In the Day-Ahead Market, for the purposes of scheduling and pricing, the Security Constrained Unit Commitment (SCUC) desired flows will be established for the ABC, JK, and 5018 interconnections based on the following:
 - *Consolidated Edison Company of New York's Day-Ahead Market hourly election for the "600/400MW Contracts"*
 - *0% (13% prior to May 1,2012) of the Day-Ahead Market PJM-NYISO hourly interchange will be scheduled on the ABC interconnection*
 - *0% (-13% prior to May 1,2012) of the Day-Ahead Market PJM-NYISO hourly interchange will be scheduled on the JK interconnection*
 - *40% of the Day-Ahead Market PJM-NYISO hourly interchange will be scheduled on the Branchburg-Ramapo interconnection. The Branchburg-Ramapo 500kV Operating agreement allows for the assumption that up to 61% of PJM-NY transaction schedules flow over the 5018 interconnection. However, flows over the 5018 interconnection will be conservatively modeled at 40% to ensure feasible operating schedules. The desired flow scheduled over the Branchburg-Ramapo interconnection may be adjusted by an offset MW value to reflect expected operational conditions.*

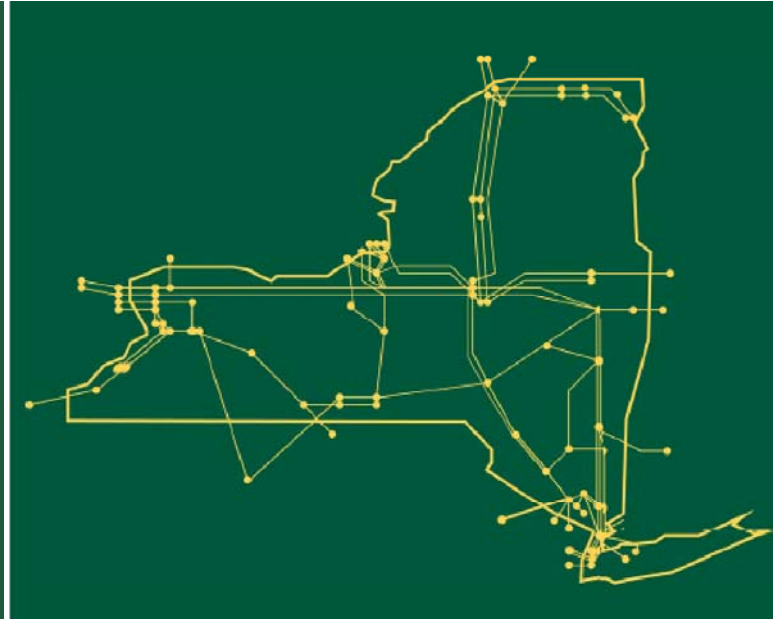
Revisions for the Real-Time Markets

- ◆ Flows in the Real-Time market will be established for the ABC, JK, and 5018 interconnections based on the current flow modified to reflect expected transaction schedule changes over the scheduling horizon. For the purposes of scheduling and pricing, the Real-Time Commitment/Real-Time Dispatch (RTC/RTD) desired flows will be established for ABC, JK, and 5018 interconnections based on the following:
 - *The current level of ABC, JK, and 5018 power flows (based on PAR MW telemetry values)*
 - *0% (13% prior to May 1, 2012) of the expected schedule changes to PJM-NYISO interchange within the next two and one-half hour scheduling horizon will be scheduled on the ABC interconnection*
 - *0% (-13% prior to May 1, 2012) of the expected schedule changes to PJM-NYISO interchange within the next two and one-half hour scheduling horizon will be scheduled on the JK interconnection*
 - *40% of the expected schedule changes to PJM-NYISO interchange within the next two and one-half hour scheduling horizon will be scheduled on the Branchburg-Ramapo interconnection. The Branchburg-Ramapo 500kV Operating agreement allows for the assumption that up to 61% of PJM-NY transaction schedules flow over the 5018 interconnection. However, flows over the 5018 interconnection will be conservatively modeled at 40% to ensure feasible operating schedules.*

Implementation in the Day-Ahead/ Real-Time Markets

- ◆ **The revisions for the PJM-NYISO ABC and JK interconnections will be implemented to be effective on market day May 1, 2012.**

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