

# Autumn 2018 Centralized TCC Auction Survey and Discussion

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DRAFT – FOR DISCUSSION PURPOSES ONLY

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# Overview

- **The NYISO conducted a poll of current TCC Market Participants (MPs) to solicit information about the demand for TCCs of various durations in future auctions as well as the desired structure of the Autumn 2018 Centralized TCC Auction**
  - One survey response accepted per MP
  - Responses were due on June 20, 2018
  - 13 MPs responded
  - Responses for the Autumn 2018 Centralized TCC Auction limited to six-month, one-year, and two-year TCCs

# Survey Results – Autumn 2018

## Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration											Avg.	Median
Six-Month	60%	50%	45%	50%	37%	35%	40%	35%	28%	30%	25%	40.0%	37%
One-Year	10%	20%	25%	15%	28%	30%	20%	25%	28%	25%	25%	22.8%	25%
Two-Year				5%	5%	5%	10%	10%	14%	15%	20%	7.2%	5%
# of MP Responses	1	2	1	1	1	1	1	2	1	1	1		

The numbers above do not include the system capacity that was sold in the Spring 2017 Centralized TCC Auction as two-year TCCs (5%) and in the Spring 2018 Centralized TCC Auction as two-year TCCs (5%) and one-year TCCs (20%).

# Survey Results – Autumn 2018

## Total Rounds per Duration

Duration	Total Number of Rounds per Duration										Avg.	Median
Six-Month	1	3	4	3	2	3	4	3	4	4	3.2	3
One-Year	1	2	2	3	2	2	3	3	3	4	2.6	3
Two-Year					1	1	1	2	2	2	1.1	1
Total Rounds	2	5	6	6	5	6	8	8	9	10	6.9	8
# of MP Responses	1	1	1	1	1	1	2	2	2	1		

# Survey Results – Future Auctions

## Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration										
Six-Month	80%	75%	67%	66.7%	57%	50%	50%	40%	50%	45%	30%
One-Year	20%	25%	33%	33.3%	38%	40%	35%	40%	40%	35%	30%
Two-Year					5%	10%	15%	20%	5%	15%	10%
Three-Year									5%	5%	10%
Four-Year											10%
Five-Year											10%
# of MP Responses	1	1	1	1	1	3	1	1	1	1	1

# Survey Results – Future Auctions

## Total Rounds per Duration

Duration	Total Number of Rounds per Duration											
Six-Month	1	3	3	4	3	4	4	3	4	3	4	4
One-Year	1	2	3	3	2	2	3	3	3	2	3	4
Two-Year					1	1	1	2	2	2	2	2
Three-Year										1	1	1
Four-Year												1
Five-Year												1
Total Rounds	2	5	6	7	6	7	8	8	9	8	10	13
# of MP Responses	1	1	1	1	1	1	2	1	1	1	1	1

# Survey Comments

- Pleased to see the implementation of the Balance-of-Period auctions and would like to see On-Peak and Off-Peak TCCs as the next enhancement
- Desire to acquire On-Peak and Off-Peak TCCs
- Desire to reserve some of the system capacity (10%) for the Balance-of-Period auctions
- Desire to see a reduction in the time delay between the closing of the bidding window and the posting of results to below 5 days, while keeping the submittal period at 2 business days
- Desire for the bidding window of Centralized TCC Auctions to be Friday through Tuesday while maintaining the Thursday posting date for results

# Survey Comments (continued)

- Prefer to keep the number of rounds to at least 7 for market liquidity purposes
- Desire to reduce the number of rounds in the Centralized TCC Auctions
- Recommend to add the securing of any remaining proposed 115 kV facilities that the NYISO intends to secure in the Day-Ahead Market in 2018 to the Autumn 2018 Centralized TCC Auction with November 1, 2018 being set as the latest date for implementation in the Day-Ahead Market
- Desire for all four Niagara Points of Injection/Withdrawal to be included in the Autumn 2018 Centralized TCC Auction



# Autumn 2018 Auction Proposal

## 7 Auction Rounds

- **The NYISO would offer:**
  - 25% of system capacity as one-year TCCs across three auction rounds
  - 45% of system capacity as six-month TCCs across four auction rounds
- **The remaining 30% of system capacity was sold as two-year TCCs in the Spring 2017 Centralized TCC Auction and as two-year and one-year TCCs in the Spring 2018 Centralized TCC Auction**

# Proposed Schedule

Week	Round
August 24 – 30	Round 1 (One-Year)
August 31 – September 7	Round 2 (One-Year)
September 8 – 13	Round 3 (One-Year)
September 14 – 20	Round 4 (Six-Month) & October 2018 Balance-of-Period
September 21 – 27	Round 5 (Six-Month)
September 28 – October 4	Round 6 (Six-Month)
October 5 – 11	Round 7 (Six-Month)
October 12 – 25	November 2018 Balance-of-Period

# Auction Proposal – Considerations

- Unanimous agreement by the Transmission Owners is required for the NYISO to conduct fewer than four rounds in any Sub-Auction
- 7 respondents (58.3%) expressed interest in conducting fewer than four six-month rounds in the Autumn 2018 auction
- 12 respondents (92.3%) expressed interest in conducting fewer than four one-year rounds in the Autumn 2018 auction

# Next Steps

- Receive and consider Market Participant comments resulting from this meeting
- Confer with the Transmission Owners concerning proposed auction plans with fewer than four rounds per Sub-Auction

# Questions/Feedback?

- Email additional feedback to: [deckels@nyiso.com](mailto:deckels@nyiso.com)

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- 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



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