

ICAP Manual Revisions Related to Provisional ACL Implementation and SCR Performance Obligations

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Working Groups**

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Agenda

- ◆ **Provisional ACL Implementation**
 - *Update to ICAP Manual revisions related to the implementation of the Provisional ACL project based on stakeholder feedback from the August 5 ICAPWG*

- ◆ **Using Event Response to Satisfy the Mandatory Test Requirement for SCRs**
 - *Background*
 - *Proposed ICAP Manual revisions*

- ◆ **Next Steps**

Update to ICAP Manual revisions related to the implementation of the Provisional ACL project based on stakeholder feedback from the August 5 ICAPWG

Determination of Greatest Deficiency Charge for a SCR

- ◆ Minor revision based on stakeholder feedback to the following sections of the ICAP Manual
 - *4.12.4.2 Provisional Average Coincident Load*
 - *4.12.4.3.1 Increase to ACL: Incremental ACL*
 - *4.12.4.3.2 Decrease to ACL: SCR Change of Status*
- ◆ “Where a single SCR’s participation in the ICAP/SCR program gives rise to more than one potential shortfall within the Capability Period, the NYISO shall assess to the RIP the greatest deficiency charge for the Capability Period for the single SCR. The greatest deficiency charge for the Capability Period shall be the greatest sum of the monthly deficiency charges calculated for the single SCR *from among the* specific shortfall types identified under Section 5.14.2.3 of the *NYISO Services Tariff*.”

Proposed ICAP Manual revisions for using event response to satisfy the mandatory test requirement for SCRs

Project Objective

- ◆ **Eliminate the redundancy of requiring a SCR to perform in a performance test after it has been required to respond to a mandatory event in the Capability Period while *maintaining* the purpose of the performance test**

Proposal for Selection of Proxy Test Value

- ◆ **Allow a SCR to use a ‘proxy test value’ to demonstrate its maximum registered megawatt value. This would be in addition to the capacity reduction of the SCR in the first performance test.**
- ◆ **Proxy test value is the largest capacity reduction of the individual SCR from any of its mandatory event hours**

Option to Retest

- ◆ **Allow SCRs the option to demonstrate a higher capacity reduction in the first performance test of the Capability Period after being required to respond to a mandatory event**

Revisions to ICAP Manual Sections

- ◆ 4.12.2.1.1 SCR Performance Factors
- ◆ 4.12.2.1.5 SCR Aggregation Performance Factors
- ◆ 4.12.4.3.1 Increase to ACL: Incremental ACL
- ◆ 4.12.4.3.2 Decrease to ACL: SCR Change of Status
- ◆ 4.12.4.5 Testing of SCRs
- ◆ 4.12.4.6 Shortfall for RIP Portfolio Performance
- ◆ 4.12.4.8 Reporting SCR Performance Data

Performance Factor Clarification

- ◆ **4.12.2.1.1 SCR Performance Factors and 4.12.2.1.5 SCR Aggregation Performance Factors**
 - *Clarified the language describing the hour selected as the test hour for input to each calculation*

4.12.4.3.1 Increase to ACL: Incremental ACL and 4.12.4.3.2 Decrease to ACL: SCR Change of Status

- ◆ Revised description of the procedure for determining whether there is a requirement to perform in the second performance test in the Capability Period
- ◆ The criteria used to determine whether a SCR is required to perform in the second performance test in the Capability Period will continue to be based on changes to the enrollment that occur after the date of the first performance test in the Capability Period
 - *A SCR that elects to use a proxy test value from a mandatory event hour to demonstrate its maximum registered megawatt value will continue to be evaluated for the requirement to perform in the second performance test*

4.12.4.5 Testing of SCRs - 1

- ◆ **Added language to distinguish the proxy test value selected from a mandatory event hour and actual performance in the test hour called by the NYISO**
- ◆ **Clarified description of the procedure for determining whether there is a requirement to perform in the second performance test in the Capability Period when enrolled with an Incremental ACL or a reported SCR Change of Status**
- ◆ **Revised timeframe of when the first performance test of the Capability Period will be conducted by the NYISO**
- ◆ **Added language for the option for the SCR to retest in the first performance test in the Capability Period when previously called to perform in a mandatory event hour prior to the date of the first performance test in the Capability Period**

4.12.4.5 Testing of SCRs - 2

- ◆ **Clarified SCRs required to perform in the second performance test**
 - *SCRs not required to perform in the first performance test in the Capability Period and that were not called to perform in a mandatory event prior to the date of the first performance test shall perform in the second performance test in the Capability Period*
- ◆ **Added language to distinguish that either the proxy test value selected from a mandatory event hour or actual performance in the test hour called by the NYISO will be used in the SCR performance calculations and RIP portfolio performance shortfall**

4.12.4.6 Shortfall for RIP Portfolio Performance

- ◆ Section 5.14.2.3.4 of the Market Services Tariff specifies that the RIP Portfolio Performance shortfall shall be determined based on the “greatest quantity MW reduction achieved during a single hour in a test or event called by the ISO”
- ◆ The greatest quantity MW reduction achieved is the highest value of total UCAP equivalent of the capacity reduction of SCRs enrolled by the RIP in a Load Zone during a single event or test hour
- ◆ Added language to the ICAP Manual to clarify that when identifying the greatest quantity MW reduction during a single hour in the Load Zone, the total UCAP equivalent of capacity reduction for the first performance test hour will only include the SCRs that perform and report their response during the first performance test hour
 - *SCRs that elect not to respond to the first performance test will not be included when determining whether the first performance test hour is the greatest quantity MW reduction during a single hour in the Load Zone*

Sample Determination of Greatest Quantity MW Reduction

A	B	C	D	E	F
SCR Resource	UCAP Equivalent of Capacity Reduction kW				
	July Evt HB13	July Evt HB14	July Evt HB15	July Evt HB16	July Test (first performance test)
1	35	40	45	37	opted out
2	90	95	95	92	retested: 99
3	40	45	45	47	retested: 40

** For the conversion to UCAP Equivalent of Capacity Reduction assume a 0.00 TLF and 100% performance factor*

Sum of Hourly Capacity Reduction	165	180	185	176	139
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- ◆ Only actual performance in the test hour will be considered when summing the hourly capacity reduction for the test hour, shown in column F, for the purpose of evaluating the greatest hour for the RIP Portfolio Performance Shortfall
- ◆ The UCAP equivalent of greatest quantity MW reduction during a single hour in the above example is 185 kW from HB15, shown by the purple cell in column D
- ◆ The higher of the SCR's greatest load reduction either in a mandatory event hour prior to the first performance test or in a performance test will be used to calculate the performance factors for the first performance test hour, shown by the green cells in columns D, E, and F

4.12.4.8 Reporting SCR Performance Data

- ◆ **Added language for determining the test value for an individual SCR**

Next Steps

- ◆ **September 2014: BIC vote on ICAP Manual revisions for Provisional ACL Implementation and using event response to satisfy the mandatory test requirement for SCRs**
- ◆ **ICAP Manual revisions become effective eleven days after the BIC vote, following the appeal period**
- ◆ **June 2015: Deployment**

Appendix: Examples for Current Program Rules and Proposed Revisions to Program Rules presented at the August 5 ICAPWG

Sample Enrollment and Sales

A	B	C	D	E	F	G	H	I
SCR Resource	Enrolled Capability kW							Max Enrolled Capability kW
	May	June	July Enrolled kW	July Sales	Aug	Sept	Oct	
1	50	50	40	40	40	55	55	55
2	100	100	100	95	90	90	90	100
3	45	45	45	45	45	45	45	45

- ◆ **Performance in a July event is measured against the SCR’s enrolled capability contribution to the aggregation’s UCAP sold in the capacity market for that month, shown in column E**
- ◆ **A July performance test is measured against the maximum enrolled capability of each SCR in the Capability Period, shown in column I**

Sample Event and Test

A	B	C	D	E	F	G	H	I
SCR Resource	Capacity Reduction kW					July Sales	Max Enrolled Capability kW	Capacity Reduction Value used in Performance Calculations for the Test
	July Evt HB13	July Evt HB14	July Evt HB15	July Evt HB16	July Test (first performance test)			
1	35	40	45	37	55	40	55	55
2	90	95	95	92	99	95	100	99
3	40	45	45	47	40	45	45	40

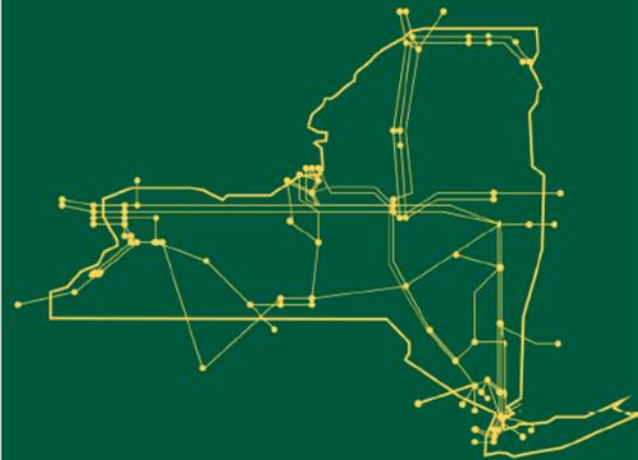
- ◆ Each event hour of capacity reduction, shown in columns B-E, is measured against the SCR’s July enrolled capability contribution to the aggregation’s UCAP sold in the capacity market for that month, shown in column G
- ◆ The capacity reduction of the performance test hour, shown in column F, is measured against the SCR’s maximum enrolled capability in the Capability Period, shown in column H

Example of Revised Proposal

A	B	C	D	E	F	G
SCR Resource	Capacity Reduction kW					Test Value = Higher of greatest capacity reduction in mandatory event hour OR capacity reduction in first performance test
	July Evt HB13	July Evt HB14	July Evt HB15	July Evt HB16	July Test (first performance test)	
1	35	40	45	37	opted out	45
2	90	95	95	92	re-tested: 99	99
3	40	45	45	47	re-tested: 40	47

- ◆ SCR Resource 1: Does not retest in first performance test, proxy test value selected is the greatest capacity reduction in mandatory event hour, shown in column D
- ◆ SCR Resource 2: Retests in first performance test, greatest capacity reduction is in test hour, shown in column F
- ◆ SCR Resource 3: Retests in first performance test, proxy test value selected is the greatest capacity reduction in mandatory event hour shown in column E

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