



# Autumn 2012 Centralized TCC Auction Survey and Discussion

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# Survey Overview

- ◆ The NYISO conducted a poll of current TCC Market Participants to solicit information about the demand for TCCs of various durations in future auctions as well as the desired structure of the Autumn 2012 Centralized TCC Auction.
  - *One survey response accepted per MP*
  - *Responses were due on May 9, 2012*
  - *14 TCC Market Participants responded*
  - *Responses for Autumn 2012 Auction limited to Six Month, One Year, and Two Year TCCs*

# Survey Overview – Survey Form

NYISO Autumn 2012 Centralized TCC Auction		
Survey of Market Participant Preference for Six Month and Longer Duration TCCs		
TCCs become effective November 1, 2012		
Organization Name	<input type="text"/> (required field)	
-For the Autumn 2012 Centralized TCC Auction-		
Duration of TCCs	Desired Total Percentage of System Capacity to be Available by Duration in Percent (e.g. 10%)	Number of Auction Rounds per Duration
Six Months	<input type="text"/> 0.00%	<input type="text"/> 0 (Must be >= 1)
One Year	<input type="text"/> 0.00%	<input type="text"/> 0 (Must be >= 1)
Two Years	<input type="text"/> 0.00%	<input type="text"/> 0
Total	<input type="text"/> 0.00% (Must equal 100%)	<input type="text"/> 0
-For Future Auctions-		
Duration of TCCs	Desired Total Percentage of System Capacity to be Available by Duration in Percent (e.g. 10%)	Number of Auction Rounds per Duration
Six Months	<input type="text"/> 0.00%	<input type="text"/> 0 (Must be >= 1)
One Year	<input type="text"/> 0.00%	<input type="text"/> 0 (Must be >= 1)
Two Years	<input type="text"/> 0.00%	<input type="text"/> 0
Three Years	<input type="text"/> 0.00%	<input type="text"/> 0
Four Years	<input type="text"/> 0.00%	<input type="text"/> 0
Five Years	<input type="text"/> 0.00%	<input type="text"/> 0
Total	<input type="text"/> 0.00% (Must equal 100%)	<input type="text"/> 0
Market Participant Comments:	<input type="text"/>	

# Survey Results – Autumn 2012

## Capacity per Duration

# of MP Responses	Desired % of System Capacity		
	6 Month	1 Year	2 Year
2	75%	25%	
2	75%	15%	10%
1	70%	20%	10%
1	66.7%	33.3%	
1	65%	35%	
2	60%	40%	
1	50%	40%	10%
1	50%	35%	15%
1	50%	30%	20%
1	50%	25%	25%
1	40%	40%	20%
Average	61.5%	29.9%	8.6%

# Survey Results – Autumn 2012

## Total Rounds per Duration

# of MP Responses	Total # of Rounds			Total Rounds
	6 Month	1 Year	2 Year	
1	4	4	2	10
3	3	3	2	8
1	4	4		8
1	4	3	1	8
2	4	3		7
1	3	2	2	7
1	3	3		6
1	3	2	1	6
1	2	2	2	6
2	1	1		2
Average	3	2.6	1	6.6

# Survey Results – Future Auctions

## Capacity per Duration

# of MP Resp.	Desired % of System Capacity					
	6 Mo.	1 Year	2 Year	3 Year	4 Year	5 Year
2	75%	25%				
1	70%	20%	10%			
2	70%	15%	10%	5%		
1	65%	35%				
1	64%	32%	4%			
2	60%	40%				
1	50%	35%	10%	5%		
1	50%	30%	20%			
2	50%	25%	15%			10%
1	40%	40%	10%	10%		

# Survey Results – Future Auctions

## Total Rounds per Duration

# of MP Resp.	Total # of Rounds						Total Rounds
	6 Mo.	1 Year	2 Year	3 Year	4 Year	5 Year	
1	4	4	2				10
1	3	2	2			2	9
1	4	3	1	1			9
1	2	2	2	2			8
1	3	3	2				8
1	4	4					8
1	3	2	1			1	7
2	3	2	1	1			7
1	3	3	1				7
2	4	3					7
2	1	1					2

# Survey Comments

- ◆ 1 response indicated a desire for On-Peak and Off-Peak TCCs.
- ◆ 1 response indicated a desire to increase the allowable number of bids per auction participant from 500 to 3,000.
- ◆ 1 response indicated a desire to reserve some system capacity for monthly auctions.
- ◆ 1 response indicated that 4 and 5 year TCC Auctions are too risky to justify participating in.
- ◆ 1 response indicated that TCC durations greater than two years were beyond the scope of their current business plan.



# Auction Proposal

## Eight Rounds with no Two Year TCCs

- ◆ The NYISO would offer 25% of system capability as One Year TCCs across four rounds.
- ◆ The NYISO would offer 45% of system capability as Six Month TCCs across four rounds.
- ◆ The remaining 30% of system capability was sold as One Year TCCs in Spring 2012 and Two Year TCCs in Autumn 2011.

# Alternate Auction Proposal

## Eight Rounds with Two Year TCCs

- ◆ The NYISO would offer 5% of system capability as Two Year TCCs in one round.
- ◆ The NYISO would offer 20% of system capability as One Year TCCs across three rounds.
- ◆ The NYISO would offer 45% of system capability as Six Month TCCs across four rounds.
- ◆ The remaining 30% of system capability was sold as One Year TCCs in Spring 2012 and Two Year TCCs in Autumn 2011.

# Expected Schedule

## Eight Round Auction

<u>Week</u>	<u>Activity</u>
♦ August 10 – 16	Round #1 (One/Two Year TCCs)
♦ August 17 – 23	September Reconfiguration Auction
♦ August 24 – 30	Round #2 (One Year TCCs)
♦ August 31 – Sept. 7	Round #3 (One Year TCCs)
♦ September 8 – 13	Round #4 (One Year TCCs)
♦ September 14 – 20	October Reconfiguration Auction
♦ September 21 – 27	Round #5 (Six Month TCCs)
♦ September 28 – Oct. 4	Round #6 (Six Month TCCs)
♦ October 5 – 11	Round #7 (Six Month TCCs)
♦ October 12 – 18	Round #8 (Six Month TCCs)
♦ October 19 – 25	November Reconfiguration Auction

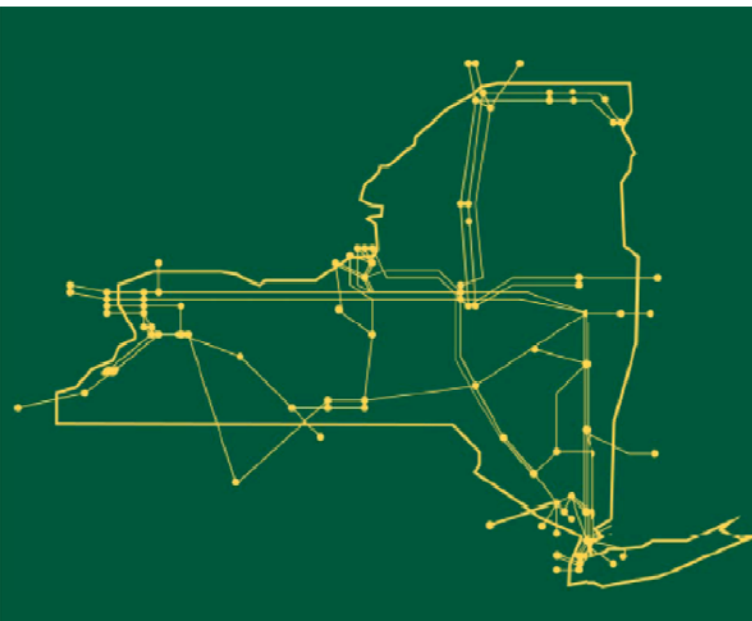
# Auction Proposal – Discussion

- ◆ Unanimous agreement by the Transmission Owners is required for the NYISO to conduct fewer than four rounds in any Sub-Auction.
- ◆ 8 respondents expressed interest in conducting fewer than eight rounds in the Autumn 2012 Auction.
- ◆ An additional 4 respondents expressed interest in conducting fewer than eight rounds in the Autumn 2012 Auction if Two Year TCCs are not offered.

# Next Steps

- ◆ Receive and consider Market Participant comments resulting from this meeting.
- ◆ Confer with the Transmission Owners concerning proposed auction plans with fewer than eight rounds.
- ◆ MIWG 7/3/2012 (if necessary).
- ◆ BIC 7/11/2012.

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