

Proposed ICAP Manual Changes Related to the Technical Bulletin 217 Compliance Filing

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Technical Bulletin 217

- Issued March 16, 2012 in response to Market Participant questions about participation of base load generation in the SCR program
- Addressed SCR program rule associated with base load generation
 - Did not address other issues surrounding eligibility of behind-the-meter generation in the SCR program, including generation in excess of host load



Technical Bulletin 217

- NYISO's SCR program supports reliability
- System operations necessitate that the capacity is available when needed
- Base load generation is used to cover its host load and is not available to address other capacity needs



December 10, 2012 FERC Order

- FERC determined that:
 - The Services Tariff and ICAP Manual are ambiguous with respect to whether, and if so, how Local Generator capacity is eligible to participate in NYISO's SCR program
 - It was inappropriate for NYISO to use a technical bulletin to clarify these ambiguous tariff provisions



Compliance Filing

- The NYISO made its compliance filing on February 1, 2013
 - Requested an order by April 2, 2013 to allow tariff to become effective prior to the Summer 2013 Capability Period enrollment deadline of April 8, 2013
- Tariff revisions included:
 - Changes to definitions of Average Coincident Load, Provisional Average Coincident Load, and Special Case Resource
 - Revisions to Section 5.12.11.1



ICAP Manual Language

- Section 4.2.2, 4.12.4.8, 4.12.7
 - Instances of distributed generator changed to tariffdefined "Local Generator"
- Section 4.3.3:
 - Added "at the direction of the NYISO" to clarify when the interruption upon demand was required
- Section 4.12
 - Modified definition of Special Case Resource to be consistent with proposed tariff changes



ICAP Manual Language – cont'd.

- Sections 4.12.4.1 and 4.12.4.2, clarify:
 - Behind-the-meter generation should not be included in ACL values or verification data for the Provisional ACL, report only load supplied from the NYS Transmission and/or Distribution System
 - Terminology, using tariff-defined "Local Generator"

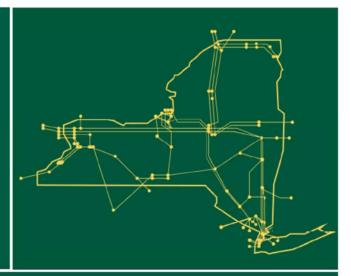


ICAP Manual Language - cont'd.

- Section 4.12.4.4
 - Terminology, using tariff-defined "Local Generator"
 - Demand Side Resources with a Local Generator available to respond at the direction of the NYISO, and effect a real-time load reduction may be enrolled as an SCR
 - Reporting of generation operating on peak applies to Local Generators that plan to participate in SCR program during the next Capability Year
 - Eligible generation that was operating on NYCA and/or Locality peak hours during the prior Capability Year cannot be used in the SCR program unless reported to NYISO by the reporting deadline on the ICAP/DRIS Event Calendar
 - NYISO will add generation to the load forecast to prevent double counting
 - Clarify that the generation reporting requirement for NYCA and Locality peak does not apply to amount of generation normally operating to serve Load



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