

Spring 2013 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 Spring 2013 Centralized TCC Auction.
 - *One survey response accepted per MP*
 - *Responses were due on October 31, 2012*
 - *14 TCC Market Participants responded*
 - *Responses for Spring 2013 Auction limited to Six Month, One Year, and Two Year TCCs*

Survey Overview – Survey Form

NYISO Spring 2013 Centralized TCC Auction Survey		
Survey of Market Participant Preference for Six Month and Longer Duration TCCs		
Organization Name (required field) <input type="text"/>		
For the Spring 2013 Centralized TCC Auction:		
Product	Desired Total Percentage of System Capacity to be made available by product	Number of Rounds per Product
Capacity sold in previous auctions	30.00%	
Non-Historic Fixed Price TCC Allocation Round and subsequent Two Year TCC Auction round (in which any capacity made available in the NHFPTCC Allocation Round that remains unsold will be made available)	2.50%	2
Six Month TCCs	0.00%	0
One Year TCCs	0.00%	0
Two Year TCCs	0.00%	0
Total	32.50%	2

For Future Auctions:		
Product	Desired Total Percentage of Available System Capacity to be made available by product	Number of Rounds per Product
Six Month TCCs	0.00%	0
One Year TCCs	0.00%	0
Two Year TCCs	0.00%	0
Three Year TCCs	0.00%	0
Four Year TCCs	0.00%	0
Five Year TCCs	0.00%	0
Total	0.00%	0
Market Participant Comments:		<input type="text"/>

Survey Results – Spring 2013

Capacity per Duration

# of MP Responses	Desired % of System Capacity		
	6 Month	1 Year	2 Year
2	50%	12.5%	5%
1	43.33%	21.67%	2.5%
1	42.5%	15%	10%
1	40%	25%	2.5%
2	40%	22.5%	5%
1	40%	20%	7.5%
1	40%	17.5%	10%
1	35%	32%	0.5%
1	34%	27.5%	6%
2	30%	30%	7.5%
1	12.5%	20%	35%
Average	37.67%	22.05%	7.79%

Numbers above do not include the 2.5% of System Capacity being made available as Non-Historic Fixed Price TCCs and the 30% that was sold in previous Centralized TCC Auctions as Two Year, One Year, and Six Month TCCs

Survey Results – Spring 2013

Total Rounds per Duration

# of MP Responses	Total # of Rounds			Total Rounds
	6 Month	1 Year	2 Year	
1	4	4	4	12
1	2	4	4	10
1	4	3	1	8
6	3	3	1	7
3	3	2	1	6
2	1	1	1	3
Average	2.8	2.6	1.4	6.9

Numbers above do not include mandatory NHFPTCC Allocation Round and subsequent Two Year TCC Auction Round in which any capacity made available in the NHFPTCC Allocation Round that remains unsold will be made available

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	63.33%	31.67%	5%			
3	60%	30%	10%			
1	50%	50%				
1	50%	40.91%	9.09%			
1	50%	40%	10%			
1	50%	30%	10%			10%
1	50%	30%	5%	5%	5%	5%
1	50%	20%	10%	10%	5%	5%
1	45%	45%	10%			
1	10%	20%	30%	15%	15%	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	4	4	4	4	24
1	2	4	4	3	3	3	19
2	4	4	1				9
1	3	2	1	1	1	1	9
1	4	3	1				8
1	3	3	1			1	8
3	3	3	1				7
1	3	3					6
1	3	2	1				6
2	1	1					2

Survey Comments

- ◆ 3 responses indicated a desire for On-Peak and Off-Peak TCCs.
- ◆ 2 responses indicated a desire to increase the allowable number of bids per auction participant from 500 to 1,000 and another response desired to increase the limit to 3,000 bids.
- ◆ 1 response indicated a desire to reserve some system capacity for monthly auctions.
- ◆ 1 response indicated a desire for Two Year TCCs to be available for purchase at least once a year – disappointed that none were offered in 2012.

Survey Comments

- ◆ 1 response indicated that 8 rounds in the Centralized TCC Auction was too many and another response indicated that the number of rounds remains excessive and is a burden to MPs.
- ◆ 1 response indicated that it was undesirable for the bid window to open on a Saturday on weeks following a NYISO holiday.
- ◆ 1 response indicated a desire for Attachment D of the TCC Manual (TCC Auction Timeline) to be posted earlier.

Auction Proposal

Nine Auction Rounds + One Allocation Round

- ◆ The NYISO would offer:
 - *2.5% of system capability as Two Year TCCs in a single auction round.*
 - *2.5% of system capability as NHFPTCCs (Two Year TCCs) in a single allocation round*
 - a subsequent Two Year TCC auction round will be held in which any of the unsold system capability made available for sale as NHFPTCCs will be sold
 - *20% of system capability as One Year TCCs across three auction rounds.*
 - *45% of system capability as Six Month TCCs across four auction rounds.*
- ◆ The remaining 30% of system capability was sold as One Year TCCs in Autumn 2012 and Two Year TCCs in Autumn 2011.

Expected Schedule

Nine Round Auction

<u>Week</u>	<u>Activity</u>
♦ January 11 – 17	Round #1 (Two Year TCCs)
♦ January 18 – 25	February Reconfiguration Auction
♦ January 18 – 31	NHFPTCC Allocation
♦ February 1 – 7	Round #2 (Two Year TCCs)
♦ February 8 – 14	Round #3 (One Year TCCs)
♦ February 15 – 22	March Reconfiguration Auction
♦ February 23 – 28	Round #4 (One Year TCCs)
♦ March 1 – 7	Round #5 (One Year TCCs)
♦ March 8 – 14	Round #6 (Six Month TCCs)
♦ March 15 – 21	April Reconfiguration Auction
♦ March 22 – 28	Round #7 (Six Month TCCs)
♦ March 29 – April 4	Round #8 (Six Month TCCs)
♦ April 5 – 11	Round #9 (Six Month TCCs)
♦ April 12 – 18	May Reconfiguration Auction

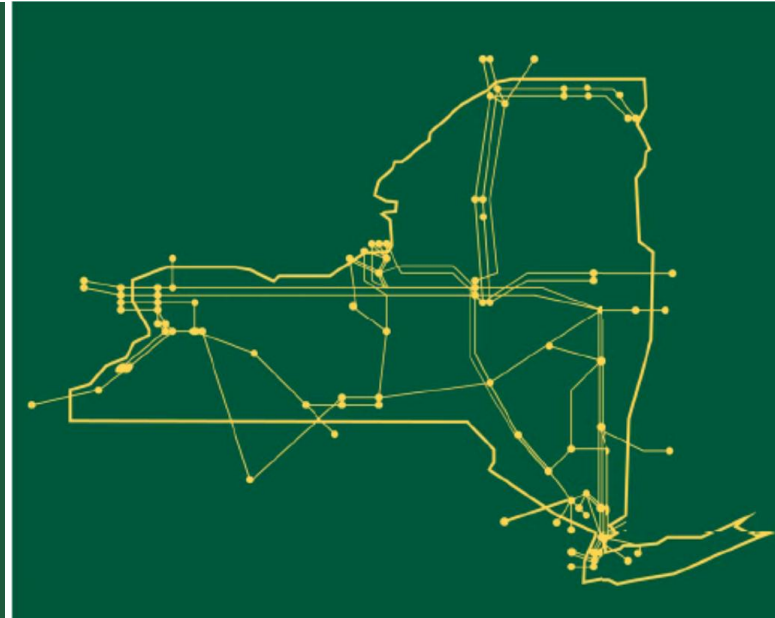
Auction Proposal – Discussion

- ◆ Unanimous agreement by the Transmission Owners is required for the NYISO to conduct fewer than four rounds in any Sub-Auction.
- ◆ 12 respondents expressed interest in conducting fewer than four Six Month rounds in the Spring 2013 Auction.
- ◆ 12 respondents expressed interest in conducting fewer than four One Year rounds in the Spring 2013 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.
- ◆ MIWG 12/13/2012.
- ◆ BIC 1/16/2013.

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