

Proposed Tariff Revisions Related to the Changes to Concepts for ACL

Donna Pratt

*Manager, Demand Response Products
New York Independent System Operator*

Business Issues Committee

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NYISO, Rensselaer, NY

Topics

- ◆ **Working Group Discussion History**
- ◆ **Summary of Tariff Revisions**
 - *SCR Peak Load Zone Hours*
 - *Average Coincident Load*
 - *Provisional Average Coincident Load*
 - *Incremental Average Coincident Load*
 - *SCR Change of Load and SCR Change of Status*
 - *Other*
- ◆ **Overview of ICAP Manual Revisions**
- ◆ **Next Steps**

Discussion of ACL Changes with Stakeholders

Concept	Joint ICAPWG/PLWG								
	2012		2013						
	8/20	9/11	2/19	4/29	5/22	6/24	7/9	7/24	8/13
Provisional ACL	X		X	X	X	X	X	X	
Incremental ACL		X	X	X	X	X	X	X	
SCR Load Zone Peak Hours			X	X	X	X	X	X	
Treatment of economic DR scheduled during SCR Load Zone Peak Hours					X	X	X	X	
SCR Change of Load and SCR Change of Status			X			X	X	X	
Penalties			X			X	X	X	
Proposed Tariff language				X	X	X	X	X	
Overview of ICAP Manual revisions for all concepts									X

SUMMARY OF TARIFF REVISIONS

Tariff Revisions

◆ Definitions

- *Six revised definitions*
- *Nine new definitions*

◆ Sections

▪ *Revised*

- 5.12.11.1.1
- 5.12.11.1.2
- 5.12.11.1.3
- 5.12.12.2
- 5.14.1

▪ *New*

- 5.12.11.1.3.1
- 5.12.11.1.3.2
- 5.12.11.1.5

SCR Load Zone Peak Hours

- ◆ **Revisions to definition beginning with the Summer 2014 Capability Period**
 - *Revised definition to Capability Period SCR Load Zone Peak Hours for use in enrollment of a SCR or verification of a SCR enrolled with a Provisional ACL*
 - *Introduced new definition for Monthly SCR Load Zone Peak Hours for use in verification of an Incremental ACL*

SCR Load Zone Peak Hours - continued

- ◆ **Additional revisions to definition beginning with the Summer 2014 Capability Period**
 - ***Expanded range of hours from which SCR Load Zone Peak Hours are selected***
 - **Current range: 1:00 pm – 7:00 pm (HB 13 through HB 18)**
 - **Proposed range: 11:00 am – 8:00 pm (HB 11 through HB 19)**
 - ***Added the exclusion of the hour before and the hour after an event hour or a performance test hour from the SCR Load Zone Peak Hours***
 - **In descending rank order of NYCA Load up to a maximum of eight hours**

Average Coincident Load

- ◆ Introduced acronym of “ACL” within Tariff
- ◆ Modifications made to Section 5.12.11.1.1 beginning with the Summer 2014 Capability Period
 - *Consideration of SCR performance in economic DR programs in hours coincident with any of the applicable SCR Load Zone Peak Hours when calculating the SCR ACL*
 - Introduced new definition for DSASP Baseline MW for use when a SCR resource performs as a DSASP resource in one or more of the SCR Load Zone Peak Hours

Average Coincident Load - continued

- ◆ **Additional modifications made to Section 5.12.11.1.1 beginning with the Summer 2014 Capability Period**
 - *Clarified conditions of use for enrollment with a Provisional ACL prior to Summer 2014 Capability Period*
 - *Added reference to Section 5.12.11.1.2 for conditions of use for enrollment with a Provisional ACL beginning with the Summer 2014 Capability Period*
 - *Added reference to Section 5.12.11.1.5 for the ability to enroll a SCR with an increase to the ACL using an Incremental ACL*
 - *Defined ACL as the upper limit of a SCR ICAP value and Net ACL as the upper limit of a SCR ICAP value when enrolled with an Incremental ACL or a SCR Change of Status*
 - **Introduced new definition for Net Average Coincident Load (“Net ACL”) to represent the effective calculated ACL when a SCR is enrolled with an Incremental ACL or a SCR Change of Status**

Provisional Average Coincident Load

- ◆ **Introduced acronym of “Provisional ACL” within Tariff**
- ◆ **Clarified definition for conditions of use for enrollment with a Provisional ACL prior to and beginning with the Summer 2014 Capability Period**
- ◆ **Introduced new definition for Verified Average Coincident Load (“Verified ACL”) for use with SCRs required to report verification data after the close of the Capability Period in which the SCR was enrolled**

Provisional Average Coincident Load - continued

- ◆ **Modifications made to Section 5.12.11.1.2 beginning with the Summer 2014 Capability Period**
 - *Clarified conditions of use for enrollment with a Provisional ACL prior to Summer 2014 Capability Period*
 - *Added conditions of use for enrollment with a Provisional ACL beginning with the Summer 2014 Capability Period which increase the opportunity of a SCR to enroll with a Provisional ACL or allow for the SCR to enroll with an ACL using verification data from the Prior Equivalent Capability Period*
 - *Added consideration of SCR performance in economic DR programs in hours coincident with any of the applicable Capability Period SCR Load Zone Peak Hours when calculating the Verified ACL based on reported verification data*

Provisional Average Coincident Load Penalties

- ◆ **Section 5.12.12.2 beginning with the Summer 2014 Capability Period**
 - *Added that NYISO can recover energy payments for failure to report Provisional ACL verification data*

- ◆ **Section 5.14.2 beginning with the Summer 2014 Capability Period**
 - *Revised Provisional ACL shortfall*
 - **When the Provisional ACL is greater than the Verified ACL, the shortfall is equal to the Provisional ACL minus the Verified ACL**

Incremental Average Coincident Load

- ◆ **Beginning with the Summer 2014 Capability Period**
 - *Introduced new definition for Incremental Average Coincident Load (“Incremental ACL”) for use with SCRs that have an increase to the calculated ACL of the SCR from the Prior Equivalent Capability Period*
 - *Introduced new definition for SCR Load Change Reporting Threshold for reference by Incremental ACL, SCR Change of Load, and SCR Change of Status that defines the threshold requirement for reporting a change to a SCR applicable ACL*
 - *Introduced new definition for Monthly SCR Load Zone Peak Hours for use in verification of an Incremental ACL*
 - *Introduced new definition for Monthly Average Coincident Load (“Monthly ACL”) for use in calculation of the Verified ACL of a SCR enrolled with an Incremental ACL*

Incremental Average Coincident Load - continued

- ◆ **Added Section 5.12.11.1.5 beginning with the Summer 2014 Capability Period**
 - *Introduced exception to threshold requirement established by the SCR Load Change Reporting Threshold for a SCR enrolling with an Incremental ACL*
 - *Defined the Net ACL as the upper limit of a SCR ICAP value when enrolled with an Incremental ACL*
 - **Introduced new definition for Net Average Coincident Load (“Net ACL”) to represent the effective calculated ACL when a SCR is enrolled with an Incremental ACL or a SCR Change of Status**
 - *Introduced additional rules for enrollment with an Incremental ACL*

Incremental Average Coincident Load - continued

- *Introduced requirement to report verification data following the close of the Capability Period in which the SCR was enrolled with an Incremental ACL*
 - **NYISO will calculate the Verified ACL of the SCR using the Monthly ACL values determined based on the Monthly SCR Load Zone Peak Hours and taking into account:**
 - Verified Load reduction in a TO's demand response program in hours coincident with any of the applicable Monthly SCR Load Zone Peak Hours and;
 - The SCR performance in economic DR programs in hours coincident with any of the applicable Monthly SCR Load Zone Peak Hours
- *Introduced conditions that determine when a SCR enrolled with an Incremental ACL is required to perform in the second performance test in the Capability Period*

Incremental Average Coincident Load Penalties

- ◆ **Section 5.12.12.2 beginning with the Summer 2014 Capability Period**
 - *Added that NYISO can recover energy payments for failure to report Incremental ACL verification data*
 - *Added sanction for failure to report required performance of the SCR in the second performance test in the Capability Period*

- ◆ **Section 5.14.2 beginning with the Summer 2014 Capability Period**
 - *Added Incremental ACL shortfall*
 - **When the Net ACL is greater than the Verified ACL the shortfall shall be the enrolled Net ACL of the SCR minus the Verified ACL of the SCR**

SCR Change of Load

- ◆ **Beginning with the Summer 2014 Capability Period**
 - *Modified SCR Change of Load definition to reference duration and introduced SCR Load Change Reporting Threshold and Qualified Change of Load Condition definitions*
 - *Introduced new definition for SCR Load Change Reporting Threshold that defines the threshold requirement for amount of change to a SCR applicable ACL*
 - *Introduced new definition for Qualified Change of Load Condition to define criteria under which the SCR is required to report a SCR Change of Load occurred*
 - *Introduced Section 5.12.11.1.3.1 for reporting requirements of a SCR Change of Load clarifying the requirement that a RIP shall report SCR Change of Load for each SCR when the total Load reduction for SCRs that have a SCR Change of Load within the same Load Zone is greater than or equal to 5MW*

SCR Change of Status

- ◆ **Beginning with the Summer 2014 Capability Period**
 - ***Modified SCR Change of Status definition to reference duration and introduced SCR Load Change Reporting Threshold and Qualified Change of Status Condition definitions***
 - **Introduced new definition for SCR Load Change Reporting Threshold that defines the threshold requirement for amount of change to a SCR applicable ACL**
 - **Introduced new definition for Qualified Change of Status Condition to define criteria under which the SCR is required to report a SCR Change of Status**
 - ***Introduced Section 5.12.11.1.3.2 to clarify and expand upon criteria for reporting a SCR Change of Status***
 - **Conditions under which a SCR shall be evaluated for a potential short fall in Section 5.12.12.2 and 5.14.2**
 - **Conditions that determine when a SCR enrolled with a SCR Change of Status is required to perform in the second performance test in the Capability Period**

SCR Change of Status Penalties

- ◆ **Section 5.14.2 beginning with the Summer 2014 Capability Period**
 - *Added SCR Change of Status shortfall*
- ◆ **Section 5.12.12.2 beginning with the Summer 2014 Capability Period**
 - *Added sanction for failure to report a SCR Change of Status*
 - *Added sanction for failure to report required performance of the SCR in the second performance test in the Capability Period*

Additional Tariff Revisions

◆ Definitions

- *Introduced acronym of “RIP” to represent Responsible Interface Party within Tariff*
- *Introduced acronym of “SCR” to represent Special Case Resource within Tariff*

◆ Penalties

- ***Section 5.14.2***
 - **When a SCR is subject to multiple shortfall penalties for the same Capability Period, the ISO shall assess the maximum shortfall penalty to the RIP**
 - If the shortfall results in a reduction in the performance of a SCR, the ISO may recover from the RIP any energy payments for which the SCR was ineligible to receive

OVERVIEW OF ICAP MANUAL REVISIONS

Definitions

- ◆ **Remove references in the manual to definitions that are now explicit in the tariff**
 - ***Example: Average Coincident Load***
 - **In April 2011, Average Coincident Load was fully described in the ICAP Manual. FERC's acceptance of ACL required that the NYISO incorporate the section for Average Coincident Load into its tariff, which it filed in May 2011.**
 - **The language in the ICAP Manual that defines the Average Coincident Load is redundant with the tariff**
 - **Any ICAP Manual language relevant to procedures of ACL will be retained or updated as necessary to incorporate the proposed changes**

ACL, Provisional ACL, and Incremental ACL - ICAP Manual Sections 4.4 and 4.12

- ◆ **In addition to removing references that will become explicit in the tariff, updates to the ICAP Manual will make the references to ACL and Provisional ACL consistent with the proposed tariff language**
- ◆ **A new section will be added to describe the procedures for Incremental ACL**
- ◆ **Updates will be made to incorporate the add-back procedures for DADRP and DSASP**

SCR Change of Load and SCR Change of Status - ICAP Manual Sections 4.3 and 4.12

- ◆ **In addition to removing references that will become explicit in the tariff, updates to the ICAP Manual will make the references to SCR Change of Load and SCR Change of Status consistent with the proposed tariff language**
- ◆ **A new section will be added to describe the new testing requirements for SCR Change of Status**
- ◆ **Updates will be made to reporting procedures as presented for each Qualified Change of Load Condition or Qualified Change of Status Condition**

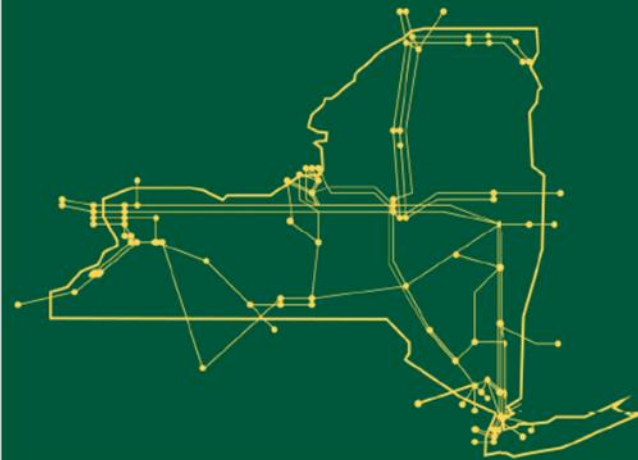
Shortfalls, Deficiencies, and Failure to Report Penalties - ICAP Manual Sections 4.3, 4.4, and 4.12

- ◆ **Updates in the corresponding sections of the ICAP Manual will be made to reference the proposed changes to sections 5.12.12.2 and 5.14.2 of the tariff**

Next Steps

- ◆ **August 20: Management Committee**
- ◆ **September: Board of Directors**
- ◆ **September: Tariff filing**

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