

---

**NYISO Business Issues Committee Meeting Minutes**  
**July 15, 2020**  
**10:00 a.m. – 11:20 a.m.**

---

**1. Introductions, Meeting Objectives, and Chairman's Report**

Mr. Chris Wentlent (MEUA) called the meeting to order at 10:00 a.m. The members of the BIC identified themselves and attendance was recorded. A quorum was determined.

**2. May 20, 2020 and June 24, 2020 BIC Meeting Minutes**

There were no questions or comments regarding the draft minutes from the May 20, 2020 and June 24, 2020 BIC meetings that were included as part of the meeting material.

Motion #1:

Motion to approve the May 20, 2020 BIC meeting minutes.

*Motion passed unanimously.*

Motion #2:

Motion to approve the June 24, 2020 BIC meeting minutes.

*Motion passed unanimously.*

**3. Market Operations Report and Broader Regional Markets Report**

Mr. Rana (NYISO) reviewed the Market Operations and Broader Regional Markets reports included with the meeting material. There were no questions or comments.

**4. Reserves for Resource Flexibility**

Mr. Ethan Avallone (NYISO) reviewed the presentation included with the meeting material.

Mr. Aaron Markham (NYISO) described the overall importance of the proposed increase to the 30-minute reserve requirement within Southeastern New York (SENY) from a grid operations perspective in that it will provide ready access to resource capability to assist in returning transmission assets to normal transfer criteria following a contingency on the transmission facilities that facilitate power flows into SENY.

Mr. Mike Cadwalader (Atlantic Economics) requested clarification regarding the level of software development that would be necessary to accommodate the ability to establish reserve requirements that vary by both hour and season. Mr. Avallone stated that the degree of software changes needed to accommodate reserve requirements that vary both by hour and season would be a significantly greater undertaking than implementing reserve requirements that vary by hour only. Mr. Avallone further stated that the additional software development effort to implement reserve requirements that vary by both season and hour likely could not be completed within the implementation timeline the NYISO has developed for the current proposal.

Ms. Amanda Trinsey (Couch White) raised concerns regarding the consumer impact analysis conducted for the proposal because it does not provide any information regarding the incremental impacts related to the separate proposal seeking to increase the shortage pricing value for the additional SENY 30-minute reserves from \$25/MWh to \$40/MWh as part of the project addressing proposed enhancements to the current reserve shortage pricing. Ms. Trinsey contended that a minor delay in seeking stakeholder approval of this proposal to supplement the prior consumer impact analysis should not unnecessarily impact the implementation timeline for the proposal given that the NYISO does not currently anticipate implementing the proposed enhancements until 2022. Mr. Tariq Niazi (NYISO) noted that the consumer impact analysis to be conducted for the separate project to assess the proposed enhancements to the current reserve

shortage pricing will include the proposal to increase the shortage pricing value for the additional SENY 30-minute reserves to \$40/MWh.

Ms. Erin Hogan (UIU) and Chris Hall (NYSERDA) supported the concerns raised by the City of New York related to seeking stakeholder approval absent providing an updated consumer impact analysis that assesses the proposed increase to the shortage pricing value for the additional SENY 30-minute reserves to \$40/MWh.

Mr. Howard Fromer (Bayonne Energy Center) noted that the consumer impact analysis that was conducted indicated a minimal price impact in the near-term and contended that the increase to the shortage pricing value from \$25/MWh to \$40/MWh would be unlikely to change the outcome of the impact analysis.

Mr. Matt Schwall (IPPNY) noted that the two proposals are separate projects and the NYISO has conducted a consumer impact analysis that fully addresses the proposal presented for stakeholder consideration, as well as committed to assessing the proposal to increase the shortage pricing value for the additional SENY 30-minute reserves to \$40/MWh as part of the consumer impact analysis for the separate project addressing proposed enhancements to the current reserve shortage pricing

Ms. Doreen Saia (Greenberg Traurig) stated the importance of ensuring that reserve requirements properly reflect applicable reliability requirements and operational needs, while seeking to avoid unnecessary delays. Ms Saia further stated that implementing the proposal expeditiously will assist with providing appropriate price signals to help inform the ongoing transition of the grid.

Mr. Mark Younger (Hudson Energy Economics) strongly opposed delaying a vote on the proposal in light of the minimal impact demonstrated by the consumer impact analysis already performed by the NYISO and his expectation that a \$40/MWh shortage pricing value would not materially change the magnitude of the potential impact.

Mr. Andrew Antinori (NYPA) asked for clarification regarding the magnitude of a delay that may be required for the NYISO to supplement the previously conducted consumer impact analysis to address the separate proposal to increase the shortage pricing value for the additional SENY 30-minute reserves from \$25/MWh to \$40/MWh.

Mr. Avallone stated that the NYISO would prefer to proceed with a vote on the proposal at this time and provide information regarding the incremental impact of the proposal to increase the shortage pricing value from \$25/MWh to \$40/MWh as part of the separate project addressing proposed enhancements to the current reserve shortage pricing if today's proposal is ultimately approved by stakeholders.

Mr. Wentlent asked for information regarding the time the NYISO believes would be necessary to assess the impacts of the proposal based on the \$40/MWh shortage price that is proposed as part of the separate project addressing proposed enhancements to the current reserve shortage pricing. Mr. Zachary Stines (NYISO) noted that the NYISO is not able, at this time, to estimate the additional time required to conduct a separate, supplemental analysis assessing the potential impacts of utilizing a \$40/MWh shortage price for the additional 30-minute reserves in SENY. Mr. Stines further stated that pursuing such a separate, supplement analysis may have impacts on the timing to conduct other assessments including the consumer impact analysis for the separate project addressing proposed enhancements to the current reserve shortage pricing values. Mr. Niazi stated that the NYISO currently anticipates presenting the results of the consumer impact analysis for the project addressing proposed changes to the current reserve shortage pricing, which will include the proposal to increase the shortage pricing value for the additional SENY 30-minute reserves to \$40/MWh, in August or September 2020.

### Motion #3:

The Business Issues Committee ("BIC") hereby recommends that the Management Committee approve changes to the NYISO's Market Administration and Control Area Services Tariff related to the "Reserves for Resource Flexibility" proposal, as more fully described in the presentation titled "Reserves for Resource Flexibility" made to the BIC on July 15, 2020.

Motion #3a:

Motion to table motion 3.

*Motion passed with 68.45% affirmative votes.*

**5. COVID-19 Load Impacts**

Mr. Chuck Alonge (NYISO) reviewed a presentation regarding the impacts of the COVID-19 pandemic on energy and demand requirements in New York. There were no questions or comments.

**6. Working Group Updates**

- Billing and Accounting and Credit Working Group: The group has not met since the last BIC meeting.
- Electric System Planning Working Group: The group has not met since the last BIC meeting.
- Installed Capacity Working Group: The group has met jointly with MIWG and PRLWG twice since the last BIC meeting. On June 30, 2020, the group met and reviewed a presentation by a presentation by the Market Monitoring Unit (MMU) regarding its quarterly market assessment for Q1 2020, and potential options for developing a hybrid storage resource model. The group also met on July 14, 2020 and reviewed bidding rules for energy storage resources participating in the wholesale capacity market.
- Load Forecasting Task Force: The group has not met since the last BIC meeting.
- Market Issues Working Group: The group has met jointly with ICAPWG and/or PRLWG three times since the last BIC meeting. The group met on June 30, 2020 and reviewed a presentation by the MMU regarding its quarterly market assessment for Q1 2020, an overview of the considerations for developing market rules to allow for the reservation of transmission capacity from Centralized TCC Auctions to be released in Balance-of-Period Auctions, potential options for developing a hybrid storage resource model, and a proposal to increase the current 30-minute reserve requirement for the Southeastern New York reserve region. On July 7, 2020, the group met and reviewed reliability considerations and potential energy market enhancements in response to the ongoing transformation of the electric system. The group also met on July 14, 2020 and reviewed the proposed methodology for conducting the consumer impact analysis related to the proposed enhancements to the current reserve shortage pricing values and reserve demand curves.
- Price Responsive Load Working Group: The group met jointly with ICAPWG and/or MIWG three times since the last BIC meeting (i.e., June 30, 2020, July 7, 2020, and July 14, 2020). At each meeting, the group reviewed the agenda topics related to distributed energy resources, energy storage resources and/or the NYISO-administered demand response programs.

**7. New Business**

There was no new business.

Meeting adjourned at 11:20 a.m.