

Comprehensive Mitigation Review Project

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ICAPWG/MIWG

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Agenda

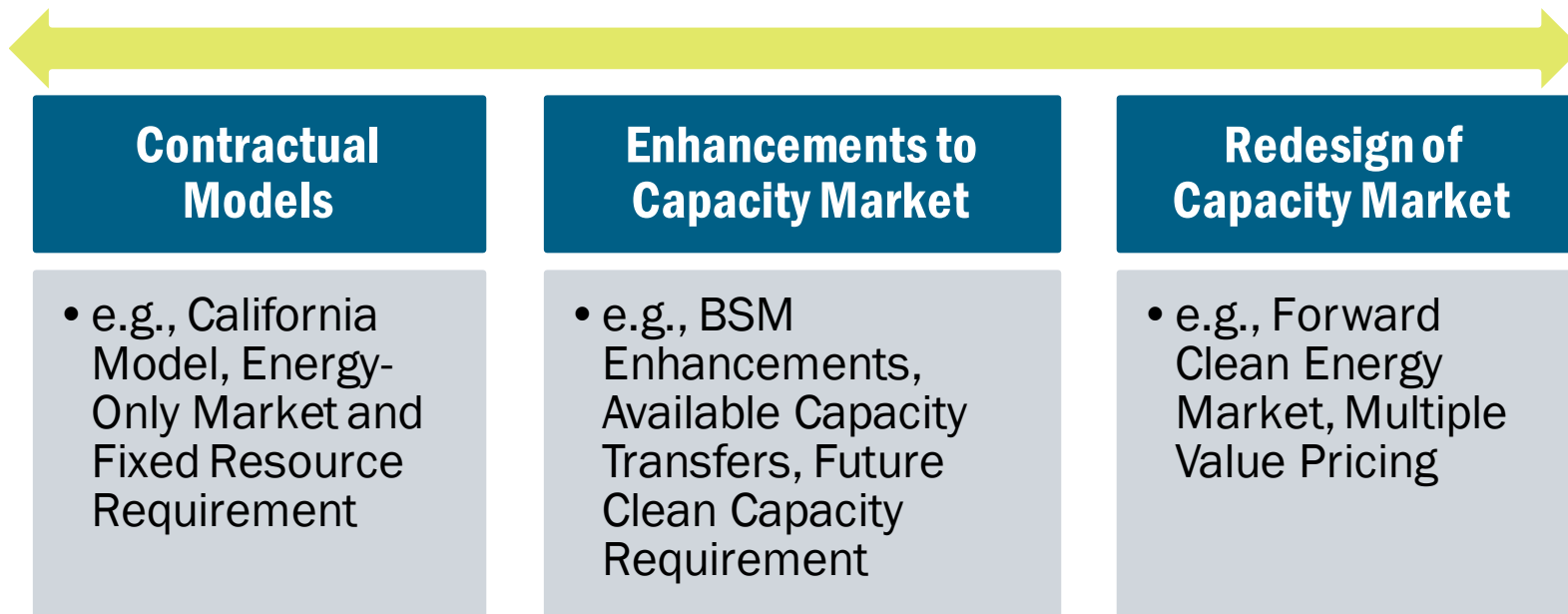
- **Project Overview**
- **Proposals Completed in 2020**
- **Update on ACT and CRIS+**
- **Getting Ready for 2021**
- **Next Steps**
- **Appendix**

Project Overview

- **The project objective is:**

- Modify NYISO Installed Capacity market framework in a balanced manner that (i) preserves competitive price signals and economically efficient market outcomes required to maintain system reliability and (ii) enables the Climate Leadership and Community Protection Act (CLCPA) goals

Suite of Options



Proposals Completed in 2020

■ Renewable Exemption Limits

- This includes a consideration of Regulatory Retirements, changes in load, and a banking concept
- Note that as required, the BSM Renewables Exemption Study will assess eligible technologies for the Renewable Exemption and will be discussed with stakeholders later this year
- This has been accepted by FERC

■ BSM Enhancements

- Enhancements to the Part A Exemption Test
 - This includes re-ordering PPR resources, re-ordering Parts A and B, and changes to the Mitigation Study Period for Part A
- Stakeholders approved this proposal earlier in 2020
- This has been denied by FERC
 - The NYISO filed a request for rehearing on FERC's order

- **The combination of the Renewable Exemption Limit and BSM Enhancement proposals addressed many of the concepts being considered in ACT and CRIS+**

Update on ACT and CRIS+

- **Available Capacity Transfer (ACT)**
 - Expand use of the renewable exemption bank
- **CRIS+**
 - Pair transferable CRIS rights with existing resource's BSM exemption
- **The NYISO considered the CRIS+/ACT option**
 - The NYISO received no written feedback from stakeholders
 - The NYISO is not pursuing ACT or CRIS+ at this time
 - More clarity on Part A revisions are necessary to better inform the usefulness and viability of CRIS+/ACT

Getting Ready for 2021

- **Based on recent developments in 2020, the NYISO is starting to think about other ideas to consider for discussion as part of the 2021 effort**
- **Some other ideas include:**
 - Multiple Value Pricing
 - Incorporate a model that co-optimizes over several variables (e.g. specific to resource type, zero carbon resources, etc.)
 - Forward Clean Energy Market
 - New market intended to procure certain percentage of generation from qualifying renewable resources

Next Steps

- **If stakeholders have concepts/proposals that they are considering, the NYISO encourages stakeholders to present those concepts at a near future ICAP Working Group**
 - Please reach out to deckels@nyiso.com if you would like to be added to an upcoming ICAP Working Group

Appendix

Previous Presentations

■ Comprehensive Mitigation Review

- December 13, 2019 ICAPWG
 - <https://www.nyiso.com/documents/20142/9766969/Comprehensive%20Mitigation%20Review.pdf/>
- February 6, 2020 ICAPWG
 - <https://www.nyiso.com/documents/20142/10718541/Comprehensive%20Mitigation%20Review.pdf/>
- May 11, 2020 ICAPWG
 - <https://www.nyiso.com/documents/20142/12465245/Comprehensive%20Mitigation%20Review.pdf/>

■ Part A Enhancements

- December 19, 2019 ICAPWG
 - https://www.nyiso.com/documents/20142/9869531/CMR%20Part%20A%20Rev%2012192019_FINAL.pdf/
- January 13, 2020 ICAPWG
 - <https://www.nyiso.com/documents/20142/10252714/CMR%20Part%20A%20Rev%2001132020.pdf/>
- February 4, 2020 ICAPWG
 - https://www.nyiso.com/documents/20142/10653145/Feb4%20Revisions%20to%20Part%20A%20Exemption%20Test_Final.pdf/

■ Enhanced BSM Mitigation Study Period

- January 8, 2020 ICAPWG
 - <https://www.nyiso.com/documents/20142/10169030/Jan08%20Enhanced%20BSM%20Mitigation%20Study%20Period%20Introduction.pdf/>
- January 21, 2020 ICAPWG
 - <https://www.nyiso.com/documents/20142/10375030/Jan21%20Enhanced%20BSM%20Mitigation%20Study%20Period%20Simplified%20Proposal.pdf/>

Our mission, in collaboration with our stakeholders, is to serve the public interest and provide benefit to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policymakers, stakeholders and investors in the power system

