

NYISO Consumer Interest Liaison Weekly Summary

October 18 – October 22, 2021

Notices:

- *The **Short-Term Assessment of Reliability for 2021 Quarter 3** has been posted to the following link: [Short-Term Assessment of Reliability for 2021 Quarter 3](#)*
- *Pursuant to NYISO Open Access Transmission Tariff Section 31.4.4.3.10, the NYISO has posted on its website a table providing a brief description of the project proposals submitted to the NYISO to meet the Long Island Offshore Wind Export Public Policy Transmission Need. The summary table is available at the following [link](#).*

Meeting Summaries:

Monday, October 12, 2021

Joint Installed Capacity/Market Issues/Price Responsive Load Working Group Comprehensive Mitigation Review Proposal

Michael DeSocio and Zachary T. Smith reviewed the Capacity Accreditation Proposal for the “*Comprehensive Mitigation Review*” project. By properly valuing each resource’s contribution to reliability, NYISO’s Capacity Accreditation Proposal will ensure an efficient and well-functioning ICAP Market that supports reliability and public policy goals.

Following a review of the proposal to date by Mr. DeSocio, Mr. Smith used an example from a [prior presentation](#) to show that a marginal accreditation approach can facilitate the entry of public policy resources at a lower consumer cost than an average accreditation approach.

Mr. Smith explained that there are six elements of the Capacity Accreditation framework that are important for the Comprehensive Mitigation Review proposal. Including these elements in the Comprehensive Mitigation Review proposal is necessary for the NYISO to demonstrate that excluding CLCPA resources from BSM will continue to result in just and reasonable ICAP Market outcomes:

- *The NYISO proposes to use the IRM and LCR study models, as vetted and approved by the NYSRC for the applicable Capability Year, as a starting database for this study*
- *The NYISO proposes to run this study at-criterion consistent with the setting of IRM and LCRs*

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- *The NYISO proposes to perform this study annually to keep pace with the resource changes that the CLCPA requires*
- *The NYISO proposes to evaluate the capacity accreditation of all resource types*
- *The NYISO proposes to perform this study for resource types at the capacity Locality level*
- *The NYISO proposes to determine the capacity accreditation of resource types consistent with the marginal reliability contribution of each resource type and Locality*

The six elements above were discussed in detail with stakeholders.

Mr. Smith next presented the proposal for the ICAP/UCAP Reference Price Translation. Mr. Smith explained that the NYISO is proposing to adopt the MMU's recommendation to translate the ICAP Reference Price to a UCAP Reference Price using the derating factor of the peaking unit underlying each ICAP Demand Curve. An example to compare the current methodology to the proposed methodology was provided and discussed with stakeholders.

Proposed tariff revisions for the accreditation methodology were reviewed and discussed with stakeholders.

The NYISO is pursuing BSM Reforms in time for the Class Year 2021 BSM evaluations. The NYISO intends to address capacity accreditation in three different phases, with phases one and two continuing throughout 2022. Phase 3 will focus on the implementation of the capacity accreditation review as part of the Capacity Value Study project.

The NYISO will seek approval of the proposal at the November 2021 BIC and MC meetings. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/25440628/20211018%20NYISO%20-%20CMR%20v9.pdf/4475e775-159c-75c7-9cf8-7050dad9a363>

Comprehensive Mitigation Review Proposal: Consumer Impact Analysis Methodology

Tariq Niazi of the NYISO presented the methodology to be used for the proposed “*Comprehensive Mitigation Review*” consumer impact analysis.

Mr. Niazi noted that as with all consumer impact analyses, the four evaluation areas would be included: cost, reliability, environmental and transparency.

For this analysis, the NYISO proposes to compare the status quo to:

- *the CMR Proposal; and*
- *an average accreditation approach*

The analysis will focus on impacts for a 2026 resource mix and will compare capacity market procurement costs.

Mr. Niazi presented the assumptions to be used for the analysis.

The results of the consumer impact analysis are scheduled for a November 2, 2021, presentation. Mr. Niazi noted that although the consumer impact analyses are generally presented with a minimum of 30 days prior to the BIC vote, due to time constraints in this case, the shorter time period is unavoidable.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/25440628/20211018%20CMR%20CIA%20Methodology%20v3.pdf/3658b7df-52dc-d3b7-fb52-0f1fb08dfb73>

NYISO Capacity Accreditation: Consumer Impact Analysis

Joseph Coscia of Potomac Economics presented an analysis of the long-term impacts of capacity accreditation on consumer costs and the NYISO markets, based on the NYISO's presentation at the September 28, 2021, ICAPWG.

The purpose of the analysis was to model the resource mix, capacity market outcomes, and consumer payments by 2030 under alternative accreditation methods.

Mr. Coscia presented the methodology to be used to output:

- *Capacity price, total accredited UCAP, and consumer payments under each accreditation method, and,*
- *Capacity additions by technology under each accreditation method.*

Potomac anticipates presenting the results of the analysis at the November 2, 2021, ICAPWG. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/25440628/MMU%20ICAP%20Accreditation%20Consumer%20Impact%20Overview_10-18-2021.pdf/eaaf2875-e428-9cad-2fcc-a08111c1460c

Friday, October 22, 2021

Joint Installed Capacity/Market Issues/Price Responsive Load Working Group

Incremental Manual Updates for the Co-located Storage Resources (CSR) Participation Model

Amanda Myott of the NYISO updated the manuals to incorporate the Co-located Storage Resources (CSR) participation model.

At the September 20, 2021, ICAPWG/MIWG, the NYISO presented draft changes to the ICAP Manual to incorporate the CSR participation model. The NYISO subsequently received stakeholder feedback, which has driven some incremental clarifying revisions. At the October 5, 2021, MIWG, the NYISO discussed with stakeholders incremental Tariff revisions that were necessary to accommodate scenarios when other constraints in the NYISO optimization should be prioritized above the CSR injection Scheduling Limit and the CSR withdrawal Scheduling Limit constraints.

Ms. Myott presented and discussed the proposed incremental updates incorporating the feedback noted above.

The NYISO will seek approval of the revisions at the November 9, 2021, BIC meeting. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/25594796/CSR%20Manual%20Updates_10222021.pdf/edb015e9-2049-a28a-f34f-57f18f2fcaa0

Market Impacts of Comprehensive Mitigation Review

Paul Hibbard and Charles Wu of The Analysis Group (AG) presented the draft “*Modifications to the BSM Construct in the NYISO Capacity Market*” report. In this report, Analysis Group models the future operation of the NYISO capacity market under conditions consistent with NYISO’s implementation of its proposed changes to the BSM rules. The purpose of the analysis is to determine whether the NYISO capacity market will continue to support the achievement of resource adequacy in the state of New York through competitive capacity market auctions administered in concert with the rollout of Climate Leadership and Community Protection Act (CLCPA) resources.

In the draft report, AG updated the analysis with:

- *Revisions to Marginal Capacity Values -*
 - *Marginal Capacity Values based on latest 6/22/20 “New York’s Evolution to a Zero Emissions Power System” study*
 - *Marginal Capacity Value of Energy Storage now based on % Peak Load Reduction*
- *Revisions to Peak Load and IRM/LCR Assumptions*
 - *Use of “CLCPA Load” Scenario in 2021 Gold Book and Climate Phase I study to match progression of peak load over time in Grid in Transition study*
 - *Minor reductions in IRM/LCR in 2026 and 2032 to reflect changes in transmission topology*

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- *IRM/LCRs set to reflect capacity value of full portfolio*
- *Revisions to Demand Curve*
 - *Refinement of peaking technology assumptions to better locality cost premiums*

Following a discussion of the above updates to the analysis, Mr. Wu led a review of the draft report with stakeholders.

To see the complete presentation, please go to: <https://www.nyiso.com/icapwg?meetingDate=2021-10-22>

FERC Filings

October 22, 2021

NYISO motion to intervene and comments regarding Hecate Energy Gedney Hill's and Sunset Hill Solar's request for limited waiver of NYISO tariff provisions.

October 22, 2021

NYISO-Con Edison joint Section 205 filing of a Transmission Project Interconnection Agreement (SA 2654) among the NYISO, Con Edison, and New York Transco for the New York Energy Solution Project

October 20, 2021

NYISO comments in response to issues raised by commentators in FERC's proceeding to integrate hybrid resources into the markets

October 20, 2021

NYISO filing of extension request to answer the complaint filed by Flint Mine Solar LLC (FMS) until November 3, 2021

October 22, 2021

On behalf of NEET NY, motion to withdraw NEET NY's July 30th formula rate filing

FERC Orders

October 22, 2021

FERC letter order accepted NYISO effective date notice filing for TCC Credit Enhancement, effective 10/12/21 as requested

ER21-486-002

Filings and Orders:

http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp