

NYISO Consumer Interest Liaison Weekly Summary

July 26 – July 30, 2021

Notices:

- *The ICAP Automated Market System User's Guide (UG-02) has been updated and is now available on the [Manuals, Technical Bulletins & Guides webpage](#), under the Guides folder. The Guide was updated for Project B627 External-to-ROS Deliverability Rights (EDR). Section 15 includes new interactive screens needed by the MP to configure monthly parameters associated with EDRs and UDRs*
- *This is to notify that the following documents for Expedited Deliverability Study 2020 – 02 have been posted on the NYISO website (www.nyiso.com/market-monitoring > ICAP Market Mitigation > Buyer Side Mitigation > Expedited Deliverability Study):*
 - [ICAP Forecast BSM Inputs and Assumptions Document](#)
 - [ICAP BSM Test Data](#)

Meeting Summaries:

Tuesday, July 27, 2021

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

MDCP: Expanding Application of Peak Hour Forecasts

Ethan Avallone of the NYISO updated the Market Design Concept Proposal (MDCP) for the “Expanding Application of Peak Hour Forecasts” project.

Mr. Avallone began by contrasting the current and proposed process flow for the establishment and allocation of ICAP market requirements. The proposed changes focus on:

- *Number of peak load hours, or peak load days, used for the allocation.*
- *Weighting of the peak load hours used by the TOs to construct a single ratio for the allocation to the LSEs.*

Mr. Avallone explained that a methodology using loss of load probability values from the IRM study to weight the top three peak load days has been proposed for consideration by the NYISO and stakeholders, as described in Appendix V of the meeting materials. The NYISO has concerns with

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this approach, as the IRM study is based on high load scenarios that may not match the top three peak load MW values that are ultimately observed. There could be a 1,000 MW or 5,000 MW difference in the top three peak load days, and the proposed methodology would not recognize this difference. The NYISO proposes to use the NYCA coincident peak load from the highest load hour on each of the top three unique peak load days, with the identification of these peak load days to include only non-holiday weekdays in July and August, consistent with design conditions. Actual load data would be used to identify the peak load hours, as opposed to reconstituted load data. The top three peak load days used in the allocation would be equally weighted.

“*Expanding Application of Peak Hour Forecasts*” is currently included as a project candidate for the 2022 project prioritization process. If prioritized, the NYISO would work toward a goal of Market Design Complete (MDC) in 2022.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/23319404/Expanding_Peak_Hour_Forecasts_7.27.2021_MDCP_FINAL.pdf/18b8258d-a3c8-ec08-a97a-e3fe4c77bc63

Transmission Congestion Contracts Manual Revisions

Gregory Williams of the NYISO presented updates to the Transmission Congestion Contracts (TCC) Manual. The TCC Manual was last updated in February 2020.

Mr. Williams detailed changes to the following topics:

- *The ability to conduct a single round one-year Sub-Auction for TCCs with an effective period equivalent to the second year of previously sold two-year TCCs as part of the Centralized TCC Auction that immediately follows a Centralized TCC Auction in which the NYISO sold two-year TCCs*
 - *Related to TCC credit policy enhancements expected to be effective in October 2021 (FERC Docket No. ER21-486)*
 - *The first such auction round is scheduled to be conducted starting October 8, 2021*
- *The integration of TCC auction settlements (including the distribution of TCC auction revenue to the Transmission Owners that are subject to Attachment N of the OATT) as part of the typical Consolidated Invoice process*
 - *The first TCC auction scheduled for integrated settlements is the Autumn 2021 Centralized TCC Auction*
- *The ability for Market Participants to electronically submit various forms*
- *Ministerial revisions and corrections*

Redline versions of the TCC Manual sections were provided with the meeting materials for stakeholder review. The NYISO will seek approval at the BIC in August or September 2021 for an effective date for the revisions of October 2021. To see the complete presentation, please go to:

<https://www.nyiso.com/icapwg?meetingDate=2021-07-27>

Capacity Resource Interconnection Service (CRIS) Expiration Evaluation

Emily Conway of the NYISO updated the 2021 “*CRIS Expiration Evaluation*” project. The 2021 deliverable is a Q3 2021 Market Design Concept Proposed.

Ms. Conway reviewed stakeholder feedback received at and after the June 25, 2021 ICAPWG presentation and provided NYISO responses to the input.

Ms. Conway outlined the market design concept proposal for the notification process within the 3-year time period following retirement. Modifications would require retired units to notify the NYISO of either a same or different location transfer prior to each Class Year Deliverability Study. In addition, the NYISO proposed modifications with respect to same location CRIS transfers. The

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proposal would permit “same-location” CRIS transfers even if the transferor unit is not deactivating, which could allow for more flexibility and potentially more deliverability for new resources (*i.e.*, less likelihood of CRIS units requiring System Deliverability Upgrades). The proposed changes would make the rules for same location CRIS transfers consistent with the rules for different location CRIS transfers with respect to deactivation requirements.

Next, Ms. Conway presented the market design concept proposal for Partial CRIS and discussed the potential rule changes with stakeholders. Several stakeholders provided feedback for NYISO consideration.

Ms. Conway noted that if the 2021 “CRIS Expiration Evaluation” project is prioritized, the NYISO would work toward a goal of Market Design Complete (MDC) in 2022. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/23319404/CRIS%20Expiration%20for%20ICAPWG%207272021.pdf/913e3d8c-2cf1-922f-53ed-5ac1c603f4f6>

Wednesday, July 28, 2021

Management Committee

Motion #1

Motion to approve the draft May 26, 2021 and June 15, 2021 Management Committee meeting minutes.

The motion passed unanimously.

Motion #2

The Management Committee (MC) hereby determines that a new Cost of Service study should NOT be conducted during late 2021 and 2022. A Cost of Service study, if conducted, would inform a decision on whether to modify the Rate Schedule 1 cost allocation between Withdrawal Billing Units and Injection Billing Units, pursuant to OATT Section 6.1.2.3, as described in the Rate Schedule 1 – Allocation of NYISO Budget – Study Vote presentation made to the MC on July 28, 2021.

In Favor = No Study

Opposed= Study will be conducted

The motion passed by roll call vote with 70.15% in favor.

Motion #3

The Management Committee (“MC”) hereby approves changes to the Market Administration and Control Area Services Tariff as more fully described in the presentation titled “Updates to Metering and Meter Data Services Requirements for Demand Side Resources” made to the MC on July 28, 2021, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

The motion passed unanimously

Thursday, July 29, 2021

Budget and Priorities Working Group

2021 Budget vs. Actual Results

Patrick Kelly of the NYISO presented the 2021 year-to-date budget vs. actual status, updated for June 2021. Rate Schedule 1 recoveries are \$5.0M above budgeted revenues through June. Year-to-date budgeted costs vs. actual costs through June reflect a \$2.4M budget under-run. To see the complete presentation, please go to:

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<https://www.nyiso.com/documents/20142/23414235/02%20June%202021%20Draft%20Budget%20versus%20Actual%20Results.pdf/1dc4f6f5-cfe4-a2e4-aea8-d6ea76745433>

Proposed FERC Fee Recovery

Crystal Santos of the NYISO presented the proposed FERC fee recovery.

The billed amount for Fiscal Year 2021 FERC fee recovery was \$14.2M, an increase of approximately 4% from the actual fee assessed for Fiscal Year 2020. The actual FERC invoice was \$14.8M, which was an increase of approximately 8% from the actual fee assessed for Fiscal Year 2020. The true up, to be collected July through December 2021, is approximately \$0.6M (~\$637,000). Ms. Santos provided a graph illustrating the historical fee amounts for 2011 to present. The proposed amount for Fiscal Year 2022 FERC fee recovery is \$16.3M. Ms. Santos noted that \$16.3M represents an increase of approximately 10% compared to the actual fee assessed for Fiscal Year 2021. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/23414235/03%202021-2022%20FERC%20FEE%20Estimate.pdf/e494b921-ec73-9a7e-8d2b-4cc73850bb12>

2022 Initial Project Budget Recommendation

Brian Hurysz of the NYISO presented the 2022 initial project budget recommendation. Mr. Hurysz began with a review of the Project Priority Process to date.

Mr. Hurysz noted that the initial budget recommendation proposes adding 2 additional market design headcount to reduce some professional service on market design projects, include Hybrid aggregation in the initial budget recommendation and keep DER Participation Model on track for 2022 deployment.

Mr. Hurysz highlighted proposed candidate projects. Wes Yeomans, VP NYISO Market Operations, was available to present an overview of the Alternate Control Center (ACC) upgrade. The ACC upgrade is a large portion of the 2022 project budget and deemed critical to the grid of the future.

Mr. Hurysz next led a comparison of the 2022 proposed budget to historical project budgets in previous years. Cheryl Hussey, VP NYISO Finance was available to discuss an increase to the 2022 project budget from previous years and to explain how the NYISO will fund the increase.

Mr. Hurysz led a review of the project candidates while responding to stakeholder feedback. In response to stakeholder questions, Mr. Hurysz explained how scoring results, combined with NYISO available resources, affected the selection of specific projects.

Mr. Hurysz repeated the process for the enterprise project initial budget recommendation, which is provided for informational purposes only.

The NYISO is still evaluating the recommended projects and costs in consideration of the NYISO overall budget. Written feedback on the 2022 Project Budget Recommendation is encouraged and any feedback provided by August 6, 2021 will be considered for discussion at the August 27, 2021 BPWG meeting. Comments should be sent to Brian Hurysz at bhurysz@nyiso.com, (518) 461-6405.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/23414235/2022%20Initial%20Project%20Budget%20Recommendation.pdf/ae029ae4-04eb-aa75-e14f-ace03449853c>

Friday, July 30, 2021

Operating Committee

Motion #1:

The Operating Committee (OC) hereby approves the meeting minutes from May 2021.

The motion passed unanimously by show of hands.

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Motion #2:

The Operating Committee (OC) hereby approves the Q#1115 Flat Creek Solar 2 Interconnection System Reliability Impact Study scope as presented and discussed at the August 12, 2021 OC meeting.

The motion passed unanimously by show of hands.

Motion #3:

The Operating Committee (OC) hereby approves the Q#1148 Agricola Wind Interconnection System Reliability Impact Study scope as presented and discussed at the August 12, 2021 OC meeting.

The motion passed unanimously by show of hands.

Motion #4:

The Operating Committee (OC) hereby approves the Q#1150 Moss Ridge Solar Interconnection System Reliability Impact Study scope as presented and discussed at the August 12, 2021 OC meeting.

The motion passed unanimously by show of hands.

Motion #5:

The Operating Committee (OC) hereby approves the Q#1153 Wood Street Battery Storage Interconnection System Reliability Impact Study scope as presented and discussed at the August 12, 2021 OC meeting.

The motion passed unanimously by show of hands.

FERC Filings

July 29, 2021

NYISO-RG&E joint filing of an Executed Engineering, Procurement, and Construction Agreement Among the New York Independent System Operator, Inc., Rochester Gas and Electric Corporation, and NextEra Energy Transmission New York for Empire State Line, SA No. 2635

July 28, 2021

NYISO-NYSEG Joint Filing of an Executed Transmission Project Interconnection Agreement Among the New York Independent System Operator, Inc., New York State Electric & Gas Corporation, and NextEra Energy Transmission New York for the Empire State Line

July 27, 2021

NYISO filing of tariff revisions in compliance with FERC Order No. 676 re: Standards for Business Practices and Communication Protocols for Public Utilities

July 26, 2021

NYISO filing of a comments on Long Island Power Authority (LIPA) waiver request related to

July 26, 2021

NYISO comments in response to the Request of Helix Ravenswood for clarification confirming the scope of the Commission's January 23, 2020 order granting waiver

FERC Orders

July 28, 2021

FERC letter order accepted NYISO notice of effective date and compliance filing re: Operating Reserve Demand Curves, effective July 13, 2021 as requested
ER21-1018-002

July 27, 2021

Letter order accepted NYISO compliance to clarify that municipally owned electric systems created by local governments are eligible for the self-supply exemption, effective 2/20/21 as requested
ER16-1404-008

July 27, 2021

FERC order accepted NYISO tariff revisions reflecting the results of its post-ICAP DCR review of exempt renewable technologies, effective August 9, 2021 as requested
ER21-2098-000

Filings and Orders:

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