

NYISO Consumer Interest Liaison Weekly Summary

June 28 – July 2, 2021

Notices:

- *The NYISO invites prospective developers and other interested parties to join the **Long Island Offshore Wind Export Public Policy Transmission Need ("PPTN") Technical Conference**. Attachment Y to the NYISO OATT provides that the primary purpose of the technical conference is to review the assumptions, methodologies, and application of selection metrics for the Long Island Offshore Wind Export PPTN. The technical conference may also cover additional topics of interest to prospective developers relevant to this PPTN. **The Technical Conference will be held via WebEx on Thursday July 8th from 11:00 - 3:30**. Developers may send questions/suggested topics ahead of time by July 1st to: PublicPolicyPlanningMailbox@nyiso.com*
- *The NYISO plans to retire the **Transmission Services Manual (M-31)** and remove it from the [Manuals, Technical Bulletins & Guides webpage](#). Historic versions of the manual will continue to be preserved and made available to Market Participants as requested. The NYISO proposes to retire the Manual because its contents are redundant and in some cases superseded by more current language in other NYISO materials. Currently applicable content within the Manual can be found in other existing public NYISO resources, including the NYISO's Open Access Transmission Tariff, other Manuals, Technical Bulletins, and Guides.*

Meeting Summaries:

Tuesday, June 30, 2021

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

Transmission Security Best Practices

Robert Pike and Zach Smith of the NYISO provided background, a high-level overview of current practices, and proposed next steps for Transmission Security Limits. As part of the stakeholder review

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of the Transmission Security Limit (TSL) and TSL Floor implementation, stakeholders have observed that different treatments of supplier availability are applied in the Capacity Market procurement process compared to the Reliability Planning Process, and some stakeholders have recommended that consideration of supplier [un-]availability should be removed from the floor calculation.

Mr. Pike described the Resource Adequacy and Transmission Security analyses and contrasted the differences between the two.

He next led a review of the NYISO Capacity development and the introduction of the TSL.

Mr. Smith continued the discussion by highlighting the differences between the Capacity market analysis and NYISO Planning requirements.

In the accounting of supplier [un-]availability, the NYISO proposes a further assessment of transmission security practices. NYISO identified two areas of focus:

- *Lack of alignment between the Planning and Market practices.*
 - *Different treatment in the application of contingencies, generation unavailability, and resource mix may result in inconsistent identification of desired resources.*
- *Historical practices regarding generator unavailability may not be sufficient to maintain reliability going forward as the fleet transitions to intermittent resources.*
 - *Historical reliability needs have been driven by summer afternoon high temperature peak loads and have been met by conventional, fossil fuel resources with non-coincident failure modes.*

NYISO believes it is necessary to undertake an assessment of the current transmission security practices. One of the main objectives of the Reliability Planning Process is to identify factors and issues that might adversely impact the reliability of the New York grid, and provide that information to aid system planning, market design, and policymaking. The 2021-2030 Comprehensive Reliability Plan, to be completed by the end of 2021, will include assessments of “tipping points” that will identify the impact of plausible changes in assumptions that may impact reliability in the future.

Near-term Actions for 2022 TSL Floor Determination Process include the exploration of the treatment of the 901/903 PAR controlled ConEd-LIPA lines. The action plan will include:

- Determine applicable modeling treatment for 901/903 PAR controlled ConEd-LIPA lines (August)
- Incorporate treatment into TSL Calculation Process (October)
- Incorporate into TSL Floor Determination Process (December)

Following this meeting and a briefing to the New York State Reliability Council on the NYISO recommended course of action, the NYISO will consider feedback and return to ICAPWG/ESPGWG in September with a scope and timeline for further next steps. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/22643498/Transmission%20Security%20Best%20Practices.pdf/730051a3-10a6-f5b2-d5a6-1b4e40a62f59>

Expanding Application of Peak Hour Forecasts

Ethan Avallone of the NYISO presented the NYISO’s revised recommendation for Expanding Application of Peak Hour Forecasts.

One of the goals of the Expanding Application of Peak Hour Forecasts project is to avoid random events influencing the ICAP allocation to Load Serving Entities (LSEs). The NYISO therefore proposed to use an equal weighting of the identified peak load hours to allocate ICAP obligations to the LSEs.

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

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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.

The NYISO is targeting the July 27, 2021 ICAP working group to present the complete Market Design Concept Proposal. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/22643498/Expanding_Application_of_Peak_Hour_Forecasts_6.30.2021_FINAL.pdf/8c6b7640-a78e-05fd-b47b-448acfd03c5c

HSR Model: Energy & Ancillary Services Update

Christina Duong of the NYISO updated the proposal for the Hybrid Storage Resource (HSR) participation model. Ms. Duong began with a review of the discussion of the HSR participation model at the May 19, 2021 ICAP working group.

Ms. Duong noted that to qualify for the HSR participation model:

- *A HSR will have a single PTID/bid/schedule/settlement*
 - *A HSR shall be represented by a single NYISO Market Participant as the Billing Organization and have a single bidding agent*
- *A HSR must have a single Point of Interconnection at the NYS Transmission System or a distribution system*
- *HSRs will be able to provide Energy, 10-Minute Spinning Reserves, Regulation Service or a combination if capable and qualified to do so*

Ms. Duong presented that HSRs will be Self-Managed Resources, able to bid in the Day-Ahead and Real-Time Markets HSRs as ISO-Committed Flexible, Self-Committed Flexible, or Self-Committed Fixed. HSRs will be scheduled consistent with their bids and operating parameters, and receive a single basepoint. HSRs will be responsible for managing operating constraints through their offers and the operation of their Resource. HSRs will be expected to operate consistent with their ISO dispatch, and will be subject to balancing obligations and charges for being off-schedule. The NYISO will determine energy, reserves and regulation schedules for an HSR based on real-time LOL/UOL updates. The NYISO is reviewing current under generation and over generation charges to see if changes are appropriate.

Ancillary Service opportunities were also detailed for stakeholders.

The NYISO will consider feedback and continue to refine the proposal through Q3 2021. A complete market design will be presented to the BIC in Q4 2021 for governance action. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/22643498/20210630_HSR_Energy_AncillaryServices_Update.pdf/28e8b227-7d74-be26-2d23-25cf674bff93

Working Group Schedule for BSM and Capacity Accreditation Study

Michael DeSocio of the NYISO provided the timeline for the Buyer-Side Mitigation reform discussions and the associated Capacity market updates required for support. A timeline for development was requested at the June Management Committee/Board meetings.

To see the complete timeline, please go to:

<https://www.nyiso.com/documents/20142/22643498/20210630%20NYISO%20-%20BSM%20and%20Capacity%20Accreditation%20Working%20Group%20Schedule.pdf/d568d95e-f96c-2f80-4e6b-6dc46a14d80b>

Energy Efficiency in the Capacity Market

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Christopher Casey of the National Resource Defense Council (NRDC) presented the role of Energy Efficiency (EE) in the NYISO Capacity market. Mr. Casey noted that Energy Efficiency is a critical resource for achieving Climate Leadership and Community Protection Act (“CLCPA”) goals and provides a variety of economic and social benefits by reliably and permanently reducing demand and thereby avoiding infrastructure costs.

It was explained that, in the view of the NRDC, merchant EE providers can contribute to the effort if they are allowed to participate in NYISO’s competitive capacity market. Mr. Casey explained how EE can be applied to the market and provided examples of applicable market designs in other ISO/RTOs.

Mr. Casey noted that:

“NYISO should indicate in its Order 2222 compliance filing with FERC in July 2021 that EE is not currently included in its DER participation model, but that it commits to expeditiously working with stakeholders to expand the model to facilitate EE participation in the capacity market, which it will include in a separate filing with FERC by a specific date.”

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/22643498/NRDC%20-%20EE%20Participation%20in%20NYISO%20ICAP.pdf/bbacb5a3-b1cd-498d-2c94-1a94816a2969>

FERC Filings

July 1, 2021

NYISO Section 205 submittal to change the Regulation Movement Multiplier factor in the Services Tariff from thirteen to eight.

June 30, 2021

NYISO-National Grid Joint Section 205 filing of an Amended Restated SGIA (No. 2549) with Duke Energy Renewables Solar for the North Country Solar Project

June 29, 2021

NYISO notice of effective date and compliance filing of tariff language relating to Operating Reserve Demand Curves

FERC Orders

There were no Orders issued by FERC to the NYISO for this week.

Filings and Orders:

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