

NYISO Consumer Interest Liaison Weekly Summary

September 13 – September 17, 2021

Notices:

- NYISO's Market Training team will be offering its 'MT-306 Locational Based Marginal Pricing In-Depth' course, presented via WebEx, **October 19-21, 2021**. To register for the course, complete the registration process by close of business on October 13, 2021. For additional information on course registration please contact Debbie Doyle at ddoyle@nyiso.com or 518-356-6274.
- The NYISO has posted comments from ESA on Capacity Accreditation to the September 9th ICAPWG. [Material](#)

Meeting Summaries:

Tuesday, September 14, 2021

Business Issues Committee

Motion #1:

Motion to approve the August 11, 2021 BIC meeting minutes.

Motion passed unanimously.

Motion #2:

The Business Issues Committee ("BIC") hereby recommends that the Management Committee approve revisions to the Market Administration and Control Area Services Tariff, as more fully described in the presentation entitled "Meteorological Data Reporting Exemption for Small Solar Generators" made to the BIC on September 14, 2021.

Motion passed unanimously with an abstention.

Motion #3:

The Business Issues Committee ("BIC") hereby approves the revisions to the Ancillary Services Manual, DayAhead Scheduling Manual, and Transmission and Dispatch Operations Manual related to

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the Ancillary Services Shortage Pricing project and the Reserves for Resource Flexibility project, as described in the presentation titled “Ancillary Services Shortage Pricing and Reserves for Resource Flexibility: Manual Updates” made to the BIC on September 14, 2021.

Motion passed unanimously.

Motion #4:

The Business Issue Committee (“BIC”) hereby approves the revisions to the Ancillary Services Manual, Day Ahead Scheduling Manual, and Transmission and Dispatch Operations Manual, regarding the updates required for the implementation of the Co-located Storage Resources Participation model, as described in the presentation titled “Manual Updates for implementation of Co-located Storage Resources (CSR) Participation model”, made to the BIC on September 14, 2021. The applicable revisions approved by the BIC shall become effective upon implementation of the Co-located Storage Resources participation model.

Motion passed unanimously.

Motion #5:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee approve revisions to the Market Administration and Control Area Services Tariff as more fully described in the presentation titled “Uneconomic Production and Uneconomic Withdrawal” made to the BIC on September 14, 2021.

Motion passed by majority with an abstention.

Motion #6:

The Business Issues Committee (“BIC”) hereby approves the revisions to the Economic Planning Process Manual as described in the “Economic Planning Manual Update” presentation and as presented and discussed at the BIC meeting held on September 14, 2021.

Motion passed unanimously

Tuesday, September 14, 2021

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

2021 Master Plan

Pallavi Jain of the NYISO presented the final draft of the 2021 “*Master Plan.*” The Master Plan was first developed in 2018 and is updated annually to provide a multi-year vision for future NYISO enhancements.

The 2021 Master Plan identifies market reforms in the energy, ancillary services and capacity markets that address the challenges facing the grid with increased intermittent resource penetration. The challenges facing these markets are characterized as key themes.

Ms. Jain identified the following September updates to the 2021 Master Plan:

- *Energy Markets*
 - *Balancing Intermittency theme*
 - *Improving Price Formation theme*
- *Capacity Markets*
 - *Transmission Security in the ICAP Market’ project was updated consistent with the NYISO’s Preparing the Capacity Markets for the Grid in Transition discussions*

Project timelines, shown in Appendix II, have been updated with the most recent information.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/24565336/2021%20Master%20Plan_Draft_09.14.2021.pdf/54d53801-cb96-2edd-7394-838a682cde13

Constraint Specific Transmission Shortage Pricing

Kanchan Upadhyay of the NYISO updated the “*Constraint Specific Transmission Shortage Pricing*” proposal. This project seeks to develop enhancements to the current transmission constraint pricing (TCP) logic to better align the graduated transmission demand curve mechanism with the severity of transmission constraints.

Following a brief review of the project, Ms. Upadhyay provided an overview of the anticipated pricing impacts of the proposal. Illustrative examples were provided and reviewed for clarity:

- Scenario 1:
 - This scenario assumes that the dispatch using the proposed enhancements results in utilization of same quantity of relief (MW) from the transmission demand curve for a transmission constraint as used with the current logic.
- Scenario 2:
 - This scenario assumes that the dispatch using the proposed enhancements results in utilization of a different quantity of relief (MW) from the transmission demand curve for a transmission constraint compared to the current logic.
- Scenario 3:
 - This scenario assumes that the dispatch using the proposed enhancements as well as the existing logic does not result in utilization of any quantity of relief (MW) from the transmission demand curve for a transmission constraint.

Ms. Upadhyay noted that the price impact scenarios are intended to provide additional background to the Consumer Impact Analysis that was also presented during this meeting. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/24565336/CSTSP%20MIWG%2009142021%20Draft%20Final.pdf/1f026d4c-2ea8-7cd1-0fd8-40d3a35a347e>

Consumer Impact Analysis: Constraint Specific Transmission Shortage Pricing

Tariq Niazi of the NYISO presented the Consumer Impact Analysis of the “*Constraint Specific Transmission Shortage Pricing*” proposal. Mr. Niazi reviewed the NYISO proposal to utilize a revised and more graduated transmission shortage pricing mechanism that better accounts for the various non-zero CRM values assigned to facilities. The NYISO’s proposal is intended to better align the transmission shortage pricing mechanism with the severity of transmission constraints. As with all consumer impact analyses, results are provided for Reliability, Cost Impact, Environmental and Transparency.

Mr. Niazi led a review of the methodology used in the analysis in which select Day-Ahead Market (DAM) days were re-run with the proposed changes and compared to historical pricing outcomes.

The NYISO estimated the potential for a short run annual energy cost savings (reduction) of approximately \$1.6 million statewide from its proposal (represents ~0.03% of ~\$4.7 billion total energy market transactions in 2019). The NYISO does not expect the proposal to have a material capacity market impact in the short run. Mr. Niazi noted that the studied energy market impacts are relatively small compared to the market size and, therefore, not expected to result in material changes to the net EAS offset values and resulting reference point prices for the ICAP Demand Curves.

In reference to reliability, the proposed enhancements are intended to facilitate efficient re-dispatch by the NYISO’s market software to alleviate transmission constraints.

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The proposed enhancements will eliminate the use of constraint relaxation for all internal transmission facilities and better align transmission constraint costs with the severity of the constraint. For transparency, these objectives should improve the predictability/understandability of market outcomes.

There was no impact on the environment.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/24565336/CIA-Constraint%20Specific%20Transmission%20Shortage%20Pricing-Final%20Draft.pdf/b459f616-be7b-7cb7-5cf6-9cd56cae8ce2>

Friday, September 17, 2021

Operating Committee

Motion #1:

The Operating Committee (OC) hereby approves the meeting minutes from June 24, 2021 and July 15, 2021.

The motion passed unanimously by show of hands

Motion #2:

The Operating Committee (“OC”) hereby approves the revisions to the Control Center Requirements Manual regarding the updates required for the implementation of the Software-Defined Wide Area Network (SD-WAN), Co-located Storage Resources, and Phase 1 Telemetry rules by October 4, 2021, as described in the presentation made to the OC on September 17, 2021.

The motion passed unanimously by show of hands

Motion #3:

The Operating Committee (“OC”) hereby approves the revisions to the Ancillary Services Manual, Day-Ahead Scheduling Manual, and Transmission and Dispatch Operations Manual related to the Ancillary Services Shortage Pricing project and the Reserves for Resource Flexibility project, as described in the presentation titled “Ancillary Services Shortage Pricing and Reserves for Resource Flexibility: Manual Updates” made to the OC on September 17, 2021

The motion passed unanimously by show of hands

Motion #4:

The Operating Committee (“OC”) hereby approves the revisions to the Ancillary Services Manual, Day Ahead Scheduling Manual, and Transmission and Dispatch Operations Manual, regarding the updates required for the implementation of the Co-located Storage Resources Participation model, as described in the presentation titled “Manual Updates for implementation of Co-located Storage Resources (CSR) Participation model”, made to the OC on September 17, 2021. The applicable revisions approved by the OC shall become effective upon implementation of the Co-located Storage Resources participation model.

The motion passed unanimously by show of hands

Motion #5a:

The Operating Committee (OC) hereby approves the Q#1008 KCE NY 26 Interconnection System Reliability Impact Study scope as presented and discussed at the September 17,

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2021 OC meeting.

The motion passed unanimously by show of hands

Motion #5b:

The Operating Committee (OC) hereby approves the Q#1107 Buchanan Point BESS II Interconnection System Reliability Impact Study scope as presented and discussed at the September 17, 2021 OC meeting.

The motion passed unanimously by show of hands

Motion #5c

The Operating Committee (OC) hereby approves the Q#1151 York Run Solar Interconnection System Reliability Impact Study scope as presented and discussed at the September 17, 2021 OC meeting.

The motion passed unanimously by show of hands

Friday, September 17, 2021

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

Comprehensive Mitigation Review Tariff Revisions for BSM Reforms

Michael DeSocio of the NYISO presented proposed tariff revisions for the “Buyer-Side Mitigation” (BSM) reforms. The NYISO believes that all aspects of this proposal and supporting analysis is necessary to ensure that ICAP Market remains competitive and effective, and continues to provide just and reasonable outcomes.

Following several discussions with stakeholders in recent working groups, the NYISO has identified sections in Attachment H that will need to be revised as a part of this proposal. Substantial edits were made to define new terms and incorporate edits to include the resource types that are exempt from the BSM rules or otherwise subject to an offer floor, as well as delete previous Tariff language related to Renewable Exemptions.

Mr. DeSocio reviewed and discussed the proposed changes with stakeholders. The NYISO is still considering some of the feedback received during the September 9, 2021 ICAPWG. An additional ICAPWG meeting has been scheduled for September 27, 2021 to discuss the proposal.

In response to a stakeholder question, Mr. DeSocio noted that the NYISO is considering conducting a consumer impact analysis for the proposal but has not made a final decision at this time.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/24717057/20210917%20NYISO%20-%20Comprehensive%20Mitigation%20Review%20Tariff%20discussion.pdf/ffa803a0-5a47-f193-d442-6e9946e0e3cc>

FERC Filings

September 14, 2021

NYISO filing of an answer to comments and protests submitted in response to the NYISO’s compliance filing in response to Order No. 2222

September 13, 2021

NYISO-NYPA joint filing of an Executed Small Generator Interconnection Agreement between NYISO and NYPA for North Country Energy Storage SA No. 2648, contains CEII.

September 13, 2021

NYISO filing of proposed tariff revisions to modify the metering and meter data services for Demand Side Resources.

September 16, 2021

On behalf of Niagara Mohawk, Reimbursement Agreement between Niagara Mohawk and New York State Electric & Gas Corporation, SA No. 2649

FERC Orders

September 13, 2021

FERC notice denying Hecate's Request for Rehearing
EL21-49-001

Filings and Orders:

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