

NYISO Consumer Interest Liaison Weekly Summary

September 27 – October 1, 2021

Notices:

- *The Redline and Clean versions of the **Revenue Metering Requirements Manual (M-25)** have been posted to the [Manuals, Technical Bulletins & Guides webpage](#) under Manuals, Under Review in anticipation of the upcoming October 13, 2021 BIC meeting. The proposed revision includes the addition of the Co-located Storage Resources (CSR) metering diagram.*
- *The NYISO has [posted](#) the interface limits that will be effective in Round 7 of the Autumn 2021 Centralized TCC Auction and all subsequent Winter 2021-2022 Balance-of-Period Auctions, as well as Round 8 of the Autumn 2021 Centralized TCC Auction. This posting can be found on the NYISO website under Markets > [Transmission Congestion Contracts](#) > Information and Announcements > 2021*
- *A revised set of tariff language for the **Constraint Specific Transmission Shortage Pricing project** has been posted with the [August 26 ICAP meeting material](#). The posted version highlights the incremental revisions made in response to stakeholder input. Please provide feedback by October 5, 2021*

Meeting Summaries:

Monday, September 27, 2021

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

ELCC Allocation Methodologies

Zach Ming of Energy and Environmental Economics (E3) continued with the presentation of allocation methodologies using the concept of Effective Load Carrying Capability (ELCC). E3 had presented on ELCC concepts and considerations at the NYISO [ICAPWG meeting](#) on August 30, 2021.

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ELCC represents the equivalent “perfect” capacity that a resource provides. It is a function of a portfolio of resources and captures both diminishing returns and diversity benefits among resources.

Mr. Ming began with a review of the ELCC dynamics and then introduced the methodology for determining the starting portfolio of resources. The next step was to determine the differences in resource class sizes. Mr. Ming followed this with an explanation of the approaches adapted by the California ISO and MISO.

Mr. Ming followed with an introduction of the Delta Method, which captures resource’s capacity value and their interactions with the rest of the portfolio. The Delta Method was developed to ensure an “average” ELCC accreditation framework that is fair, robust, and scalable to any portfolio of intermittent and energy-limited resources. Mr. Ming noted that this approach can simultaneously account for synergistic, antagonistic, and neutral reactions within a single portfolio. The calculation for this methodology was highlighted and discussed with stakeholders. A mathematical example was provided as an appendix to the presentation materials for clarity.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/24899187/NYISO%20ELCC_210922_September%2027%20Presentation.pdf/30147074-ed72-467c-512e-58a792cc6c25

Joint Utilities Update on FERC 2222 Implementation Considerations

John Baudanza of National Grid provided an update on Federal Energy Regulatory Commission Order No. 2222 implementation considerations on behalf of the Joint Utilities of New York. The FERC issued its landmark Order to open organized wholesale markets to aggregations of distributed energy resources (DERs).

Mr. Baudanza outlined the design requirements for:

- *Registration & Enrollment*
 - *Studies, Identification and Remediation of Risks (if applicable)*
- *Transmission Owner / Distribution System Operator (DSO) Communication and Coordination*
 - *DERA (“DER Aggregator), Utility, NYISO*
- *Metering and Settlement*
 - *Meter data for settlement*

The Utilities continue to develop their plans to ensure that the implementation of FERC 2222 does not impair the safety and reliability of their distribution systems. To see the complete presentation, please go to: <https://www.nyiso.com/documents/20142/24899187/09-27-2021%20JU%20MIWG%20Presentation%20Final.pdf/24ca2aa5-d0ba-b947-39ad-531eeb826a37>

Note: NY-BEST comments on Capacity Accreditation

New York Battery and Energy Storage Technology Consortium, Inc. (NY-BEST) provided [comments](#) on Capacity Accreditation for inclusion with the meeting materials for this meeting.

Tuesday, September 28, 2021

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

Michael DeSocio and Zachary T. Smith of the NYISO led an overview of the proposal for “*Comprehensive Mitigation Review*”. Mr. DeSocio began the presentation with a review of the timeline and stakeholder meetings for the development of the proposal and a schedule for governance approval going forward. Links were provided for each of the working group meetings for stakeholder reference.

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The NYISO's Comprehensive Mitigation Review proposal includes the following:

- *BSM Reforms*
- *Capacity Accreditation*
- *ICAP/UCAP Reference Price Translation*
- *Address capacity market investment risk*
- *Analysis Group's supporting analysis examining the impact of a large influx of state-supported resources into the NYISO's ICAP Market*

Mr. Smith continued with the Capacity Accreditation Proposal. Mr. Smith reviewed the guiding principals of the proposal and the six elements of the capacity accreditation framework important to the proposal.

- *Study Base*
- *As-found vs. At-criterion*
- *Frequency*
- *Resources*
- *Locations*
- *Marginal vs. Average*

Mr. Smith detailed the proposal and explained how the NYISO will demonstrate that excluding CLCPA resources from BSM will continue to result in just and reasonable ICAP Market outcomes. This was followed by a review of the proposed tariff revisions required as part of this proposal. The NYISO is pursuing BSM Reforms in time for the Class Year 2021 BSM evaluations. The NYISO intends to address capacity accreditation in different phases:

- Phase 1 will discuss tariff changes for the new framework through Q4 2021
- Phase 2 will discuss the procedures and details of capacity accreditation and is expected to start after the completion of Phase 1 and continue throughout 2022 as part of the Improving Capacity Accreditation Project
- Phase 3 will focus on the implementation of the capacity accreditation review as part of the Capacity Value Study project

The NYISO intends to implement the updated capacity accreditation rules for Capability Year beginning May 1, 2024. Assessment of financial risk of changes in future revenues will be incorporated into the next Demand Curve Reset process beginning in 2023.

Following additional stakeholder discussion at the working group level, the proposal will be presented at the October 13, 2021, BIC and the October 27, 2021, MC for review. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/24925244/20210928%20NYISO%20-%20CMR%20Final.pdf/769828a1-f224-0140-240b-0762ec18efec>

To see the proposed tariff revisions and redlines, please go to:

<https://www.nyiso.com/icapwg?meetingDate=2021-09-28>

Mitigation Review Analysis: Data, Assumptions, and Initial Results

Pallas LeeVanSchaick of Potomac Economics (Potomac) reviewed the analysis of the NYISO "Comprehensive Mitigation Review" proposal. Mr. LeeVanSchaick reviewed the modeling structure and highlighted the data and assumptions used for the analysis.

Results of the analysis were provided as Capacity Reference Price clearing prices and UCAP quantities cleared for the Summer and Winter Capability Periods for 2022, 2026 and 2032. Potomac Economics observed that in all zones and years, the market clears with sufficient resources to

maintain reliability. Additionally, the prices observed rise over time, and are sufficient to retain existing resources and attract new resources.

Three sensitivities were performed for the analysis:

- Transmission Sensitivity (shown today)
- Peaking Unit Risk Sensitivity
- Alternate Peaking Technology

Mr. LeeVanSchaick reviewed the results of the sensitivities.

The NYISO will post the draft report prior to the final report release in October 2021. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/24925244/2021.09.28%20Stakeholder%20Presentation%20Draft%202021.09.27.pdf/39150426-8b99-695a-7f1d-4c839b4993f6>

Wednesday, September 29, 2021

Management Committee

Motion #1

Motion to approve the draft August 25, 2021, Management Committee meeting minutes.

The motion passed unanimously.

Motion #2

The Management Committee (“MC”) hereby approves 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 MC on September 29, 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 by majority show of hands with an abstention.

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 “Meteorological Data Exemption for Small Solar Generators” made to the MC on September 29, 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 by show of hands

Wednesday, September 29, 2021

Budget and Priorities Working Group

2021 Project Schedule Milestone Update

Michael DeSocio and Diane Peluso of the NYISO updated the 2021 project schedule milestones.

Mr. DeSocio began with a review of the 2021 Market Design project status changes:

- | | |
|--|-------------------------|
| • <i>BSM Renewables Exemption Study</i> | <i>Complete</i> |
| • <i>CRIS Expiration Evaluation</i> | <i>Complete</i> |
| • <i>Demand Curve Reset</i> | <i>Complete</i> |
| • <i>Expanding Peak Hour Forecasts</i> | <i>Complete</i> |
| • <i>Engaging the Demand Side</i> | <i>Critical/Overdue</i> |
| • <i>Hybrid Aggregation Model</i> | <i>At Risk/Delayed</i> |
| • <i>Grid Services from Renewable Generators</i> | <i>Complete</i> |

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Mr. DeSocio then identified the projects that will be discussed at the working groups in the near future:

- Comprehensive Mitigation Review
- Climate Change and Grid in Transition
- Ongoing TSO and DSO Coordination
- Hybrid Aggregation Model
- Time Differentiated TCCs
- Constraint Specific Transmission Shortage
- Reserve Enhancement for Constrained Areas

Next, Ms. Peluso updated the project implementation schedule with project status changes:

- | | |
|--|-------------------------|
| • <i>Ancillary Services Shortage Pricing [SOM]</i> | <i>At Risk/Delayed</i> |
| • <i>Large Scale on Solar Dispatch</i> | <i>Complete</i> |
| • <i>Reserves for Resource Flexibility</i> | <i>Complete</i> |
| • <i>Demand Curve Reset Tool Updates</i> | <i>Complete</i> |
| • <i>Hybrid Co-Located Model</i> | <i>At Risk/Delayed</i> |
| • <i>Application Platform Upgrade</i> | <i>At Risk/Delayed</i> |
| • <i>IT Service Management Improvements</i> | <i>On Schedule</i> |
| • <i>Windows System Upgrade</i> | <i>Critical/Overdue</i> |
| • <i>Automated Default Bid Mitigation</i> | <i>Complete</i> |
| • <i>ePlanning Migration</i> | <i>Cancelled</i> |

Lastly, Ms. Peluso identified a project that will begin implementation in the near future:

- Hybrid Co-Located Model

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/24954486/02%20Project%20Schedule%20Milestone.pdf/f815182f-383d-852c-4357-05f8151d6ab3>

NYISO 2022 Draft Budget Overview

Cheryl Hussey of the NYISO updated the budget status and provided stakeholders an opportunity to ask questions of the proposed budget. To see the complete proposed budget presentation, please go to:

<https://www.nyiso.com/documents/20142/24954486/03%202022%20DRAFT%20Budget%20Presentation.pdf/a464d0ca-235d-d505-da2f-a0472e5470da>

Project Prioritization Process –Future BPWG Lessons Learned Discussions/Stakeholder Feedback

Alan Ackerman, BPWG Chair, noted that there is a Project Priority Process lessons-learned process underway by the NYISO and requested that stakeholders identify comments and questions in preparation of the upcoming formal process. This lessons-learned process has traditionally been conducted in the early months of the following calendar year, but the NYISO has determined that an earlier start will provide more time to discuss potential improvements.

Friday, October 1, 2021

Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee

Long Island Offshore Wind Export PPTN Update

Ross Altman of the NYISO updated the Long Island Offshore Wind Export Public Policy Transmission Need (PPTN). A timeline of the PPTN process was provided with the current step highlighted.

Following the issue of the solicitation by the NYISO, Public Policy Transmission Planning Projects (PPTPP) projects and interconnection applications are due by 11:59 pm EST on October 11, 2021.

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The process and addresses were provided for the submission of application packages, interconnection requests, and application/study fees.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/25116279/LI_OSW_Export_ESPWG.pdf/614f6032-aadb-7620-2978-c886c4494ae5

FERC Filings

October 1, 2021

Errata to NYISO's 7/27/21 compliance filing related to Standards for Business Practices and Communication Protocols for Public Utilities required by FERC Order No. 676

September 27, 2021

NYISO comments following the technical conference to examine the impacts of climate change and extreme weather events on electric system reliability

FERC Orders

October 1, 2021

Letter order accepted NYISO-NMPC joint section 205 filing of a SGIA among NYISO, National Grid and SunEast Hilltop Solar SA No. 2638, effective 7/28/21 as requested
ER21-2612-000

September 29, 2021

Letter order accepted third party NYPA filing related to cost containment mechanism for investments in Segment A of the AC Projects, effective 9/15/21 as requested
ER21-2392-001

September 29, 2021

Letter order accepted third party NYPA filing related to cost containment mechanism for investments in Segment A of the AC Projects, effective 9/15/21 as requested
ER21-2392-000

Filings and Orders:

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