

Installed Capacity Manual Revisions

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ICAPWG Meeting

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Agenda

- Background
- Incremental Proposed Revisions to ICAP Manual
- Incremental Proposed Revisions to ICAP Manual Attachments
- Next Steps
- Appendix

Background

Background

- **The Expanding Capacity Eligibility rules value resources in the Capacity market based on the reliability benefit that the resource provides to the system**
 - The rules will allow resources with short durations that currently cannot participate in the Capacity market to be eligible for Capacity market participation
 - The Expanding Capacity Eligibility rules will become effective March 1, 2021 for implementation beginning with the Day-Ahead Market run for the operating day May 1, 2021
- **The Tailored Availability Metric rules enhance the methodology used to calculate the derating factors to better align with reliability of the system**
 - The Tailored Availability Metric rules were accepted by FERC on September 3, 2020, and will become effective March 1, 2021 for implementation beginning with the Day-Ahead Market run for the operating day May 1, 2021

Purpose of Today's meeting

- **Review incremental changes to the ICAP Manual and appropriate Attachments that are necessary to administer the proposed tariff revisions for Expanding Capacity Eligibility (ECE) and Tailored Availability Metric (TAM) rulesets**
 - The rule changes proposed in this presentation will be implemented coincident with the ECE and TAM tariff revisions
- **A redlined version of the proposed changes to the ICAP Manual and appropriate Attachments are posted with today's meeting materials**
 - Incremental revisions since the previous ICAPWG are highlighted in yellow for ease of review

Previous Presentations

- **October 16, 2020 – Installed Capacity Manual Revisions**
 - <https://www.nyiso.com/documents/20142/16124862/3%20Proposed%20ICAP%20Manual%20Revisions%20101620.pdf/>
- **November 16, 2020 – Installed Capacity Manual Revisions**
 - <https://www.nyiso.com/documents/20142/16896725/Proposed%20ICAP%20Manual%20Revisions%20pres.pdf/>
- **December 17, 2020 – Installed Capacity Manual Revisions**
 - <https://www.nyiso.com/documents/20142/17760441/Proposed%20ICAP%20Manual%20Revisions%20December%20draft.pdf/>

Incremental Proposed Revisions to ICAP Manual

Proposed Revisions to ICAP Manual

- The following sections of the ICAP Manual include incremental revisions to accommodate the ECE and TAM rules:
 - Sections 4.1.1, 4.4.10, 4.5, and 4.12.2

Proposed Revisions to ICAP Manual

- **Section 4.1.1 – Energy Duration Limitations and Duration Adjustment Factors for Installed Capacity Suppliers**
 - The following edits have been made to describe the notification process of shifting the Peak Load Window for a given day:
 - Clarified that a daily shift of the Peak Load Window applies to Installed Capacity Suppliers with an Energy Duration Limitation
 - Ministerial formatting edits have been made throughout this section

Proposed Revisions to ICAP Manual

- **Section 4.4.10 – Resources not in Operation for the Entirety of the Past Two Like-Capability Periods**
 - The following edits have been made:
 - Added the words “the previous” to the sentence describing a resource not in operation for the entirety of the previous two like-Capability Periods
 - Added the word “Period” to the example describing the 2021 Summer Capability Period

Proposed Revisions to ICAP Manual

- **Section 4.5 – Calculation of the Amount of Unforced Capacity each Resource may Supply to the NYCA**
 - The following ministerial edits have been made:
 - Reformatted two references to the *NYISO Services Tariff*
 - Changed a period to a comma to combine two sentences

Proposed Revisions to ICAP Manual

■ Section 4.12 – Special Case Resources

- The following ministerial edits have been made:
 - Improved formatting of various equations throughout section 4.12.2.1
 - Clarified that all SCRs will have the same Duration Adjustment Factor (4 hours)
 - Changes have been made throughout the definitions and equations in this section for consistency

Incremental Proposed Revisions to ICAP Manual Attachments

Proposed Revisions to ICAP Manual

Attachment J

- **Attachment J – Unforced Capacity for Installed Capacity Suppliers**
 - Ministerial edits have been made to correct formatting of one of the equations

Next Steps

Next Steps

- **The NYISO is aiming to bring the proposed revisions to the ICAP Manual and Attachments to the February BIC**
 - These ICAP Manual revisions will become effective in accordance with the effective date for the ECE and TAM tariff revisions

Feedback/Questions?

Email additional feedback to: deckels@nyiso.com

Questions?

Appendix

Proposed Revisions for Initial Wind UCAP %

Yvonne Huang – ICAP Market Operations

Proposed Revision to ICAP Manual

- **Revisions to the ICAP Manual Section 4.5 (b) are required to reflect the update to the initial wind UCAP percentages**
 - The description of how the initial wind UCAP percentages are calculated is updated
 - The revision includes the description for the land-based wind initial UCAP %, as well as the description for the off-shore wind initial UCAP %
 - The initial UCAP percentages for the land-based wind are updated
 - The initial UCAP percentages for the off-shore wind are pending updated wind profiles from the NREL and are expected to be updated early 2021

Updated Tables for Wind Initial UCAP %

Unforced Capacity Percentage – Land-Based Wind		
	6-Hour Peak Load Window	8-Hour Peak Load Window
Summer	16%	16%
Winter	34%	34%

Unforced Capacity Percentage – Off-shore Wind (Zone J and K)*		
	6-Hour Peak Load Window	8-Hour Peak Load Window
Summer	TBD	TBD
Winter	TBD	TBD

*The specific Unforced Capacity Percentages are pending the National Renewable Energy Laboratory release of updated wind profiles, which is expected to be available early 2021.

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- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policymakers, stakeholders and investors in the power system

