Cricket Valley Energy

Response Rates and Ancillary Services

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Response Rates and Ancillary Services

The current NYISO Market Design requires that to provide Ancillary Services (Regulation and Reserves) a resource must provide the same level of service (MW/min response rate) over the full output range.

The current NYISO Market Design also requires that a resource's Emergency Response Rate (ERR):

- Must be achievable through the full output range
- Must equal or exceed the resource's maximum Normal Response Rate (NRR)

This current NYISO Market Design needs to be updated as technology has improved. Resources are now capable of providing different response rates over various portions of the full output range.

Response Rates and Ancillary Services

For example:

- 500MW CCGT
- Lower to upper operating range of 150MW-450MW with a response rate of 20MW/min
- Supplemental firing range of 450MW-500MW with a response rate of 7MW/min

The current NYISO Market Design would require this configuration to have NRR, ERR, and the Ancillary Services response rate to all be set at 7MW/min, effectively rendering useless the ability to move an additional 13MW/min at output levels between 150MW-450MW under any condition.

Response Rates and Ancillary Services

The current NYISO Market Design:

- Is limiting a facility from providing its maximum capability over the full output range
- Is excluding resources that could provide varying levels of Ancillary Services over a partial or full operating range
- Effectively reduces supply and potentially increases Ancillary Services pricing

We request the NYISO to review and update the current NYISO Market Design and related Tariff language regarding Response Rates and Ancillary Services.

Response Rates and Ancillary Services

Benefits to the market associated with updated Market Design:

- Allow more generation to provide the required ancillary services of Reserves and Regulation
- More supply could potentially lower pricing associated with these ancillary services
- Changes to the current Market Design are required as NYISO prepares to integrate more intermittent resources on the grid