

Vitol respectfully submits these comments regarding NYISO's draft Master Plan. We strongly urge the NYISO to reconfigure the Master Plan schedule in order to deploy the Carbon Pricing project in 2020 or 2021. While we realize the Master Plan contains many important projects, the Carbon Pricing project, when implemented, will address a significant existing inefficiency in the wholesale market where the competitive LBMPs do not contain a carbon emission price and therefore do not account for the State of New York's renewable energy and greenhouse gas reduction goals.

While NYISO relies on the stakeholders' prioritizing of projects through the BPWG process, NYISO and its market participants cannot afford to allow the Carbon Pricing project to slip to implementation in 2022 or later. The State of New York is charging full steam ahead with procuring renewable resources outside of the wholesale market construct. It is imperative for the NYISO to provide leadership and convey the urgency to stakeholders that carbon pricing is needed in the wholesale market sooner rather than later in order to account for these procurements within the energy market and to allow developers of renewable projects to account for carbon pricing when providing their most competitive offers when responding to the RFPs issued by NYSERDA. In addition, having a carbon price that's integrated into the wholesale market will enable the efficient incorporation of ZEC payments into the competitive wholesale markets.

By reconfiguring the Master Plan to call for deployment of the Carbon Pricing project in 2020 or 2021, NYISO would send a strong signal to stakeholders and the State of New York that this is urgently needed to harmonize the wholesale market with the State's renewable energy and greenhouse gas reduction goals. It is equally important for the NYISO to continue working with the State of New York to ensure that the State's procurement programs include flexibility to accommodate carbon pricing when it's implemented.

Vitol appreciates the opportunity to provide our comments to the NYISO, and we thank the NYISO for its hard work and dedication to continually improve its markets.

Regards,

Joe Wadsworth

Vitol Group
2925 Richmond Ave, 11th Floor, Houston, TX 77098