

**NYISO Capacity Accreditation: ACE NY Preliminary Comments:
August 23, 2021**

Hi Zack:

A few comments from some of our ACE NY members for your consideration as you continue to develop the proposal:

- 1) Whatever model is ultimately selected, there needs to be transparency in the NYISO modeling/methodology so others can replicate it on their own (apparently in PJM it is a black box now).
- 2) NYISO should study the “Delta approach,” approved by FERC in July for the PJM market and explain why it does or does not make sense to use in NY. If the Delta Method is not applicable for New York, we ask the NYISO to articulate how the current approach overcomes the problems identified with marginal or average ELCC methodologies.
- 3) This exercise should be comprehensively applied to *all* resource types. Towards this goal, NYISO should start applying some version of ELCC to thermal generation resources, including scrutinizing performance during extreme weather, the highest peaks, single contingency events (e.g. gas pipeline disruptions). Among other things, this entails a close examination of EFORD, which was developed in the 1970s and has not evolved despite the changing grid. See for example, PJM modeling results:

	Actual Avg. Capacity Value	Capacity Value at Summer Peak (Est.)	Capacity Value at Winter Peak (Est.)
Combustion Turbine	97%	93%	80%
Combined Cycle	96%	93%	92%
Coal	91%	85%	86%
Nuclear	97%	87%	98%

Modelled estimates from Murphy, et al., "A Time-Dependent Model of Generator Failures and Recoveries Captures Correlated Events and Quantifies Temperature Dependencies" (2019) Available: <https://www.sciencedirect.com/science/article/pii/S0306261919311870>

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- 4) NYISO is planning to conduct this review annually. We are not convinced an annual review is appropriate, particularly considering existing planned Capacity Accreditation reforms, and would prefer this be conducted every few years or be based on MW deployment thresholds. The NYISO should provide a compelling justification for an annual review if they continue to believe it is necessary.
- 5) Explain whether- and exactly how - the reduced capacity accreditation applied to renewable resources would flow to consumers in the form of lower market ICAP requirements, or whether the reduced supply from renewable resources would be made up through additional supply from non-renewable generators.