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**NYISO Business Issues Committee Meeting Minutes**  
**October 13, 2021**  
**10:00 a.m. – 11:00 a.m.**

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**1. Introductions, Meeting Objectives, and Chairman's Report**

Mr. John Marczewski (East Coast Power) called the meeting to order at 10:00 a.m. The members of the BIC identified themselves and attendance was recorded. A quorum was determined.

**2. Draft September 14, 2021 BIC Minutes**

There were no questions or comments regarding the draft minutes from the September 14, 2021 BIC meeting included as part of the meeting material.

Motion #1:

Motion to approve the September 14, 2021 BIC meeting minutes.

*Motion passed unanimously.*

**3. Market Operations Report**

Mr. Rana Mukerji (NYISO) reviewed the market operations report included with the meeting material. There were no questions or comments.

**4. Revenue Metering Requirements Manual Revisions**

Ms. Michelle McLaughlin (NYISO) reviewed the presentation included with the meeting material. There were no questions or comments.

Motion #2:

The Business Issues Committee ("BIC") hereby approves the revisions to the Revenue Metering Requirements Manual, as described in the presentation made to the BIC on October 13, 2021.

*Motion passed unanimously.*

**5. Accounting and Billing Manual Revisions**

Mr. Mark Buffaline (NYISO) reviewed the presentation included with the meeting material. There were no questions or comments.

Motion #3:

The Business Issues Committee ("BIC") hereby approves the revisions to the Accounting & Billing Manual as more fully described in the presentation titled "Accounting & Billing Manual Changes" made to the BIC on October 13, 2021. The revisions approved by the BIC shall become effective on October 28, 2021.

*Motion passed unanimously.*

**6. Constraint Specific Transmission Shortage Pricing: Market Design Proposal**

Ms. Kanchan Upadhyay (NYISO) reviewed the presentation included with the meeting material.

Mr. Howard Fromer (Bayonne Energy Center) asked whether the "Line in Series" effort is a separate project effort or a component of the proposed market design being presented for stakeholder approval as part of the Constraint Specific Transmission Shortage Pricing project. Ms. Upadhyay stated that the "Line in Series" effort is separate from the Constraint Specific Transmission Shortage Pricing project.

Mr. Fromer asked what implications could arise if there are delays in the development and finalization of enhancements under the "Line in Series" effort. Ms. Upadhyay and Mr. Zachary Stines (NYISO) stated that based on the current status of internal efforts to develop potential enhancements for the "Line in Series" effort, the NYISO believes that both efforts are capable of being completed for implementation in 2023.

Mr. Mark Younger (Hudson Energy Economics) stated that the separate "Line in Series" effort should only remain linked with the implementation of the Constraint Specific Transmission Shortage Pricing project if it does not cause any delays to the planned implementation timeline for the Constraint Specific Transmission Shortage Pricing project.

Mr. Mike Cadwalader (Atlantic Economics) noted support for seeking to avoid unnecessary delays to implementing the transmission constraint pricing enhancements proposed as part of the Constraint Specific Transmission Shortage Pricing project, but recommended that, if delays in the "Line in Series" effort arise and there is a desire to proceed with the Constraint Specific Transmission Shortage Pricing project changes absent enhancements for the "Line in Series" effort, the NYISO should review the pricing values proposed as part of the Constraint Specific Transmission Shortage Pricing project to determine whether they remain appropriate in the absence of enhancements for the matters being addressed by the "Line in Series" effort.

Mr. Mike DeSocio (NYISO) stated that the NYISO intends to proceed with implementing the proposed enhancements for the Constraint Specific Transmission Shortage Pricing project in 2023 together with proposed enhancements for the "Line in Series" effort that will be separately developed in collaboration with stakeholders.

Mr. Fromer asked for clarification as to what the NYISO's planned course of action would be if delays arise with respect to the "Line in Series" effort that would potentially delay implementation of the proposed enhancements for the Constraint Specific Transmission Shortage Pricing project. Mr. DeSocio stated that in the event delays were to arise in the "Line in Series" effort that could result in an inability to pursue implementation in 2023, the NYISO would collaborate with stakeholders to determine how best to proceed under such circumstances.

Mr. Younger asked for confirmation that the NYISO intends to monitor the costs of actions taken by operators in response to securing transmission constraints for the internal facilities that would be subject to the proposed two-step transmission demand curve mechanism to ensure that the costs of such actions remain aligned with the maximum \$250/MWh pricing value assigned to shortages for such transmission constraints. Ms. Upadhyay stated that the NYISO intends to continue to monitor transmission constraint costs for the internal facilities that would be subject to the proposed two-step demand curve mechanism to ensure that the pricing values of the transmission demand curve mechanism remain aligned with the cost of operator actions taken to secure such facilities.

Motion #4:

The Business Issues Committee ("BIC") hereby recommends that the Management Committee approve changes to the Market Administration and Control Area Services Tariff related to the "Constraint Specific Transmission Shortage Pricing" proposal, as more fully described in the presentation titled "Constraint Specific Transmission Shortage Pricing: Market Design Proposal" made to the BIC on October 13, 2021.

*Motion passed unanimously.*

**7. Co-Located Storage Resource Participation Model: Tariff Updates**

Mr. Zachary Stines reviewed the presentation included with the meeting material. There were no questions or comments.

Motion #5:

The Business Issues Committee ("BIC") hereby recommends that the Management Committee approve revisions to the Market Administration and Control Area Services Tariff and to the definition of CSR Scheduling Limits in the OATT, as more fully described in the presentation titled "CSR Tariff Updates" made to the BIC on October 13, 2021.

*Motion passed unanimously.*

## 8. Working Group Updates

- Billing and Accounting and Credit Working Group: The group met on September 24, 2021 and reviewed: (1) a presentation by KPMG providing an update regarding the status of the ongoing 2021 System and Organizational Controls (SOC) 1 audit; (2) the standard accounting/settlement reports; (3) proposed revisions to the Accounting and Billing Manual; and (4) proposed revisions to the Revenue Metering Requirements Manual.
- Electric System Planning Working Group: The group has met twice since the last BIC meeting. On September 22, 2021, the group met and reviewed: (1) an overview of the 2021-2040 System & Resource Outlook study; and (2) an updated draft report for the 2021-2030 Comprehensive Reliability Plan. The group also met on October 1, 2021 and reviewed: (1) a presentation by National Grid regarding updates to its local transmission plan; (2) a status update regarding the 2021-2030 Comprehensive Reliability Plan; and (3) a status update regarding the process for the Public Policy Transmission Need related to facilitating the delivery of power from offshore wind facilities.
- Installed Capacity Working Group: The group has met jointly with MIWG and/or PRLWG six times since the last BIC meeting. On September 14, 2021, the group met and reviewed an updated draft of the 2021 Master Plan outlining a strategic vision for market design initiatives over the next five years. The group met on September 17, 2021 and reviewed proposed reforms to the buyer-side Installed Capacity market mitigation rules. The group met on September 20, 2021 and reviewed: (1) a presentation by the Market Monitoring Unit regarding considerations for the assessment of financial risk within the ICAP Demand Curve reset process related to proposed reforms to the buyer-side Installed Capacity market mitigation rules; (2) proposed reliability and market performance metrics for assessing the ongoing transition of the New York's electric system; and (3) proposed revisions to the Installed Capacity Manual related to the co-located storage resource participation model. On September 27, 2021, the group met and reviewed: (1) a presentation by E3 regarding considerations related to implementation of a capacity accreditation methodology based on an effective load carrying capability (ELCC) metric; and (2) a presentation by the Joint Utilities regarding implementation considerations for the participation of distributed energy resource aggregations in the wholesale markets in compliance with FERC Order No. 2222. The group met on September 28, 2021 and reviewed: (1) proposed reforms to the buyer-side Installed Capacity market mitigation rules and related enhancements to capacity accreditation rules; and (2) a presentation by Analysis Group regarding preliminary results from an assessment of potential market impacts related to proposed reforms to the buyer-side Installed Capacity market mitigation rules and related enhancements to capacity accreditation rules. The group also met on October 5, 2021 and reviewed: (1) an updated schedule for developing proposed reforms to the buyer-side Installed Capacity market mitigation rules and related enhancements to capacity accreditation rules; (2) proposed revisions to the Emergency Demand Response Program Manual; (3) preliminary 2022/2023 Capability Year Locational Minimum Installed Capacity Requirement values; and (4) proposed updates to the co-located storage resource participation model.
- Load Forecasting Task Force: The group has met twice since the last BIC meeting. The group met on September 16, 2021 and reviewed preliminary 2021 weather normalized peak loads for use in developing the peak load forecast used in the New York State Reliability Council's 2022/2023 Capability Year installed reserve margin study. The group also met on September 30, 2021 and reviewed: (1) preliminary 2021 weather normalized peak loads for use in developing the peak load forecast used in the New York State Reliability Council's 2022/2023 Capability Year installed reserve margin study; and (2) the preliminary peak load forecast for the New York State Reliability Council's 2022/2023 Capability Year installed reserve margin study.
- Market Issues Working Group: The group has met five times since the last BIC meeting, including joint meetings with ICAPWG and PRLWG. The group met on September 14, 2021 and reviewed: (1) an updated draft of the 2021 Master Plan outlining a strategic vision for market design initiatives over the next five years; (2) proposed enhancements to the current transmission constraint pricing logic; and (3) the consumer impact analysis related to the proposed enhancements to the current transmission constraint pricing logic. On September 20, 2021, the group met and reviewed: (1) proposed reliability and market performance metrics for assessing the ongoing transition of the New York's electric system; and (2) an initial market design concept for implementing time-differentiated TCC product offerings in NYISO-administered TCC auctions. The group met on September 27, 2021 and reviewed a presentation by the Joint Utilities regarding implementation considerations for the participation of distributed energy resource aggregations in the wholesale markets in compliance with FERC Order No. 2222. On October 5, 2021, the group met and reviewed proposed updates to the co-located storage resource participation model. The group also met on October 12, 2021 and reviewed: (1) an update regarding

the ongoing study related to the Reserve Enhancements for Constrained Areas project; (2) an updated market design concept for implementing time-differentiated TCC product offerings in NYISO-administered TCC auctions; and (3) considerations related to the frequency of offering two-year TCCs in NYISO-administered TCC auctions.

- Price Responsive Load Working Group: The group has met jointly with ICAPWG and/or MIWG six times since the last BIC meeting (i.e., September 14, 2021, September 17, 2021, September 20, 2021, September 27, 2021, September 28, 2021, and October 5, 2021). At each meeting, the group reviewed the agenda topics related to distributed energy resources, energy storage resources and/or the NYISO-administered demand response programs.

## **9. New Business**

There was no new business.

Meeting adjourned at 11:00 a.m.