

# Spring 2022 Centralized TCC Auction Survey and Discussion

---

Gregory R. Williams

MANAGER, TCC MARKET OPERATIONS

**ICAPWG/MIWG/PRLWG:**

November 8, 2021, Rensselaer, NY

# Overview

- **The NYISO conducted a poll of current TCC Market Participants (MPs) to solicit information about the demand for TCCs of various durations in future auctions as well as the desired structure of the Spring 2022 Centralized TCC Auction**
  - One survey response accepted per MP and 11 MPs responded
  - Responses were due on October 20, 2021
  - Responses for the Spring 2022 Centralized TCC Auction were limited to six-month, one-year, and two-year TCCs
  - An additional question was included to solicit feedback regarding the potential for less frequent offerings of the two-year TCC product (see the [presentation](#) at the 10/12/2021 ICAPWG/MIWG/PRLWG meeting for further information regarding this additional survey question)
- **The survey also sought information on a potential future enhancement to the current operation/administration of the TCC market**
  - Reserving transmission capacity for release into Reconfiguration Auctions

# Survey Results – Spring 2022

## Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration										Average	Median
Two-Year			1%	5%	5%	5%	10%	10%	15%	15%	6.5%	5%
One-Year	15%	25%	4%	20%	25%	30%	15%	25%	20%	35%	21.7%	25%
Six-Month	50%	40%	60%	40%	35%	30%	40%	30%	30%	15%	36.8%	35%
# of MP Responses	1	1	1	1	2	1	1	1	1	1		

The numbers above do not include the system capacity that was sold in the Spring 2021 Centralized TCC Auction as two-year TCCs (5%) and in the Autumn 2021 Centralized TCC Auction as one-year TCCs (30%).

# Survey Results – Spring 2022

## Total Rounds per Duration

Duration	Total Number of Rounds per Duration									Average	Median
Two-Year			2	1	1	2	2	1	1	1.1	1
One-Year	2	2	2	3	3	2	4	2	4	2.7	3
Six-Month	3	4	1	3	4	4	2	6	4	3.5	4
Total Rounds	5	6	5	7	8	8	8	9	9	7.3	8
# of MP Responses	1	1	1	2	2	1	1	1	1		

# Survey Results – Future Auctions

## Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration											
Five-Year												5%
Four-Year												5%
Three-Year										10%		5%
Two-Year				5%	5%	5%	10%	15%	20%	15%		15%
One-Year	10%	20%	40%	25%	30%	40%	35%	30%	30%	40%		15%
Six-Month	85%	45%	50%	65%	40%	50%	45%	35%	40%	35%		20%
Monthly*	5%	35%	10%	5%	25%	5%	10%	20%	10%			35%
# of MP Responses	1	1	1	1	1	1	1	1	1	1	1	1

\*For informational purposes only. See Slide 8 for additional information

# Survey Results – Future Auctions

## Total Rounds per Duration

Duration	Total Number of Rounds per Duration							
Five-Year								1
Four-Year								1
Three-Year							2	1
Two-Year			1	1	1	1	2	2
One-Year	2	2	3	3	4	2	4	2
Six-Month	3	4	3	4	4	6	2	1
Total Rounds	5	6	7	8	9	9	10	8
# of MP Responses	1	2	2	2	1	1	1	1

# Survey Results – Two-Year TCCs

- **An additional question was added to this survey to solicit feedback from TCC MPs regarding their interest in the NYISO offering the two-year TCC product less frequently**
  - The NYISO has typically offered the two-year TCC product annually as part of each Spring Centralized TCC Auction
  - Refer to the [presentation](#) at the October 12, 2021 ICAPWG/MIWG/PRLWG meeting for further information regarding this additional survey question
- **Specifically, MPs were asked whether the NYISO should offer the two-year TCC product in 2022**
- **7 respondents (63.6%) expressed interest in the NYISO offering two-year TCCs in 2022**

# Survey Results – Potential Future Enhancements

## Capacity Reserved for Monthly TCCs

- **The survey included a request for information regarding interest for a feature not currently supported by the tariff: reserving a portion of available system transmission capacity from the Centralized TCC Auction so that it may be available to support the sale of TCCs in the subsequent Balance-of-Period Auctions**
  - 10 respondents (91%) expressed interest in reserving a portion of transmission capacity from Centralized TCC Auctions to support the sale of TCCs in the subsequent Balance-of-Period Auctions
  - Of those interested MPs, the average available system capacity desired to be reserved was 16%
  - There is currently an ongoing project to develop the functional requirements of this TCC market enhancement
  - The Market Design reviewed with stakeholders at the November 11, 2020 Business Issues Committee meeting proposed to limit the quantity of otherwise available capacity that could be reserved for release in subsequent Balance-of-Period Auctions to no more than 10%



# Survey Comments

- **Desire for the NYISO to offer On-Peak and Off-Peak TCCs**
- **Desire to see a reduction in the time delay between the closing of the bidding window and the posting of results to below 5 days, while keeping the submittal period at 2 business days**

# Spring 2022 Auction Proposal

## 8 Auction Rounds

- **The NYISO would offer:**
  - 5% of system capacity as two-year TCCs in a single auction round
  - 20% of system capacity as one-year TCCs across three auction rounds
  - 40% of system capacity as six-month TCCs across four auction rounds
- **The remaining 35% of system capacity was sold as two-year TCCs in the Spring 2021 Centralized TCC Auction and as one-year TCCs in the Autumn 2021 Centralized TCC Auction**

# Proposed Schedule

Week	Round
February 11 – 17	Round 1 (Two-Year TCCs)
February 11 – 18	March 2022 Balance-of-Period
February 18 – 25	Round 2 (One-Year TCCs)
February 26 – March 3	Round 3 (One-Year TCCs)
March 4 – 10	Round 4 (One-Year TCCs)
March 11 – 17	Round 5 (Six-Month TCCs)
March 18 – 24	Round 6 (Six-Month TCCs)
March 18 – 25	April 2022 Balance-of-Period
March 25 – 31	Round 7 (Six-Month TCCs)
April 1 – 7	Round 8 (Six-Month TCCs)
April 8 – 21	May 2022 Balance-of-Period

# Auction Proposal – Considerations

- **Unanimous agreement by the Transmission Owners that are subject to Attachment N of the OATT is required for the NYISO to conduct fewer than four rounds in any Sub-Auction (except single round one-year Sub-Auctions for TCCs covering the same period as the second year of previously sold two-year TCCs)**
- **9 respondents (81.8%) expressed interest in conducting fewer than four one-year rounds in the Spring 2022 Centralized TCC Auction**
- **5 respondents (45.5%) expressed interest in conducting fewer than four six-month rounds in the Spring 2022 Centralized TCC Auction**
- **7 respondents (63.6%) expressed interest in having the two-year TCC product offered in 2022**

# Next Steps

- Receive and consider Market Participant comments resulting from this meeting
- Confer with the affected Transmission Owners concerning proposed auction plans with fewer than four rounds per Sub-Auction

# Questions/Feedback?

- Email additional feedback to: [deckels@nyiso.com](mailto:deckels@nyiso.com)

# Our mission, in collaboration with our stakeholders, is to serve the public interest and provide benefit to consumers by:

- 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

