

Subject: Generator Deactivation Under the Short-Term Reliability Process

Statement: This Technical Bulletin provides information regarding Generator deactivations under the NYISO's Short-Term Reliability Process as set forth in Section 38, Attachment FF, of the Open Access Transmission Tariff (OATT).

Details:

This Technical Bulletin addresses several requirements related to Generator deactivations under the Short-Term Reliability Process, the primary requirements of which are set forth in Section 38 of the OATT, which is available at the following link:

<https://www.nyiso.com/regulatory-viewer>

Responsible Generator Party Certification

A Responsible Generator Party ("RGP") is an entity that is ultimately responsible for making determinations concerning outages and repairs of Generators in the New York Control Area ("NYCA"), and the deactivation or retirement of such Generators.¹ A NYCA Generator may have more than one RGP. Completion of an RGP Certification form² by each and every RGP is necessary to ensure compliance with the requirements of Sections 38.2 of the OATT and Section 5.18 of the Market Services Tariff. RGP certifications assist the NYISO's efforts to timely assess the reliability impacts of Generator outages and deactivations.

Generator Deactivation Notice and Data Requirements

Generator Deactivation Notice. If a Generator's nameplate rating exceeds 1 MW, an RGP for that Generator must provide the NYISO with a minimum of 365 days prior notice before that Generator may be Retired or enter into a Mothball Outage, with certain limited exceptions, as set forth in Section 38 of the OATT and Section 5.18 of the Market Services Tariff. To provide notice, a Generator Deactivation Notice form³ and all required information must be submitted, including information required for an Initiating Generator under OATT Sections 38.24, 38.25.2 and 38.25.5 through 38.25.7.⁴ The Generator Deactivation Notice form may be obtained from the "Generator Deactivation Notice Form" subfolder in the "Generator Deactivation Notice" folder at the following link:

<https://www.nyiso.com/short-term-reliability-process>

The RGP must specify the proposed deactivation date in the Generator Deactivation Notice (*see* OATT Section 38.3.1). If the RGP seeks an exception to deactivate its Generator in less than 365 days, please refer to OATT Section 38.3.6. The notice period will begin to run on the date the NYISO next commences a quarterly Short-Term Assessment of Reliability ("STAR")⁵ **after** the NYISO determines the Generator

¹ See Sections 38.2 and 38.27 of the OATT, (which address a RGP's Short-Term Reliability Process obligations and include the RGP Certification Form), and Section 5.18 of the Market Services Tariff. (which addresses a RGP's Outage State obligations).

² Section 38.27 of the OATT is the RGP Certification.

³ The Generator Deactivation Notice Form is in Section 38.24 of the OATT.

⁴ OATT Section 38.3.1 provides an overview of the Generator Deactivation Notice submission process.

⁵ STARS are addressed in Section 38.3.5 of the OATT.

Deactivation Notice submission is sufficiently complete for the NYISO to begin its review.⁶ The NYISO posts information about complete notices on the NYISO's web site in the "Planned Retirement Notice" subfolder in the "Generator Deactivation Notice" folder at the following link:

<https://www.nyiso.com/short-term-reliability-process>

The template for submitting financial information that is required by OATT Section 38.25 can be found on the Market Monitoring page of the NYISO's web site in the "Data Submission" sub folder in the "ICAP Market Mitigation" folder at the following link:

<https://www.nyiso.com/market-monitoring>

The ICAP Reference System and ICAP Reference System User's Guide are also available from the above webpage. The ICAP Reference System User's Guide contains helpful information and guidance about how to submit information using the ICAP Reference System. The submitting entity will need someone with MIS access to submit the forms using the ICAP Reference System. NYISO will activate the submission privilege for the ICAP Reference System *following* receipt of the deactivation notice form.

ICAP Ineligible Forced Outage. A Generator that enters an ICAP Ineligible Forced Outage ("IIFO") is also reviewed and has certain obligations under the Short-Term Reliability Process. Please refer to Section 38.1 of the OATT and Section 5.18.2.1 of the Market Services Tariff regarding the Short-Term Assessment of Reliability Start Date. For a Generator that enters an IIFO, the NYISO will have the option to: (i) assess the reliability impact of the IIFO immediately as stand-alone Generator Deactivation Assessment (with the study start date as the date that the Generator enters IIFO), (ii) add the IIFO Generator to a STAR that is already in-progress, or (iii) wait until the next STAR to perform the assessment. For such a Generator, please refer to OATT Section 38.3.2 for the timing of required information submissions to the NYISO.

Data Submission Requirements. Market Participants and RGP's are subject to a continuing obligation to promptly submit information requested by the ISO in connection with the NYISO's evaluation of their Generator's proposed deactivation under Section 38 of the OATT, or its assessment of the market impacts of a proposed deactivation under Section 23 of the ISO Services Tariff.⁷ NYISO Customers are also required to provide data to the NYISO regarding their Generator's deactivation consistent with Section 3.4 of the Services Tariff and applicable ISO Procedures.

New York State and Other Regulatory Requirements. A Generator remains separately responsible for satisfying any state law or regulatory requirements concerning the deactivation of their Generator, including advance notice requirements to the NYPSC and transmission and distribution utilities as set forth in Proceeding on Motion of the Commission to Establish Policies and Procedures Regarding Generation Unit Retirements, Case 05-E-0889, Order Adopting Notice Requirements for Generation Unit Retirements (issued December 20, 2005). A Generator is expected to forward a copy of any deactivation letter submitted to the PSC, which differs from or is in addition to the NYISO's Generator Deactivation Notice, to the NYISO at: generator_retirement@nyiso.com. Deactivation letters submitted to the PSC will be posted to the NYISO's web page under "Planning."

⁶ See OATT Section 38.3.1.4.

⁷ See OATT Sections 38.2 and 38.3.3.

NYISO Review of Generator Deactivations

The NYISO will conduct a STAR or Generator Deactivation Assessment pursuant to Section 38.3.5 of the OATT to determine whether a Generator Deactivation Reliability Need⁸ would arise from the deactivation of the Generator. The Short-Term Reliability Process addresses in detail the timing and circumstances for when a Generator may become Retired or enter a Mothball Outage.

Notification to NYISO when Generator Will Enter Mothball Outage or Become Retired

Following the completion of NYISO review, a RGP whose Generator is eligible to enter a Mothball Outage or to become Retired must confirm the date its Generator will enter a Retired or Mothball Outage state so that the NYISO can timely update its Market Information System. At least five business days in advance, or as soon as practicable before the date that the Generator actually enters into a Retired or Mothball Outage state, notification of the Generator's change in status must be submitted to the NYISO at: generator_retirement@nyiso.com. The NYISO shall not be obligated to reflect in its systems the entry of the Generator into a Retired or Mothball Outage state on or before the actual change of status if such confirmation is received by the NYISO fewer than five business days in advance.

Treatment of Municipally-Owned Generation

A Generator that is larger than 1 MW (nameplate), that is “municipally-owned generation”⁹ and that receives, is eligible to receive, or received Capacity payments for participation in one of the NYISO's Administered Markets is required to comply with the Generator Deactivation requirements of the Short-Term Reliability Process before entering into a Mothball Outage or becoming Retired, or if the Generator is placed by an RGP or the NYISO into an ICAP Ineligible Forced Outage.

Treatment of Generators that Participate as Distributed Energy Resources in an Aggregation

A Generator¹⁰ that is larger than 1 MW (nameplate) is required to comply with the Generator Deactivation requirements of the Short-Term Reliability Process. This requirement applies to all Generators that participate in one or more of the ISO Administered Markets, even if the Generator participates as a Distributed Energy Resource (“DER”) in a single resource type or DER Aggregation.

However, a Local Generator¹¹ that only supplies Energy to the Load it is being operated to serve and does not supply Energy to the interconnected distribution system is not required to comply with the Generator Deactivation requirements of the Short-Term Reliability Process. This exception applies to a Local

⁸ See OATT Sections 38.1 and 38.3.1.

⁹ “Municipally-owned generation” is limited to a small set of grandfathered resources that were assigned PTIDs in the 1600 series. See Section 5.12.11.2 of the Market Services Tariff.

¹⁰ Energy Storage Resources; wind, solar and landfill gas Intermittent Power Resources; and Limited Control Run-of-River Hydro Resources are all types of Generators.

¹¹ Local Generators are only used to serve Load that is equal to or in excess of the resource's Capacity. Local Generators do not supply Energy to the distribution system. A Local Generator may be used to provide Demand Reduction in a DER, but it cannot participate in a DER as a Generator that injects Energy. See the definitions of “Local Generator” and “Generator” in Sections 2.12 and 2.7 of the Market Services Tariff.

Generator that is not able to inject Energy, but that participates as a DER in a DER Aggregation as part of a Demand Side Resource to provide load reduction.

Generators that participate in the ISO-Administered Markets as part of a single resource type or DER Aggregation are not subject to the Outage State rules in Section 5.18 of the Market Services Tariff. As a result, such a Generator *cannot* enter an IIFO under the Tariff rules. Instead, the RGP must always submit a Generator Deactivation Notice in order for a Generator that participates in the ISO-Administered Markets as part of an Aggregation to enter a Mothball Outage or to become Retired.

As part of the process for enrolling a Generator that is larger than 1 MW (nameplate) to participate in the ISO-Administered Markets as a DER through an Aggregation, the Aggregator will be required to identify in the Aggregation System whether the RGP is the Aggregator or the DER facility owner. The Aggregator must also submit contact information for the RGP in the Aggregation System. Identification of the RGP for a Generator will be required each time the Generator changes Aggregators. The Aggregator is also required to update the RGP information whenever the RGP changes, even if the Aggregator does not change.

Nothing in this Technical Bulletin alters the responsibility of a Generator to submit Bids to the extent required under the NYISO's Tariffs.

<p>This Technical Bulletin is not currently expected to be incorporated into a NYISO Manual/User Guide.</p>
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