**Instructions:** Stakeholders are encouraged to present their project ideas at a stakeholder meeting and raise with their sector to get feedback on their proposal. Several BPWG meetings have been set aside at the start of the project prioritization process. The project description below is required for all project candidates to be included in the survey. Stakeholders should contact Brian Hurysz at (518) 461-6405 or email <u>bhurysz@nyiso.com</u> (cc Leigh Bullock <u>lbullock@nyiso.com</u> on any email communications) to discuss any suggestions for new projects. A NYISO staff member will be assigned to work with the stakeholder on each new project request, provide assistance with completing this business case as needed, and facilitate internal discussions for the NYISO scoring and resource estimation. Please complete this template with as much information as possible.

## **1** Emissions Rate Transparency

## 1.1 **Problem / Opportunity**

The emissions rates associated with the production of electricity in New York vary widely from hour to hour and location to location, but specific emissions rates are not transparent to the market. The project envisions that the NYISO would publish marginal and average emissions rates concurrent with the release of LBMP results. Doing so would inform end users, load-serving entities, generators, energy service companies, marketers, aggregators, and other market participants seeking to optimize their use, production, storage or purchase of electricity based on emissions. In addition, providing such data to the market would enable consumers to evaluate the emissions associated with the energy they consume and could inform decision-making related to implementation of State policies and environmental initiatives.

## 1.2 Project Objective(s) & Anticipated Deliverable(s)

The NYISO would aim to begin publishing emissions rates by 2024. Published rates would include indicative day-ahead and real-time emissions rates (both average and marginal) for each transmission node and load zone. They would be posted as an additional column when the NYISO posts LBMP results on its website.

Marginal emissions rates would be determined based on the characteristics and operations of each marginal generator in a manner similar to that used by PJM (see <u>PJM Primer</u>) or using a methodology comparable to LBMPc (see <u>LBMPc Slides</u>).

Average emissions rates for each transmission node and load zone would be determined using a methodology to be developed and documented (e.g., in a manual) by the NYISO in consultation with its stakeholders.

## 1.3 **Project Justification**

The project could provide several benefits: 1) it would support use of load management and storage operations to reduce emissions, 2) it would enhance the market for sustainable electricity products, and 3) it would provide data that could be used to support planning and implementation of State policies and environmental initiatives. The project would enhance the NYISO's reputation as a leader in market design, would provide more effective planning in the context of state and local environmental goals, and would facilitate the development of more robust markets for green energy products. Without a transparent and reliable flow of detailed information to the marketplace, decisions intended to reduce greenhouse gas emissions and enhance environmental quality may not be made in the most efficient manner.