

Autumn 2022 Centralized TCC Auction Survey and Discussion

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ICAPWG/MIWG/PRLWG:

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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 Autumn 2022 Centralized TCC Auction**
 - One survey response accepted per MP and 8 MPs responded
 - Responses were due on April 1, 2022
 - Responses for the Autumn 2022 Centralized TCC Auction were limited to six-month, one-year, and two-year TCCs
- **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
- **Additionally, the future transition of TCC Auction Data access from eConnect (SharePoint) to Box.com will be discussed**

Survey Results – Autumn 2022

Capacity per Duration – for TCCs starting 11/1/2022

Duration	Desired Percentage of System Capacity per Duration						Average	Median
Two-Year (effective 11/1/2022)			5%	5%	5%	10%	3.1%	2.5%
One-Year (effective 11/1/2022)	20%	23%	10%	30%	35%	25%	22.9%	21.5%
Six-Month (effective 11/1/2022)	50%	47%	55%	35%	30%	35%	44.0%	48.5%
# of MP Responses	3	1	1	1	1	1		

The numbers above for TCCs effective starting November 1, 2022 do not include the system capacity that was sold in the Spring 2021 Centralized TCC Auction as two-year TCCs (5%), the Autumn 2021 Centralized TCC Auction as one-year TCCs effective starting May 1, 2022 (5%), and in the Spring 2022 Centralized TCC Auction as two-year TCCs (5%) and one-year TCCs (15%).

Survey Results – Autumn 2022

Total Rounds per Duration – for TCCs starting 11/1/2022

Duration	Total Number of Rounds per Duration						Average	Median
Two-Year (effective 11/1/2022)				1	2	1	0.7	1
One-Year (effective 11/1/2022)	1	2	3	3	2	4	2.6	3
Six-Month (effective 11/1/2022)	1	4	4	4	4	4	3.6	4
Total Rounds	2	6	7	8	8	9	6.9	8
# of MP Responses*	1	1	1	2	1	1		

Please note that the NYISO is required to conduct a one-year round offering TCCs covering the same period as the second year of two-year TCCs purchased in the Spring 2022 Centralized TCC Auction. This “future” one-year round is not included in the survey data above.

*One respondent did not provide a response to this section of the survey

Survey Results – Future Auctions

Capacity per Duration and Frequency of Product Offering

Duration	Desired Percentage of System Capacity To Be Made Available by Product (duration) Each Time It Is Offered and Desired Frequency of Product Offering							
Two-Year				2.5% Offered once a year	2.5% Offered twice a year	5% Offered once every two years	6% Offered once a year	10% Offered once a year
One-Year	20%	20%	22.5%	15%	20%	10%	20%	20%
Six-Month	40%	50%	45%	40%	45%	70%	43%	25%
Monthly*	20%	10%	10%	25%	5%	5%	5%	15%
# of MP Responses	1	1	1	1	1	1	1	1

- **One-year and six-month TCCs must be offered in each Centralized TCC Auction**
- **No responses were received indicating a desire for three-year, four-year, or five-year TCCs to be offered in future auctions**

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

Survey Results – Future Auctions

Capacity per Duration

Duration	Total System Capacity at Any Point in Time Associated with Each Product (duration)							
Two-Year				5%	10%	5%	12%	20%
One-Year	40%	40%	45%	30%	40%	20%	40%	40%
Six-Month	40%	50%	45%	40%	45%	70%	43%	25%
Monthly*	20%	10%	10%	25%	5%	5%	5%	15%
# of MP Responses	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 Product (duration) Each Time It Is Offered					
Five-Year						
Four-Year						
Three-Year						
Two-Year				1	2	1
One-Year	1	2	2	3	2	4
Six-Month	1	3	4	4	4	4
# of MP Responses	1	1	1	3	1	1

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
 - All respondents 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
 - The average available system capacity desired to be reserved was approximately 12%
 - 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%
 - Future project-related efforts to be considered as part of the annual project prioritization process

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**
- **Desire for one annual TCC survey that establishes the schedule for the Spring and Autumn Centralized TCC Auctions and the Balance-of-Period Auctions for a full year**
- **Desire to see a reduction in the number of rounds in the Centralized TCC Auctions**

Autumn 2022 Auction Proposal

8 Auction Rounds

- **The NYISO would offer:**
 - 25% of system capacity as one-year TCCs effective starting November 1, 2022 across three auction rounds
 - 45% of system capacity as six-month TCCs effective starting November 1, 2022 across four auction rounds
 - 5% of system capacity as one-year TCCs effective starting May 1, 2023 in one auction round
- **The remaining 30% of system capacity for the Winter 2022-2023 Capability Period was sold as two-year TCCs in the Spring 2021 Centralized TCC Auction, as one-year TCCs effective starting May 1, 2022 in the Autumn 2021 Centralized TCC Auction, and as two-year and one-year TCCs in the Spring 2022 Centralized TCC Auction**

Proposed Schedule

Week	Round
August 19 – 25	Round 1 (One-Year TCCs effective November 1, 2022)
August 26 – September 1	Round 2 (One-Year TCCs effective November 1, 2022)
September 2 – 9	Round 3 (One-Year TCCs effective November 1, 2022)
September 10 – 15	Round 4 (Six-Month TCCs effective November 1, 2022)
September 16 – 22	Round 5 (Six-Month TCCs effective November 1, 2022)
September 16 – 23	October 2022 Balance-of-Period
September 23 – 29	Round 6 (Six-Month TCCs effective November 1, 2022)
September 30 – October 6	Round 7 (Six-Month TCCs effective November 1, 2022)
October 7 – 13	Round 8 (One-Year TCCs effective May 1, 2023)
October 7 – 21	November 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**
 - Does not apply to the single round one-year Sub-Auctions for TCCs covering the same period as the second year of previously sold two-year TCCs
- **6 respondents (86%) expressed interest in conducting fewer than four one-year rounds (for TCCs effective starting November 1, 2022) in the Autumn 2022 Centralized TCC Auction***
- **1 respondent (14%) expressed interest in conducting fewer than four six-month rounds in the Autumn 2022 Centralized TCC Auction***

*Only seven respondents provided responses regarding survey questions addressing the desired number of rounds per duration for the Autumn 2022 Centralized TCC Auction

Transition to Box.com for NYISO TCC Auction Data

- The NYISO is transitioning from the current eConnect (SharePoint) site to the cloud-based platform Box.com (“Box”) for providing access to TCC Auction Data (TAD)
- This transition is expected to be complete by the end of the second quarter of 2022
- No TAD files associated with auctions held prior to the Spring 2019 Centralized TCC Auction will be transferred to Box
- TAD files will be retained for 3 years from their creation date in Box
- The collaboration certificate which is currently required to access eConnect (SharePoint) is not required to access the TAD in Box
- The NYISO will notify all individuals who have been approved for 2019, 2020, 2021, and/or 2022 TAD access of the official transition date and will provide training materials
- Completion of a Critical Energy Infrastructure Information request form and Non-Disclosure Agreement will still be required for all TAD requests

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

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- 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

