Installed Capacity (ICAP) Market

Kelly Stegmann
Senior Market Trainer, Market Training, NYISO

New York Market Orientation Course (NYMOC) Webinar
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Remote Learning
ICAP Market Module Objectives

- Define Installed Capacity
- Describe the benefits of the ICAP Market
- Identify the NY Control Area and Transmission District Capacity Requirements
- Explain the reason for Locational requirements
- Explain the difference between ICAP and UCAP
ICAP Market Module Objectives – Cont’d

- Identify the process for determining the amount of capacity available
- Explain the factors that determine the amount of capacity suppliers are able to offer
- Describe the Load obligations of an LSE
- Distinguish between the three different ICAP Auctions
- Calculate the settlement for an auction award
ICAP Roadmap

Benefits
- Ensures resource adequacy
- Resources recover a portion of fixed costs
- Provides market signal for investment

Market Mechanics
- Amount of Capacity Required
- Amount of Capacity Available
- Amount of Capacity to Offer
- Amount of Capacity to Procure

Auxiliary Processes & Activities
- Capacity Auctions
- Spot Market Auction
- Demand Curve
- Settlements
- Responsibilities
- Sanctions
ICAP Market Benefits

**Benefits**

- Ensures resource adequacy
- Resources recover a portion of fixed costs
- Provides market signal for investment
Benefits of the ICAP Market:

- Ensures resource adequacy
  - Do we have enough?
    - Supply is sufficient to meet load
    - Adhere to reliability standard
Benefits of the ICAP Market

- Recover portion of fixed costs

Variable Costs vs. Fixed Costs

Energy Market
(Market Clearing Prices: LBMPs)

Portion from ICAP Market
(Auction Clearing Prices)
Benefits of the ICAP Market:

- Market signal for investment
  - Potential Investors:
    - Is it worth building a new plant?
    - Where should I build a new plant?
    - Do I have the technology to build a plant that is competitive?
ICAP Market Mechanics

Benefits

- Ensures resource adequacy
- Resources recover a portion of fixed costs
- Provides market signal for investment

Market Mechanics

- Amount of Capacity Required
- Amount of Capacity Available
- Amount of Capacity to Offer
- Amount of Capacity to Procure
ICAP Market Mechanics

NYISO

Load Serving Entities

ICAP Suppliers

Auxiliary Processes & Activities
### ICAP vs UCAP

<table>
<thead>
<tr>
<th>ICAP</th>
<th>UCAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installed Capacity describes the <strong>market</strong> as opposed to the product.</td>
<td>The measure by which Installed Capacity Suppliers will be rated, in accordance with formulae set forth in the NYISO Procedures, to <strong>quantify the extent of their contribution to satisfy the NYCA Minimum Installed Capacity Requirement</strong>, and which will be used to measure the portion of that NYCA Minimum Installed Capacity Requirement for which each LSE is responsible.</td>
</tr>
</tbody>
</table>
Amount of Capacity Required

-How much do we need?
Amount of Capacity Required

- **NYCA Minimum Installed Capacity Requirement**
  - Ensures resource adequacy
    - Supply is sufficient to meet load
    - Meets Reliability Standards
  - Calculated by NYISO each Capability Year
  - Expressed as a MW value

NYCA Minimum ICAP Requirement = Forecasted NYCA Peak Load \times (1 + IRM)
NYCA Minimum Installed Capacity Requirement

NYCA Minimum ICAP Requirement = \textbf{Forecasted NYCA Peak Load} \times (1 + \text{IRM})

- **Forecast Peak Load**
  - Last year’s NYCA coincident peak load, adjusted for:
    - Weather
    - Changes in Load Growth
    - Load reductions provided by Demand Side Resources
NYCA Minimum Installed Capacity Requirement

NYCA Minimum ICAP Requirement = Forecasted NYCA Peak Load x (1 + IRM)

- **Installed Reserve Margin (IRM)**
  - Capacity above firm system load required to provide for equipment outages (both forced and scheduled) and transmission capability limitations.
  - Established annually by the NYS Reliability Council (NYSRC) for the upcoming Capability Year
  - Based on the Northeast Power Coordinating Council (NPCC) Standard for Resource Adequacy
    - “...the probability (or risk) of disconnecting any firm load due to resource deficiencies shall be, on average, not more than once in ten years.”

- **IRM for 2023 Capability Year is 20.0%**
  - 2022: 19.6%
  - 2021: 20.7%
NYCA and Locational Requirements

- Minimum Locational Installed Capacity Requirements also established
NYCA Minimum Unforced Capacity Requirement

- ICAP requirement converted to **UCAP** value
  - Accounts for historic availability of units
- Calculated by NYISO each Capability Period
- Expressed as a MW value
- Minimum Local Capacity Requirements also established

NYCA Minimum **UCAP** Requirement = Min ICAP x (1 – Locational Translation Factor)
NYCA Minimum Unforced Capacity Requirement

- **Locational Translation Factors by location**
  - Average Unavailability
  - Capacity Accreditation Factors
  - Weighted Average of all NYCA Derating Factors
  - Recalculated each Capability Period

<table>
<thead>
<tr>
<th>Location</th>
<th>Winter 2021-2022</th>
<th>Summer 2022</th>
<th>Winter 2022-2023</th>
<th>Summer 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>G-J Locality</td>
<td>4.46%</td>
<td>4.76%</td>
<td>5.81%</td>
<td>4.71%</td>
</tr>
<tr>
<td>Long Island</td>
<td>7.21%</td>
<td>6.27%</td>
<td>10.31%</td>
<td>7.29%</td>
</tr>
<tr>
<td>New York City</td>
<td>2.48%</td>
<td>3.26%</td>
<td>3.41%</td>
<td>1.64%</td>
</tr>
<tr>
<td>NYCA</td>
<td>8.40%</td>
<td>9.78%</td>
<td>8.91%</td>
<td>10.14%</td>
</tr>
</tbody>
</table>
ICAP and UCAP Values

**Locational Calculations**

1. **Location**
   - G-1 Locality: 15,392.7 MW
   - LI: 5,081.8 MW
   - NYC: 11,238.4 MW

2. **Forecasted Peak Load MW**
   - G-1 Locality: 15,392.7 MW
   - LI: 5,081.8 MW
   - NYC: 11,238.4 MW

3. **Requirement %**
   - G-1 Locality: 85.4060%
   - LI: 165.2000%
   - NYC: 120.0000%

4. **Donating Factor %**
   - G-1 Locality: 4.71%
   - LI: 7.29%
   - NYC: 10.54%

5. **ICAP MW Requirement**
   - G-1 Locality: 13,145.4 MW
   - LI: 5,346.1 MW
   - NYC: 9,158.9 MW

6. **UCAP MW Requirement**
   - G-1 Locality: 12,326.2 MW
   - LI: 4,956.3 MW
   - NYC: 9,032.0 MW

7. **UCAP Effective %**
   - G-1 Locality: 81.36%
   - LI: 97.52%
   - NYC: 80.36%

8. **Transmission District Loads NYCA**

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>Forecasted Peak Load MW</th>
<th>ICAP MW Requirement</th>
<th>UCAP MW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metering Authority - Central Hudson Gas and Electric</td>
<td>1,026.3</td>
<td>1,731.4</td>
<td>1,185.6</td>
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<tr>
<td>Metering Authority - Consolidated Edison of NY</td>
<td>12,811.7</td>
<td>15,374.1</td>
<td>13,815.1</td>
</tr>
<tr>
<td>Metering Authority - Long Island Power Authority</td>
<td>5,066.6</td>
<td>6,027.7</td>
<td>5,457.0</td>
</tr>
<tr>
<td>Metering Authority - New York Power Authority</td>
<td>311.9</td>
<td>614.3</td>
<td>552.0</td>
</tr>
<tr>
<td>Metering Authority - New York State Electric &amp; Gas</td>
<td>3,142.4</td>
<td>3,770.9</td>
<td>3,388.5</td>
</tr>
<tr>
<td>Metering Authority - Niagara Mohawk</td>
<td>6,820.6</td>
<td>8,184.7</td>
<td>7,554.8</td>
</tr>
<tr>
<td>Metering Authority - Orange and Rockland Utilities</td>
<td>1,417.2</td>
<td>1,346.6</td>
<td>1,294.7</td>
</tr>
<tr>
<td>Metering Authority - Rochester Gas and Electric</td>
<td>1,558.3</td>
<td>1,870.0</td>
<td>1,683.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>22,049.8</strong></td>
<td><strong>26,958.7</strong></td>
<td><strong>24,259.0</strong></td>
</tr>
</tbody>
</table>
## ICAP and UCAP Values

### Locational Requirements

<table>
<thead>
<tr>
<th>Location</th>
<th>Transmission District</th>
<th>Peak Load (MW)</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>G-J</td>
<td>Transmission Districts</td>
<td>15,751.7</td>
<td>51,400%</td>
<td>15,340.4</td>
</tr>
<tr>
<td>LI</td>
<td>Transmission Districts</td>
<td>5,081.8</td>
<td>70,000%</td>
<td>5,346.1</td>
</tr>
<tr>
<td>NYC</td>
<td>Transmission Districts</td>
<td>12,048.9</td>
<td>80,000%</td>
<td>9,403.2</td>
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</tbody>
</table>

### Transmission District Loads G-J Locality

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,040.2</td>
<td>890.1</td>
</tr>
<tr>
<td></td>
<td>12,048.7</td>
<td>10,990.7</td>
</tr>
</tbody>
</table>

### Transmission District Loads LI

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,081.8</td>
<td>4,905.2</td>
</tr>
</tbody>
</table>

### Transmission District Loads NYC

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11,278.4</td>
<td>9,622.8</td>
</tr>
</tbody>
</table>
Transmission District (TD) Capacity

TD ICAP Requirement = TD Forecasted Peak Load x (1 + NYCA IRM)

- TD Minimum ICAP Requirement Example for Con Edison
  - Con Edison of NY Forecasted Peak Load: 12,811.7 MW
  - NYCA IRM: 20.0%
    \[= 12,811.7 \times (1 + 0.20) = 15,374.1 \text{ MW}\]

  (Summer 2023 values)
TD Minimum UCAP Requirement

- Based on the annual NYCA Forecasted Peak Load and the individual TD Forecasted Peak Load
- TD Min UCAP used to calculate LSE Minimum UCAP Requirement

TD Min UCAP Requirement = NYCA Min UCAP Requirement * (TD Forecasted Coincident Peak Load / Sum of Forecasted Coincident Peak Loads for all TDs)

*Refer to Section 3.3 of the ICAP Manual
Minimum Requirements for the Con Edison TD
(Summer 2023 values)

- NYCA IRM is 20.0%
- Forecasted Peak Load for TD Con Edison is 12,811.7 MW
- TD ICAP Requirement = TD Forecasted Peak Load x (1 + IRM)
- TD UCAP Requirement = NYCA UCAP Requirement x (TD FPL / Sum of TD FPL)
- 34,559.0 x (12,811.7 / 32,048.9) = 13,815.1

<table>
<thead>
<tr>
<th>Con Ed TD ICAP Req.</th>
<th>Con Ed TD UCAP Req.</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,374.1</td>
<td>13,815.1</td>
</tr>
</tbody>
</table>

Con Ed Example

Transmission District Minimum ICAP Requirement

- 20.0% Margin
- 12,811.7 MW Forecasted Peak Load for Con Ed Transmission District

* FPL = Forecasted Peak Load
# ICAP and UCAP Values

## Installed Capacity
View ICAP and UCAP Calculations

### Locational Calculations

<table>
<thead>
<tr>
<th>Location</th>
<th>Forecasted Peak Load MW</th>
<th>Requirement %</th>
<th>Donating Factor %</th>
<th>ICAP MW Requirement</th>
<th>UCAP MW Requirement</th>
<th>UCAP Effective %</th>
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<td>85.400%</td>
<td>4.71%</td>
<td>13,145.4</td>
<td>12,326.2</td>
<td>81.38%</td>
</tr>
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<td>LI</td>
<td>5,081.8</td>
<td>165.2000%</td>
<td>7.26%</td>
<td>5,346.1</td>
<td>4,956.3</td>
<td>97.53%</td>
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<td>NYC</td>
<td>11,239.4</td>
<td>81.2900%</td>
<td>1.54%</td>
<td>9,382.0</td>
<td>9,032.0</td>
<td>80.36%</td>
</tr>
<tr>
<td>NYCA</td>
<td>22,046.9</td>
<td>120.0000%</td>
<td>10.14%</td>
<td>26,498.7</td>
<td>24,529.0</td>
<td>107.83%</td>
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### Transmission District Loads NYCA

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<td><strong>Total</strong></td>
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<td><strong>26,498.7</strong></td>
<td><strong>24,529.0</strong></td>
<td></td>
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</table>
Amount of Capacity Available

-How much do we have?
Determine the Amount of Capacity Available

- Suppliers provide data to demonstrate their capability to produce a certain number of MW (Resource Capability)
- Seasonal effects are taken into consideration
- Resource Capability determined by one of the following:
  - DMNC / DMGC Test
  - Performance Test
  - Resource Nameplate
  - Actual Production Data
Determine the Amount of Capacity Available

- **Dependable Maximum Net Capability (DMNC) Test**
  - Demonstrates a generator’s ability to generate power
  - Tested every Capability Period
  - Must coordinate test with NYISO
  - Different rules for different classes of generator
  - Value determines ICAP value for the Capability Period*

- **Dependable Maximum Gross Capability (DMGC) Test**
  - Applicable to Behind-the-Meter Net Generation Resources
  - The same procedures that apply to DMNC also apply to DMGC
  - Refer to ICAP Manual Section 4.2
## Capability Periods and Test Periods Available

### Winter Capability Period
- Nov
- Dec
- Jan
- Feb
- Mar
- Apr

### Summer Capability Period
- May
- Jun
- Jul
- Aug
- Sep
- Oct

### Winter Test Period
- Nov 1\textsuperscript{st}-April 15\textsuperscript{th}

### Summer Test Period
- June 1\textsuperscript{st}-Sept 15\textsuperscript{th}

- Exceptions to these test periods are Special Case Resources
- Out of period testing permitted for specific conditions - see ICAP Manual
Let’s Review

How often must a DMNC test be conducted?

a) annually

b) weekly

c) monthly

d) every Capability Period
Let’s Review

When can a DMNC test be conducted for the summer capability period?

a) April 15\textsuperscript{th} – Sept 15\textsuperscript{th}  
b) May 1\textsuperscript{st} – Aug 31\textsuperscript{st}  
c) June 1\textsuperscript{st} – Sept 15\textsuperscript{th}  
d) June 1\textsuperscript{st} – Oct 31\textsuperscript{st}
Amount of Capacity Suppliers are Qualified to Offer

-How much can be sold?
Determining **UCAP**

- The four key components in determining **UCAP** are:
  - Maximum Demonstrated Output
  - Deliverability Limit
  - Capacity Accreditation Factor
  - Historic Availability
Maximum Demonstrated Output

- Amount of capacity available
  - Dependable Maximum Net Capability (DMNC) Test
  - Dependable Maximum Gross Capability (DMGC) Test
Deliverability Limit

- Demonstrated output adjusted to account for deliverability
  - Capacity Resource Interconnection Service (CRIS)
    - Class Year Deliverability Studies are conducted to determine the amount of capacity that resources can deliver to any point in its Capacity Region
      - Applicable to new resources or existing resources that request to increase their CRIS
      - CRIS Value or “CRIS CAP”
      - Enables a resource to participate in the NYISO Installed Capacity market to the extent of its deliverable capacity
      - *Note: “Capacity Region” has a different meaning than “Locality.”
Available ICAP

- Available ICAP for Internal Resources

Available ICAP = Min (CRIS Cap*, DMNC)

*CRIS Caps different for Summer and Winter Capability Period
Adjusted ICAP

- **Adjusted ICAP:** The amount of ICAP a Resource has available, taking into account its applicable Capacity Accreditation Factor

\[
\text{Adjusted ICAP} = \text{Available ICAP} \times \text{Capacity Accreditation Factor}
\]

\[
\text{Available ICAP} = \min (\text{CRIS Cap}^*, \text{DMNC})
\]

*CRIS Caps different for Summer and Winter Capability Period*
Capacity Accreditation Factor

- **Capacity Accreditation Factor**: Reflect the marginal reliability contribution of the ICAP Supplier’s within each Capacity Accreditation Resource Class (CARC) toward meeting NYSRC resource adequacy requirements for the upcoming Capability Year
  - Each ICAP Supplier will be assigned to a CARC and receive the applicable CAF for its assigned CARC and capacity region
    - CARC will be based on the ICAP Suppliers chosen participation model, elected Energy Duration Limitation, and resource characteristics
  - An ICAP Supplier’s assigned CAF will be used in calculating its Adjusted ICAP and, in turn, the UCAP the Supplier is qualified to offer to supply to the NYCA
Historic Availability

Availability is based on Derating Factors that are a function of one or more of the following factors:

- Forced Outages
- Forced Derates
- Actual Performance
## Historic Availability

### Derating Factors

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Derating Factor</th>
<th>ICAP Manual Reference(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional Generator, Energy Limited Resource (ELR), Capacity Limited Resource (CLR)</td>
<td>Equivalent Demand Forced Outage Rate (EFORd)</td>
<td>Attach J</td>
</tr>
<tr>
<td>Special Case Resources (SCR)</td>
<td>Historical Performance Factor</td>
<td>Section 4.12</td>
</tr>
<tr>
<td>Intermittent Power Resources (IPR) (Wind, Solar, Landfill Gas)</td>
<td>Actual Performance “Production Factor”</td>
<td>Attach J</td>
</tr>
<tr>
<td>Limited Control Run-of-River Hydro</td>
<td>Actual Production Data</td>
<td>Attach J</td>
</tr>
<tr>
<td>Energy Storage Resources (ESR)</td>
<td>Average Unavailability Factor</td>
<td>Attach J</td>
</tr>
<tr>
<td>Co-located Storage Resources (CSR)</td>
<td>Derating Factor for each individual resource type (IPR and ESR), adjusted for Derating Factor for shared Point of Injection (POI)</td>
<td>Attach J</td>
</tr>
</tbody>
</table>
Historic Availability

EFORd

- Equivalent Demand Forced Outage Rate
  - Calculated from Generating Availability Data System (GADS)
    - Year-to-Date Data Submitted to NYISO Monthly
    - Forced Outages and Forced Derates
      - Dispatched and unable to respond
      - Unplanned event
Historic Availability

Derates and Outages

Forced Derate

\[ EFORd = .05 \]

- Available all the time but at a reduced output

Forced Outage

\[ EFORd = .05 \]

- Available at full output but for less than 100% of the time
### Availability-Based Resources

**Summer UCAP Calculation**

NYISO will use an average of two previous Summer 6-month EFORd calculations to establish a Summer ICAP to UCAP derating factor (Avg EFORd, $AEFORd_{summer}$).

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
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<tbody>
<tr>
<td>01</td>
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<td>02</td>
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<td>07</td>
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<tr>
<td>08</td>
<td>6-month EFORd</td>
<td>6-month EFORd</td>
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<td>09</td>
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</tbody>
</table>

Average used for 2024 Summer Capability Period
Availability-Based Resources

- Winter UCAP Calculation

NYISO will use an average of two previous Winter 6-month EFORd calculations to establish a Winter ICAP to UCAP derating factor (Avg EFORd, AEFORd_{winter})

<table>
<thead>
<tr>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6-month EFORd

Average used for 2024-2025 Winter Capability Period
UCAP for Resources

A generator may sell Capacity equal to its adjusted ICAP multiplied by its historic availability.

\[
\text{UCAP} = \text{Adjusted ICAP} \times (1 - \text{Derating Factor})
\]

Adjusted ICAP = Available ICAP \times \text{Capacity Accreditation Factor}

Available ICAP = \text{Min} (\text{CRIS Cap*}, \text{DMNC})

*This formula is for Internal Generators that are not BTM:NG
A generator may sell Capacity equal to its adjusted ICAP multiplied by its historic availability.

\[
\text{UCAP} = \text{Adjusted ICAP} \times (1 - \text{Derating Factor})
\]

\[
\text{Adjusted ICAP} = \text{Available ICAP} \times \text{Capacity Accreditation Factor}
\]

\[
\text{Available ICAP} = \min(\text{CRIS Cap*}, \text{DMNC})
\]

*This formula is for Internal Generators that are not BTM:NG*
# Unforced Capacity (UCAP)

<table>
<thead>
<tr>
<th>Resource Type</th>
<th>How UCAP is Calculated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generators, System Resources and ELRs</td>
<td>Based on Equivalent Demand Forced Outage Rate (EFORd)</td>
</tr>
<tr>
<td>Special Case Resources (SCR)</td>
<td>Based on their Average Coincident Load and use Performance Factor instead of EFORd</td>
</tr>
<tr>
<td>Control Area System Resource</td>
<td>Based on Control Area Resource and Load (CARL) Data</td>
</tr>
<tr>
<td>Intermittent Power Resources (Wind, Solar, Landfill Gas)</td>
<td>Based on the amount the intermittent can provide during system peak Load hours, as determined per ISO Procedures</td>
</tr>
<tr>
<td>Limited Run-of-River Hydro Resource</td>
<td>Determined separately for Winter and Summer Capability Periods as rolling average of the hourly net Energy provided by each resource during the 20 highest NYCA integrated real-time load hours in each of the five previous Summer or Winter Capability Periods</td>
</tr>
<tr>
<td>Energy Storage Resources</td>
<td>Based upon time-weighted UOL availability evaluated against the ICAP sold</td>
</tr>
<tr>
<td>Co-located Storage Resources</td>
<td>Based on existing methods for each resource type, with adjustments for shared Point of Injection (POI) availability</td>
</tr>
</tbody>
</table>
If a resource has a Derating Factor of .05, what is its historic availability?

a) 5%  
b) 10%  
c) 50%  
d) 95%
Let’s Review

What is the maximum capacity that a unit can sell given that it has a DMNC of 200 MW, deliverable CRIS CAP of 190 MW, a Capacity Accreditation Factor of 1, and a historic availability of 0.95?

a) 100 MW
b) 180.5 MW
c) 190 MW
d) 200 MW
What is the maximum capacity that a unit can sell given that it has a DMNC of 200 MW, deliverable CRIS CAP of 190 MW, a Capacity Accreditation Factor of 1, and a historic availability of 0.95?

**UCAP = 180.5 MW**

\[
\text{UCAP} = \text{Adjusted ICAP} \times (1 - \text{Derating Factor})
\]

\[
\text{Adjusted ICAP} = \text{Available ICAP} \times \text{Capacity Accreditation Factor}
\]

\[
\text{Available ICAP} = \text{Min} (\text{CRIS Cap}^*, \text{DMNC})
\]
Capacity Resources
Capacity Resources

- **Generators**
  - Within NYCA
  - Outside NYCA

- **Special Case Resources (SCRs)**
  - Within NYCA

- **External Capacity Resources**
- **Unforced Capacity Deliverability Rights (UDRs)**
- **External-to-ROS Deliverability Rights (EDRs)**
Special Case Resources

- Load reductions achieved through interruptible / curtailable loads or loads able to operate a qualified behind-the-meter Local Generator to remove load off the grid
- Each SCR is enrolled by Responsible Interface Party (RIP)

**SCR UCAP** = **ICAP** * Applicable Performance Factor * Capacity Accreditation Factor

**ICAP** = Load Reduction Capability * (1 + Transmission Loss Factor)

**Refer to Section 4.12 of ICAP Manual**
External Capacity Resources

- External CRIS Rights: (ECRs)
  - One time opportunity to convert Grandfathered Rights were to External CRIS Rights or awarded through the Class Year process
  - Contract or Non-Contract Commitment
  - Consequences for not supplying

- Capacity associated with Existing Transmission Capacity for Native Load (“ETCNL”)

- Capacity associated with Unforced Capacity Deliverability Rights (UDRs)

- Import Rights
  - First Come First Served: Subject to Import Limits

*External Installed Capacity Supplier requirements listed in ICAP Manual, Section 4.9*
External Capacity Resources: Import Limits

- Import Limits are set to determine the amount of capacity that can be imported into NYCA using the “First Come First Served” Process
- Limit is established after considering External CRIS Rights and ETCNL
  - Established by NYISO
  - Based on reliability studies
  - Determined annually
  - Available Import Rights are based on Import Limits
    - Calculated for each month of upcoming Capability Period

*Import Limits: ICAP Manual, Attachment B
# External Capacity Resources: Import Limits

**Maximum provided by resources outside NYCA**

(Excluding Resources Using UDRs, EDRs, ETCNL, and External CRIS Rights)

## 2023-2024 Capability Year

<table>
<thead>
<tr>
<th>Amount of External ICAP Permitted to be Allocated for NYCA Interfaces</th>
<th>Total (MW)</th>
<th>Grandfathered (MW) and Cap. Year External CRIS (MW)</th>
<th>Remaining (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PJM</td>
<td>1138</td>
<td>38</td>
<td>1100</td>
</tr>
<tr>
<td>ISO-NE</td>
<td>75</td>
<td>0</td>
<td>75</td>
</tr>
<tr>
<td>Ontario</td>
<td>80</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>Quebec via Chateauguay</td>
<td>1121</td>
<td>1110 (May - Oct) 914 (Nov) 0 (Dec - Feb) 20 (Mar) 914 (Apr)</td>
<td>11 (May - Oct) 207 (Nov) 1121 (Dec - Feb) 1101 (Mar) 207 (Apr)</td>
</tr>
<tr>
<td>Quebec via Cedars</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total NYCA Interfaces</td>
<td>2414</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

***Neighboring Control Area rules must provide that the resource will not be recalled or curtailed to satisfy the Control Areas own load.***

*Import Limits: ICAP Manual, Attachment B*
Unforced Capacity Deliverability Rights (UDRs) & External-to-ROS Deliverability Rights (EDRs)

- Rights associated with a specific transmission interface in a Locality (UDR) or in “Rest of State” (EDR)
  - Either from an External Control Area or a non-constrained region in NYCA
- Allows remote capacity external to the area to be treated as if it were physically located in the Locality/Rest of State zone
- Only associated with Scheduled Lines
- UDRs approved based on CRIS requested and received in relation to transfer capability
# Unforced Capacity Deliverability Rights (UDRs)

<table>
<thead>
<tr>
<th>Current UDRs Awarded</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cross Sound Cable (CSC)</strong></td>
<td>330 MW</td>
</tr>
<tr>
<td>New England to Long Island, Zone K</td>
<td></td>
</tr>
<tr>
<td><strong>Neptune Cable</strong></td>
<td>660 MW</td>
</tr>
<tr>
<td>PJM to Long Island, Zone K</td>
<td></td>
</tr>
<tr>
<td><strong>Linden VFT</strong></td>
<td>315 MW</td>
</tr>
<tr>
<td>PJM to New York City, Zone J</td>
<td></td>
</tr>
<tr>
<td><strong>Hudson Transmission Project (HTP)</strong></td>
<td>660 MW</td>
</tr>
<tr>
<td>PJM to New York City, Zone J</td>
<td></td>
</tr>
</tbody>
</table>

*ICAP Manual – Section 4.9.6*
## External-to-ROS Deliverability Rights (EDRs)

<table>
<thead>
<tr>
<th>Current EDRs Awarded</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cedars</strong></td>
<td></td>
</tr>
<tr>
<td>HQ to Rest-of-State (ROS), Zone D</td>
<td>80 MW</td>
</tr>
</tbody>
</table>

*ICAP Manual – Section 4.9.6*
UCAP for UDR

- The UDR Rightsholder/ICAP Supplier designates which generating unit(s) will be used to supply capacity via the UDR.
- Each Rightsholder’s UDRs are further reduced by its share of
  - UDR Losses
  - Generating unit’s Derating Factor using the following UCAP Calculation.
UCAP for UDR Example

- A UDR Line XYZ from NE to LI is configured
- This UDR has Resource A and Resource B

UDR Line Losses: 2.86%  
(equivalent to 10.3 MW)

UDR Unavailability: 2%

- Resource A: UDR UCAP UDR PTID 345
  \[ = (154.0 - 4.4 MW) \times (1 - 0.01) \times (1 - 0.02) \times 1 \]
  \[ = 149.6 \times 0.99 \times 0.98 \times 1 \]
  \[ = 145.14192 = 145.1 \]
  Resource A has 145.1 UCAP Available to Offer in LI

- Resource B: UDR UCAP UDR PTID 123
  \[ = (206.0 - 5.9 MW) \times (1 - 0.05) \times (1 - 0.02) \times 1 \]
  \[ = 200.1 \times 0.95 \times 0.98 \times 1 \]
  \[ = 186.2931 = 186.2 \]
  Resource B has 186.2 UCAP Available to Offer in LI

*Calculation is truncated to one decimal place
Amount of LSE Capacity Obligation to Procure

-How much must be purchased?
LSE Capacity Requirements
Obligation to Procure

- How much must be procured?
  - All LSEs are required to purchase a specific amount of the Total NYCA Capacity Requirement
    - Based on their contribution to the Transmission District’s peak load coincident with the NYCA peak load
  - LSEs may also have Locational Capacity Requirements
    - (G-J Locality, LI and NYC)
LSE Capacity Requirements

- **LSE Minimum ICAP Requirement**
  - Each LSE required to procure a certain percentage of the Total Capacity Requirement
  - The amount that forms the base is calculated each Capability Year and includes:
    - Forecasted Peak Load
    - IRM and Locational Capacity Requirement percentages
    - System changes due to transmission capability
LSE Capacity Requirements

- LSE Minimum UCAP Requirement
  - Min UCAP calculated separately for each Transmission District in which it serves load
  - NYISO calculates for a Capability Period
  - Each month each LSE must satisfy its minimum UCAP requirement
    - May satisfy via self-supply, bilateral transactions or through NYISO administered auctions
    - UCAP requirement adjusted monthly for customer switching
LSE Capacity Requirements

**Why ICAP to UCAP?**

- Incorporates Locational Translation Factor
- Calculated by NYISO every Capability Period
- Calculated for NYCA and localities
  - For LSEs serving load in G-J Locality, Zone K (LI), or Zone J (NYC), a specified amount of their requirement must be purchased within the LSE’s respective Locality (based on their local load forecast)
## Locational Capacity Requirements

### Locational Minimum ICAP Requirements

- Locational Capacity Requirements (LCRs) established annually for the following Localities:

<table>
<thead>
<tr>
<th>Locality Requirement</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>G-J Locality Requirement</td>
<td>85.4% of G-J forecasted peak load</td>
</tr>
<tr>
<td>Zone K (LI) Requirement</td>
<td>105.2% of LI forecasted peak load</td>
</tr>
<tr>
<td>Zone J (NYC) Requirement</td>
<td>81.7% of NYC forecasted peak load</td>
</tr>
</tbody>
</table>

Note: These values are the NYSRC Executive Committee approved IRM and the NYISO approved LCRs for the applicable Capability Year.

Locational Minimum ICAP Requirement = Locational Forecasted Peak Load x LCR Percentage

Locational Minimum UCAP Requirement = Locational Minimum ICAP x (1 – Avg. Locational Derating Factor)
Example: Locational Minimum ICAP Requirement

(Summer 2023 values)

For Con Ed’s portion only:

- Con Ed’s TD ICAP Requirement = **15,374.1**

<table>
<thead>
<tr>
<th></th>
<th>Forecasted Peak Load (FPL)</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Con Ed TD NYCA</td>
<td>12,811.7</td>
<td>120.0%</td>
</tr>
<tr>
<td>Con Ed TD G-J</td>
<td>12,869.7</td>
<td>85.4%</td>
</tr>
<tr>
<td>Con Ed TD NYC</td>
<td>11,239.4</td>
<td>81.7%</td>
</tr>
</tbody>
</table>

- G-J Locational ICAP Requirement is 85.4% of G-J Locality FPL: 12,869.7 x 85.4% = 10,990.7 MW

- NYC Locational ICAP Requirement is 81.7% of NYC FPL: 11,239.4 x 81.7% = 9,182.6 MW

- Remaining G-J Locational Requirement after meeting the NYC requirement must be purchased in G, H, I, J: 10,990.7 – 9,182.6 = 1,808.1 MW

- Remaining NYCA requirement can be purchased in G, H, I, J, K, or ROS: 15,374.1 – 10,990.7 = 4,383.4 MW
Example: Locational Minimum UCAP Requirement

For Con Ed's portion only:

- Con Ed's TD UCAP Requirement = 13,815.1 MW

Locational Min ICAP x (1 – Locational Translation Factor)

- G-J Locational UCAP Requirement is:
  \[10,990.7 \times (1 - 4.71\%) = 10,473.1\text{ MW}\]

- NYC Locational UCAP Requirement is:
  \[9,182.6 \times (1 - 1.64\%) = 9,032.0\text{ MW}\]

Remaining G-J Locational UCAP Requirement after meeting the NYC UCAP Requirement must be purchased in G, H, I, J:

\[10,473.1 - 9,032.0 = 1,441.1\text{ MW}\]

Remaining NYCA UCAP Requirement after meeting the G-J Locational UCAP Requirement can be purchased in G, H, I, J, K, or ROS:

\[13,815.1 - 10,473.1 = 3,342\text{ MW}\]
## ICAP and UCAP Values

### Locational Requirements

<table>
<thead>
<tr>
<th>Location</th>
<th>Forecasted Peak Load MW</th>
<th>Requirement %</th>
<th>Depoiling Factor %</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
<th>UCAP Effective %</th>
</tr>
</thead>
<tbody>
<tr>
<td>O-J Locality</td>
<td>15,792.7</td>
<td>85.400%</td>
<td>4.7%</td>
<td>15,340.4</td>
<td>12,226.1</td>
<td>51.31%</td>
</tr>
<tr>
<td>L-J</td>
<td>5,031.0</td>
<td>100.000%</td>
<td>7.5%</td>
<td>5,046.1</td>
<td>4,965.5</td>
<td>71.31%</td>
</tr>
<tr>
<td>NYC</td>
<td>15,304.4</td>
<td>81.760%</td>
<td>1.6%</td>
<td>9,452.0</td>
<td>8,793.6</td>
<td>60.31%</td>
</tr>
<tr>
<td>NYG</td>
<td>32,040.9</td>
<td>120.0006%</td>
<td>31.4%</td>
<td>34,198.7</td>
<td>34,198.7</td>
<td>107.03%</td>
</tr>
</tbody>
</table>

### Transmission District Loads G-J Locality

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>Forecasted Peak Load HW</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helicopter Authority - Central Hudson, Saug. &amp; Elc.</td>
<td>1,040.2</td>
<td>880.1</td>
<td>10,473.2</td>
</tr>
<tr>
<td>Helicopter Authority - Consolidated Edison of NY</td>
<td>12,046.7</td>
<td>10,966.7</td>
<td>10,473.2</td>
</tr>
<tr>
<td>Helicopter Authority - New York State Electric &amp; Gas</td>
<td>340.2</td>
<td>311.9</td>
<td>2972</td>
</tr>
<tr>
<td>Helicopter Authority - Orange and Rockland Utilities</td>
<td>1,115.6</td>
<td>962.7</td>
<td>961.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15,396.7</strong></td>
<td><strong>13,464.6</strong></td>
<td><strong>12,463.1</strong></td>
</tr>
</tbody>
</table>

### Transmission District Loads L-I

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>Forecasted Peak Load HW</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helicopter Authority - Long Island Power Authority</td>
<td>5,081.5</td>
<td>5,346.1</td>
<td>4,906.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,081.5</strong></td>
<td><strong>5,346.1</strong></td>
<td><strong>4,906.3</strong></td>
</tr>
</tbody>
</table>

### Transmission District Loads NYC

<table>
<thead>
<tr>
<th>Transmission Owner</th>
<th>Forecasted Peak Load HW</th>
<th>ICAP HW Requirement</th>
<th>UCAP HW Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helicopter Authority - Consolidated Edison of NY</td>
<td>11,278.4</td>
<td>9,182.6</td>
<td>8,652.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,278.4</strong></td>
<td><strong>9,182.6</strong></td>
<td><strong>8,652.9</strong></td>
</tr>
</tbody>
</table>
Let’s Review

The Locational Minimum ICAP Requirement for the G-J locality is 85.4% of _________________.

- a) NYCA Minimum ICAP Requirement
- b) NYCA Forecasted Peak Load
- c) G-J Forecasted Peak Load
## ICAP Auxiliary Processes & Activities

### Benefits
- Ensures resource adequacy
- Resources recover a portion of fixed costs
- Provides market signal for investment

### Market Mechanics
- Amount of Capacity Required
- Amount of Capacity Available
- Amount of Capacity to Offer
- Amount of Capacity to Procure

### Auxiliary Processes & Activities
- Capacity Auctions
- Spot Market Auction Demand Curve
- Settlements
- Responsibilities
- Sanctions
Capacity Auctions
ICAP Market Auctions

**Capability Period Auction (Strip Auction)**
- Matches Bids & Offers
- Sets Market-Clearing Price

**Monthly Auction**
- Matches Bids & Offers
- Sets Market-Clearing Price

**Spot Market Auction**
- Deficiency and Excess UCAP
- Market Clearing Price based on Demand Curve
# Capability Period Auction

- A bid in this auction is for the **same MW level and price for the entire capability period**
- Auction is run **at least 30 days** prior to the start of the Capability Period
- Auction solves for a (6) Month Strip of UCAP at a Single Price/Month

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>June</td>
<td>July</td>
<td>August</td>
</tr>
<tr>
<td>September</td>
<td>October</td>
<td>November</td>
<td>December</td>
</tr>
</tbody>
</table>

- **SUMMER CAPABILITY PERIOD**

- **WINTER CAPABILITY PERIOD**
Monthly Auction

- May buy/sell for any month remaining in the Capability Period
- Auction is run at least 15 days prior to the start of the month

<table>
<thead>
<tr>
<th></th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td></td>
<td></td>
<td></td>
<td>✗</td>
</tr>
<tr>
<td>June</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>July</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>August</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>September</td>
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<tr>
<td>October</td>
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<tr>
<td>November</td>
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<td>December</td>
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<td>January</td>
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<td>February</td>
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<tr>
<td>March</td>
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<td>April</td>
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<tr>
<td>May</td>
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</tr>
<tr>
<td>June</td>
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<td></td>
</tr>
<tr>
<td>July</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Spot Market Auction

- May sell for upcoming month only
- Must certify all Capacity before Auction
- Auction solves using the Demand Curve
- Auction is run 2 days prior to the start of the month
Spot Market Auction and Demand Curve

- Demand Curve used to determine a spot market clearing price
  - Values additional UCAP above Minimum NYCA and Locational requirements
  - Reduces price volatility
  - Provides signal for capacity investment
Spot Market Auction and Demand Curve

- Separate ICAP Demand Curves to determine
  - Total [NYCA] LSE UCAP Obligation
  - NYC Locational component of LSE UCAP Obligation
  - Long Island Locational component of LSE UCAP Obligation
  - G-J Locality component of LSE UCAP Obligation

- Demand Curves are reset every four years and include annual adjustments
Reference Point: Set price point for 100% of minimum requirement

Example NYCA Demand Curve
2018/2019 ICAP Based Prices ($/kW-Month)

$9.83

% of ICAP Requirement

100%
Demand Curve Components

- **Reference Point**: Set price point for 100% of minimum requirement
- **Maximum Clearing Price**: Equal to 1.5 times the estimated localized levelized cost of new peaking unit
Demand Curve Components

- **Reference Point**: Set price point for 100% of minimum requirement
- **Maximum Clearing Price**: Equal to 1.5 times the estimated localized levelized cost of new peaking unit
- **Zero Crossing Point**: Percentage of requirement where price is $0

**Example NYCA Demand Curve**

2018/2019 ICAP Based Prices ($/kW-Month)

- **$0**
- **$9.83**
- **$16.33**

% of ICAP Requirement

100% 112%
Demand Curve Components

- Reference Point: Set price point for 100% of minimum requirement
- Maximum Clearing Price: Equal to 1.5 times the estimated localized levelized cost of new peaking unit
- Zero Crossing Point: Percentage of requirement where price is $0
Demand Curve Components

- **Reference Point: Set price point for 100% of minimum requirement**
  - NYCA: $9.83
  - G-J Locality: $16.59
  - NYC: $21.95
  - LI: $15.96

- **Maximum Clearing Price: Equal to 1.5 times the estimated localized levelized cost of new peaking unit**
  - NYCA: $16.33
  - G-J Locality: $22.51
  - NYC: $26.93
  - LI: $25.11

- **Zero Crossing Point: Percentage of requirement where price is $0**
  - NYCA Demand Curve: 112%
  - G-J Locality Demand Curve: 115%
  - LI & NYC Locational Demand Curves: 118%

2018/2019 ICAP Based Prices
($/kW-Month)
## ICAP Event Calendar

### Event Schedule

<table>
<thead>
<tr>
<th>Monday May 15, 2023</th>
<th>Winter Session Event</th>
<th>Summer Session Event</th>
<th>Season Change Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>09:00 AM</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10:00 AM</td>
<td></td>
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<tr>
<td><strong>IMPORTANT</strong>: First Come First Serve - begin to submit requests</td>
<td><strong>APPLICATIONS</strong>: Deadline to select or decline affiliate services for Jun ICAP Period</td>
<td><strong>IMPORTANT</strong>: First Come First Serve - deadline to submit requests</td>
<td><strong>NOTIFICATION</strong>: Deadline to submit forward offers for generators in NYC for Aug 2024 Mid</td>
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<td><strong>SCR</strong>: Deadline for ISOs to import resource response data into GADS for March 1st - Zone D SCR Winter Performance Test #1</td>
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<thead>
<tr>
<th>Tuesday May 16, 2023</th>
<th>Winter Session Event</th>
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<tr>
<td><strong>IMPORTANT</strong>: First Come First Serve - begin to confirm requests</td>
<td><strong>SCR</strong>: Aggregation Management Period for Jun Open</td>
<td><strong>SCR</strong>: O&amp;A Price Management Period for Jun Open</td>
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<tr>
<td><strong>IMPORTANT</strong>: ISO notifies Requesters of Priority and of Import Rights Requests were accepted or rejected</td>
<td><strong>IMPORTANT</strong>: ISO posts the remaining available Import Rights</td>
<td><strong>SCR</strong>: Aggregation Management Period for Jun Close</td>
<td><strong>SCR</strong>: O&amp;A Price Management Period for Jun Close</td>
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<tr>
<td><strong>EXTERNAL TRANSACTIONS</strong>: Deadline to submit MIS transaction IDs for Import Rights, Exports, and UDLs</td>
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<tr>
<td><strong>IMPORTANT</strong>: External Bilateral confirmed for ISO transactions IDs reserved</td>
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<tr>
<td><strong>GADS</strong>: Deadline for Suppliers to submit GADS data for Air activity</td>
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<tr>
<th>Monday May 22, 2023</th>
<th>Winter Session Event</th>
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<tr>
<td><strong>CERTIFICATION</strong>: Deadline for Certification for ICAPs and Suppliers for Jun</td>
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**NOTIFICATION**: Default Reference Price
Let’s Review

Which auction allows market participants to purchase capacity for an entire 6 month period all at once?

a) Capacity Auction

b) Spot Market Auction

c) Monthly Auction

d) Strip Auction
TRUE or FALSE: The purpose of the spot market is to cover any shortfall or deficiency and allows an opportunity to sell excess capacity.

TRUE

FALSE
Let’s Review

The Demand Curve is applicable to which auction(s)?

- a) Capability Auction
- b) Spot Market Auction
- c) Monthly Auction
- d) All of the above
Auction Settlements

- **Award amount x Auction Clearing Price**
  - 100 MW x $2.67/kW-month
    - Convert 100 MW to kW: (100 MW x 1,000kW/MW)
    - 100,000 kW x $2.67/kW = $267,000 for the month

- **Auction Awards appear in following weekly invoice**
  - Monthly amount is prorated by the number of days on the weekly invoice divided by the number of days in the month

- **Bilateral Transactions are settled between parties outside of NYISO**
Activities /Responsibilities

- Submission of GADS Data, monthly
- Certification prior to applicable auction
  - LSE must certify the amount of UCAP it has or has obtained
  - Suppliers certify UCAP has not been sold for use in an External Control Area
  - UDR & EDR holders certify that their capacity is not already accounted for elsewhere
- Secure UCAP
  - Bilateral contract (includes self-supply) or NYISO Auction
- Bid, Schedule, Notify in DAM Energy Market***
Bid, Schedule or Notify

- **ICAP Suppliers must either:**
  - “Bid” [Offer] Energy in the DAM
  - Schedule a Bilateral Transaction
  - OR
  - Notify the NYISO of any outage

- **The total amount of Energy that an ICAP supplier “bids,” schedules or declares unavailable on a given day must equal or exceed the Installed Capacity Equivalent (ICE) amount of UCAP sold**
  - ICE value is a generator’s capacity sold adjusted for availability

\[
\text{ICE} = \frac{\text{UCAP Sold}}{(1 - \text{Derating Factor}) \times \text{Capacity Accreditation Factor}}
\]

Exceptions to this are outlined in Section 4.8 of the ICAP manual.
Let’s Review

How much must this ICAP supplier Offer, Schedule, or Notify in DAM if:

UCAP Sold = 50 MWs
Derating Factor = .05 (available 95% of the time)

\[
ICE = \frac{UCAP \text{ Sold}}{(1 - \text{Derating Factor}) \times \text{Capacity Accreditation Factor}}
\]

***Assume that ICAP Supplier CAF = 1***
Sanctions

- Failure to comply with bidding, scheduling and notification requirements and procedures
- Failure to provide required information
ICAP Market Summary

Installed Reserve Margin (IRM)

Minimum ICAP Requirements
- NYCA
- Transmission District
- Locational

UCAP

Transmission District UCAP Requirement

Individual LSE Minimum UCAP Requirement
ICAP Summary - Supplier Activities

- Submit DMNC data each Capability Period
- Submit monthly GADS data, or equivalent
- Certify prior to ICAP Spot Market Auction
- Offer capacity in auction
- Bid, schedule or notify in Day-Ahead Market, if obligated to do so
ICAP Summary - Load Activities

- Purchase capacity in auction
  - Minimum requirement
  - Locational Requirements
- Certify prior to ICAP Spot Market Auction

Note: Transmission Owners must submit Adjusted Load data coincident with NYCA peak
ICAP Summary – NYISO Activities

- Review and adjust Demand Curves every 4 years
  - Through the ICAP Working Group
- Provide Minimum ICAP Requirements
- Calculate UCAP
- Conduct Auctions
- Post award data to web
- Settlement mechanism
Let’s Review

What is the primary purpose of the ICAP market?

a) Ensure sufficient load exists for NYCA generation

b) Ensure competitive pricing of new generation

c) Facilitate competitive procurement of generator fixed costs

d) Ensure sufficient resources exist to serve load
TRUE or FALSE: In addition to submitting data to support their actual output, suppliers also required to Bid, Schedule, Notify in the DAM as an ICAP supplier.

TRUE  FALSE
Let's Review

Which of the following statements are true regarding DMNC tests?

a) Test should be conducted only during test periods

b) An out-of-period test can be conducted with prior NYISO approval

c) In lieu of a test, a generator can submit actual operating data

d) All of the above are true
What does UCAP represent?

a) Unforced operating parameters

b) The average availability of a given generator

c) Demonstrated output adjusted for deliverability and availability and Capacity Accreditation Factor

d) ICAP adjusted for forecasted usage
Installed Capacity
NYISO Website Data
INSTALLED CAPACITY MARKET (ICAP)

The New York Installed Capacity (ICAP) market serves to maintain reliability of the bulk power system by procuring sufficient resource capability to meet expected maximum energy needs plus an Installed Reserve Margin (IRM).

ICAP AUTOMATED MARKET SYSTEM LOGIN

Contact Customer Support
stakeholder_services@nyiso.com

Useful Links
- GADS Portal
- NYSRC IRM Report
- ICAP Working Group Page
### ICAP Event Calendar

#### Event Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>Tuesday Jan 22, 2019</td>
<td>05:06 PM</td>
<td>IMPORT RIGHTS - Deadline for Import Rights returns if ISO announced fully allocated</td>
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<td>IMPORT RIGHTS - External Bidder's confirm for HES transactions TIs received</td>
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<td>05:06 PM</td>
<td>IMPORT RIGHTS - ISO posts the remaining available Import Rights</td>
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<tr>
<td>Wednesday Jan 23, 2019</td>
<td>05:06 PM</td>
<td>CERTIFICATION - Deadlines for Certification for LSEs and Suppliers for Feb</td>
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<td>REFERENCING - Default Reference Price</td>
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<tr>
<td>Thursday Jan 24, 2019</td>
<td>05:06 PM</td>
<td>LUSE SHIFT - Deadlines for TOs to provide daily load shift (customer switching) for Jan</td>
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<td>TRUE UP - Deadlines for TOs to provide true-up load shift (actual data) for LSE activities 3 months prior</td>
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<td>Friday Jan 25, 2019</td>
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<td>SPOT MARKET AUCTION - Offer posted open for Feb Spot Market Auction</td>
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<td>Monday Jan 28, 2019</td>
<td>05:06 PM</td>
<td>IMPORT RIGHTS - Allocated Import Rights w/ HES transactions TIs entered into Spot Market Auction @ 5:06 PM</td>
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**Legend:**
- Winter Season Event
- Summer Season Event
- Season Change Event
Additional Resources

- Tariffs – MST and OATT
- ICAP Manual
- ICAP Automated Market System (AMS) User’s Guide
- Outage Scheduler User’s Guide