

# Additional Services

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# Additional Services

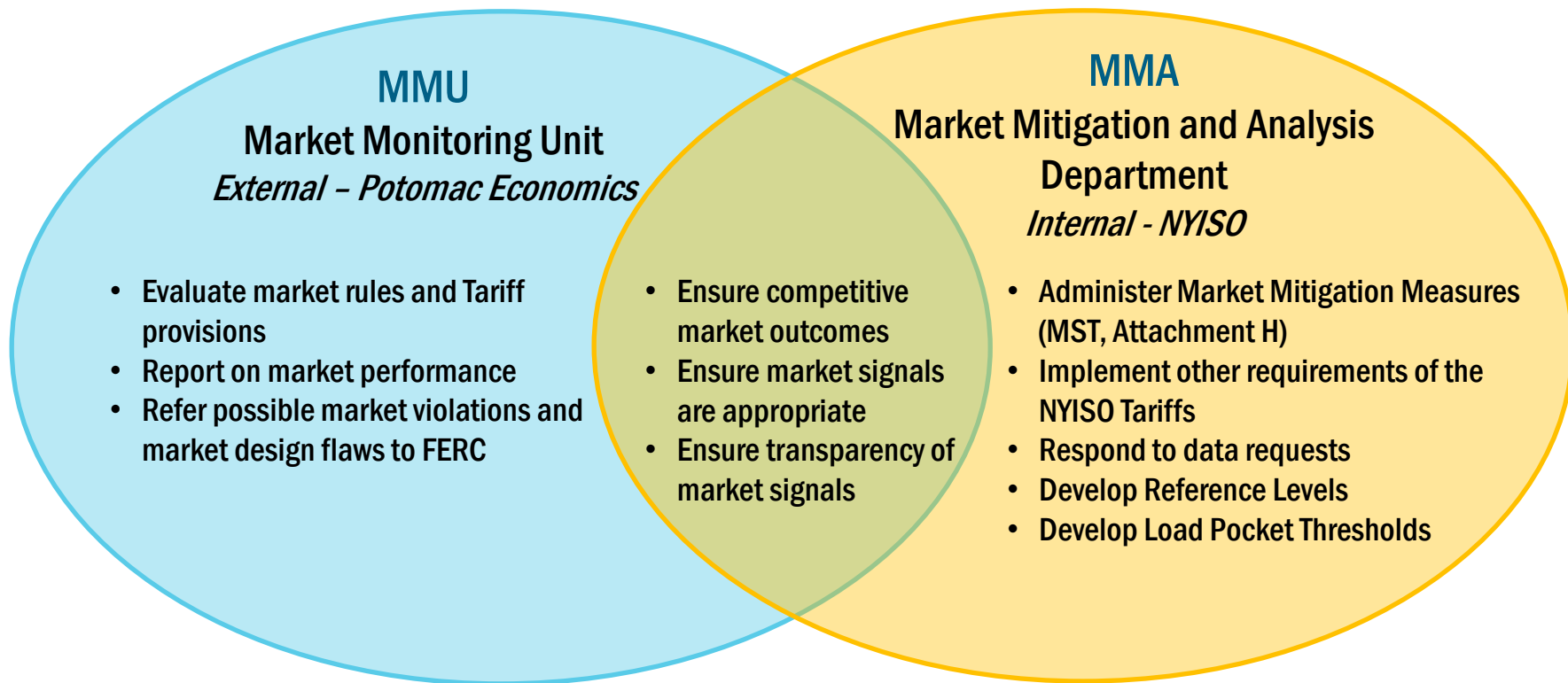
- **Market Monitoring, Mitigation and Analysis**
  - MMU
  - MMA
- **Financial Services**
  - Credit
  - Metering/Settlements/Invoicing
- **Customer Support**
  - Member Relations
  - Stakeholder Services

# Objectives

- **Upon completion of this session, participants will be able to:**
  - Identify the responsibilities of the Market Monitoring Unit (MMU) and the Market Mitigation and Analysis Department (MMA)
  - Describe the purpose of the NYISO Credit Policy
  - Describe the role of the Stakeholder Services and Member Relations Teams

# Market Monitoring, Mitigation and Analysis

# Monitoring the Marketplace



# Monitoring the Marketplace

- **Market Monitoring Plan**
  - Attachment O of the Market Services Tariff (MST)
- **Market Mitigation Measures**
  - Attachment H of the MST

# Market Mitigation Measures

- **These measures are designed to:**
  - Monitor market outcomes and market participant conduct
    - For the exercise of market power that departs significantly from outcomes expected under competitive market conditions
  - Authorize the mitigation of specific conduct that has market impact
    - Identify and respond to inappropriate conduct that materially changes market prices, market outcomes or increases guarantee payments

## MST, Attachment H

- **“Intended to provide the means for the ISO to mitigate the market effects of any conduct that would substantially distort competitive outcomes in the ISO Administered Markets, while avoiding unnecessary interference with competitive price signals.”**

## Which of the following is NOT true of the Market Monitoring Unit (MMU)?

a) Ensures competitive market outcomes

b) Is an internal group to the NYISO

c) Reports on Market Performance

d) Refers possible Market violations/market design flaws to FERC



# Monitored Market Areas and Activities

Energy Market & Ancillary Services	Energy Market Transactions	Virtual Trading	Transmission Congestion Contracts	Installed Capacity Market
<ul style="list-style-type: none"> <li>• Energy Market Bidding</li> <li>• Bid Production Cost Guarantee Payments</li> <li>• Uneconomic Production</li> <li>• Persistent LSE Under Bidding</li> <li>• Physical Generator Facility Audits</li> <li>• Generator Availability Data System (GADS) Reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Multi-Hour Transactions</li> <li>• Single-Hour Transactions</li> <li>• 15-Minute Transactions</li> </ul>	<ul style="list-style-type: none"> <li>• Virtual Supply Bidding</li> <li>• Virtual Load Bidding</li> </ul>	<ul style="list-style-type: none"> <li>• TCC Auction Paths</li> <li>• TCC Auction Outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• ICAP Auction Outcomes</li> <li>• ICAP Providers DAM Bid Compliance</li> </ul>

# Monitoring Conduct and Impact

- NYISO monitors behavior of a market participant (Conduct) and results of said behavior (Impact)
  - Conduct – identify potential market power
  - Impact – identify price and cost guarantee payments
- NYISO applies mitigation when ***both Conduct and Impact tests are violated***

# Conduct and Impact Tests

## Conduct - *Behavior indicating potential market power*

- Physical Withholding
  - Failing to offer services that a generator is capable of providing (i.e. Incremental Energy, Ancillary Services, Capacity, etc.)
- Economic Withholding
  - Submitting bids that are unjustifiably high so that the generator will not be dispatched or scheduled, or the bids will set a high market clearing price
- Uneconomic Production
  - Increasing the output of an Electric Facility to levels that would otherwise be uneconomic in order to cause, and obtain benefits from, a transmission constraint

## Impact - *Results of behavior*

- Market Clearing Prices
- Cost Guarantee Payments
- Virtual Bidding
  - Persistent deviation of RT and DAM LBMPs
- Load Bidding
  - Average % of DAM scheduled load
  - Persistent deviation of RT and DAM LBMPs
- ICAP Market
  - Supply-Side Mitigation
    - Physical & Economic Withholding
  - Buyer-Side Mitigation
    - Minimum Offer Floor

*NYISO applies mitigation when both Conduct AND Impact Tests are violated*

# Monitoring Conduct and Impact

- **NYISO establishes thresholds for each product within a category**
  - A [Reference Level](#) is a "proxy" that is intended to reflect the offer(s) that a Market Participant would submit for a generator if it was in a competitive market and could not exercise Market Power
    - The reference level for a Generator's Energy Bid is intended to reflect the Generator's marginal costs
    - The methods used to develop Reference Levels are set forth in Attachment H to the NYISO Market Administration and Control Area Services Tariff
      - Attachment H requires that Generators maintain accurate reference levels at all times
  - Constrained area vs. Rest-of-State (ROS)
    - A [Load Pocket Threshold](#) is a value associated with a particular constrained location that is used for the conduct and impact tests for mitigation

# Reference Levels

- **Physical parameters, including time, and dollar based references are established for each Generator**
  - Updated for fuel prices when appropriate
- **Reference Level Consultation Request Process**
- **Fuel Cost Update Functionality**
- **Relationship between reference levels and mitigation**
  - A comparison of Reference Levels to Generator Bids are used to perform conduct and impact tests

# Determination of Reference Levels

- Attachment H hierarchy for determining the most appropriate reference level:
  - Bid-based
  - LBMP-based
  - Cost-based or NYISO determined
    - Marginal operating costs submitted for a unit, reviewed by MMA and approved by NYISO
    - Can include review of bids for similarly-situated units, unit operating cost data, and best available information to NYISO

# Reference Level Software (RLS)

- **Marketplace User Interface:**
  - Access to current and historical reference levels
  - Mechanism to submit and check status of cost-based data submissions and reference level adjustment requests (either normal or urgent)
  - Allows for dynamic web-based form submission and upload/download options
- **RLS generates DAM and RT market reference levels by unit on a daily and hourly basis**
  - Incorporates updated fuel and emission cost data

# Applying Mitigation Measures

- **MMU/MMA may act if reporting indicates non-competitive outcomes (price divergence)**
  - Gather data/determine cause
  - Rule Changes
  - May be necessary to contact FERC enforcement
- **Not all investigations/conversations lead to mitigation or action**



# Applying Mitigation Measures

- Mitigation Measures for behavior violating defined Conduct and Impact Thresholds may include:
  - Operational Directives/Actions
    - NYISO adjustment of bid dollar
    - NYISO adjustment of physical parameters
  - Sanction/Penalty
    - Financial
  - Suspension or Revocation of Bidding Privileges
  - Section 205 Filing
    - FERC-ordered measures

**NYISO's monitoring of market participant behavior to identify potential market power is known as**

**a) Conduct**

**b) Impact**

**c) Mitigation**

## Market mitigation measures would be imposed for which of the following conditions?

a) When both conduct and impact tests are violated

b) Only when conduct test is violated

c) Only when an impact test is violated

d) None of the above

Not offering to sell electrical energy is an example of

a) Economic  
Withholding

b) Uneconomic  
Production

c) Physical  
Withholding

**When a bid dollar exceeds a threshold as defined by Attachment H, this is classified as**

**a) Physical Withholding**

**b) Underbidding by LSE**

**c) Uneconomic Production**

**d) Economic Withholding**

## RLS allows users to

a) Access historical reference levels

b) Submit reference level adjustment requests

c) Submit cost-based data to support reference level data

d) All of the above

# Financial & Customer Support Services

# Financial Services

## Credit

Assess creditworthiness of MPs and manage and mitigate credit exposure

## Metering/Settlements/Invoicing

Perform all settlement activities and issue customer bills detailing all charges and credits that apply



# Customer Support Services

## Stakeholder Services

Act as single point of contact for NYISO-related information

Serve as customer advocate

Provide quick, efficient issue resolution

## NYISO Member Relations

Registration

Committee Support

NYISO Liaison

# Additional Services Summary

- Responsibilities of the Market Monitoring Unit (MMU) and the Market Mitigation and Analysis Department (MMA)
- Purpose of the NYISO credit department
- Role of the Stakeholder Services and Member Relations Teams


# Market Monitoring, Mitigation and Analysis

## NYISO Website Information

# Market Monitoring – Main Page



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SUPPORT / MARKET MONITORING

## MARKET MONITORING

### Useful Links

- [Tariffs, FERC Filings & Orders](#)
- [Potomac Economics](#)
- [pdf State of the Market Report](#)
- [pdf Monthly Net Benefit Offer Floor](#)
- [pdf Expectations of Generator Operation During a Gas Restriction or Interruption User Guide](#)

### Support

Budget & Finance ▾

Customer Registration

**Market Monitoring**

Member Community

[ICAP Reference System Login](#)

[ICAP Reference System User's Guide](#)

[Reference Level System Login](#)

[Reference Level System User's Guide](#)


The NYISO Market Monitoring Plan grants the NYISO Market Monitoring Unit authority to investigate market events, conduct, and/or performance. NYISO market participants may, at their discretion, request the NYISO investigate a specifically identified market issue.

[Request an Investigation](#)

[View Tech Bulletin 104](#)

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## MARKET MONITORING

### Useful Links

[Tariffs, FERC Filings & Orders](#)

Market Monitoring		
Name	Published	Type
▾ Consultation Request Form		↕
▾ Fuel Entry Thresholds		
▾ ICAP Market Mitigation		
▾ Investigations		
▾ Load Pocket Thresholds		
▾ Market Mitigation Announcements		
▾ Reference Price Data Submittal		↕

Support


- Budget & Finance ▾
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- Member Community

# Market Settlements

## NYISO Website Information

# Billings and Settlements – Main Page





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## BILLING & SETTLEMENTS

### Quick Links

- [Customer Settlements Interface Login](#)
- [Accounting and Billing Manual](#)
- [Revenue Metering Requirements](#)

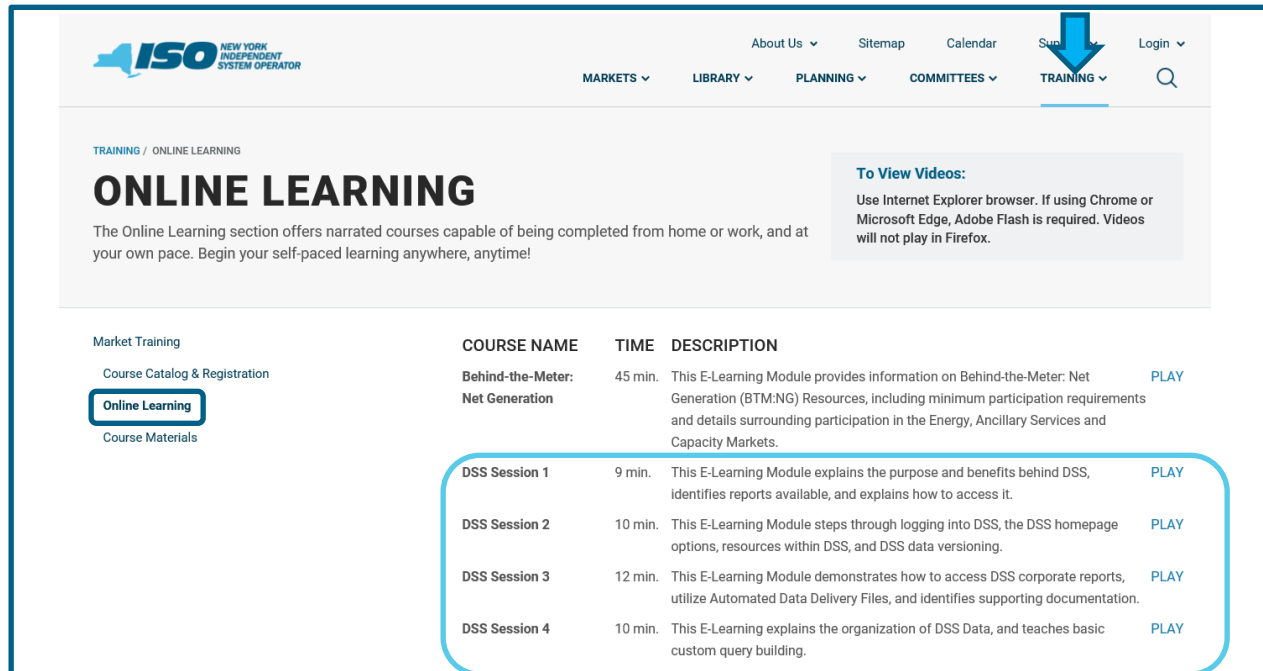
Support

- Budget & Finance
  - Budget & Priorities Working Group
  - Billing & Settlements**
  - Billing Rates
  - NYISO Credit
- Customer Registration
- Market Monitoring
- Member Community

Billing & Settlements		Published	Type
✓	Billing and Reference Documents		
✓	Billing Notices		
✓	Invoice Support		
✓	Processing and Invoice Schedule		

# Settlement & Market Reports

- Decision Support System (DSS)
  - DSS Introductory Online Courses



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The Online Learning section offers narrated courses capable of being completed from home or work, and at your own pace. Begin your self-paced learning anywhere, anytime!

**To View Videos:**  
Use Internet Explorer browser. If using Chrome or Microsoft Edge, Adobe Flash is required. Videos will not play in Firefox.

Market Training

Course Catalog & Registration

**Online Learning**

Course Materials

COURSE NAME	TIME	DESCRIPTION	
<b>Behind-the-Meter: Net Generation</b>	45 min.	This E-Learning Module provides information on Behind-the-Meter: Net Generation (BTM:NG) Resources, including minimum participation requirements and details surrounding participation in the Energy, Ancillary Services and Capacity Markets.	<a href="#">PLAY</a>
<b>DSS Session 1</b>	9 min.	This E-Learning Module explains the purpose and benefits behind DSS, identifies reports available, and explains how to access it.	<a href="#">PLAY</a>
<b>DSS Session 2</b>	10 min.	This E-Learning Module steps through logging into DSS, the DSS homepage options, resources within DSS, and DSS data versioning.	<a href="#">PLAY</a>
<b>DSS Session 3</b>	12 min.	This E-Learning Module demonstrates how to access DSS corporate reports, utilize Automated Data Delivery Files, and identifies supporting documentation.	<a href="#">PLAY</a>
<b>DSS Session 4</b>	10 min.	This E-Learning explains the organization of DSS Data, and teaches basic custom query building.	<a href="#">PLAY</a>

- DSS Intermediate Workshop



# Billings and Settlements – Mapping Documents



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## BILLING & SETTLEMENTS

### Quick Links

[Customer Settlements Interface Login](#)

- Support
  - Budget & Finance ^
  - Budget & Priorities Working Group
  - Billing & Settlements ^**
  - Billing Rates
  - NYISO Credit
  - Customer Registration
  - Market Monitoring
  - Member Community

- Billing & Settlements**
- Name
- ✓ Billing and Reference Documents
- ✓ Billing Notices
- ✓ Invoice Support
- ✓ Processing and Invoice Schedule

### Billing & Settlements

Name ↑	Published	Type
^ Billing and Reference Documents		
Daily Customer Statement Template - active November 2018	2018/11/05	<a href="#">xls</a>
Daily Customer Statement Template - active November 2018	2018/10/24	<a href="#">xls</a>
DSS Mapping Guide_V1_Effective June 2017	2017/10/02	<a href="#">pdf</a>
DSS Mapping Guide_V2_Effective November 2018	2018/11/02	<a href="#">pdf</a>
Hourly Customer Statement Template - active April 2017	2018/10/24	<a href="#">xls</a>
Hourly Customer Statement Template - active April 2017.xls	2018/11/05	<a href="#">xls</a>
Rate Schedule 1 Universe Object Name Updates for Custom Reporting-Updated 041717	2017/04/18	<a href="#">pdf</a>
Settlement Report for April 2018 4 Month Settlement	2018/10/18	<a href="#">pdf</a>
Settlement Report for August 2018 Initial Settlement	2018/10/18	<a href="#">pdf</a>

# Additional Resources

- **Market Services Tariff**
  - MST 23 Attachment H – Market Mitigation Measures
  - MST 30 Attachment O – Market Monitoring Plan
- **Monthly, Quarterly and Annual Statistics**
  - Monthly Reports
  - Quarterly Reports
  - State of the Market Annual Reports

# Additional Resources

- Reference Level Manual
- Reference Level Software User's Guide
- ICAP Reference System User's Guide
- Technical Bulletin 104 – Requesting a formal NYISO investigation