

Introduction to NYISO

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NYISO in Operations

- **The NYISO Began Operations in December of 1999**
- **Independent and Non-Profit**
 - Designed to provide objective and impartial operation of the bulk power grid and administration of the wholesale electricity markets serving New York
 - Independent of power generators and the utilities that sell power to consumers

Timeline of NYISO History



In response to 1965
Northeast Blackout, NY utility
companies establish
New York Power Pool (NYPP)

Energy Policy Act of 1992
(EPACT)

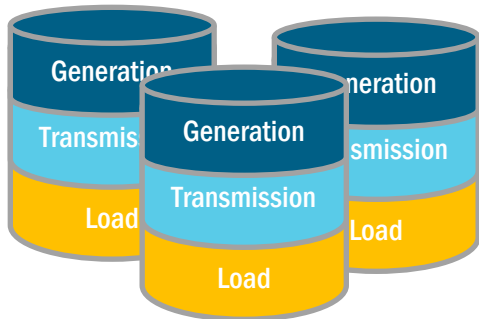
Federal law aimed at improving
energy efficiency, due to rising
electricity prices
FERC begins restructuring of the
electric industry by opening
transmission lines to
competition

A nationwide movement to
restructure the electric industry
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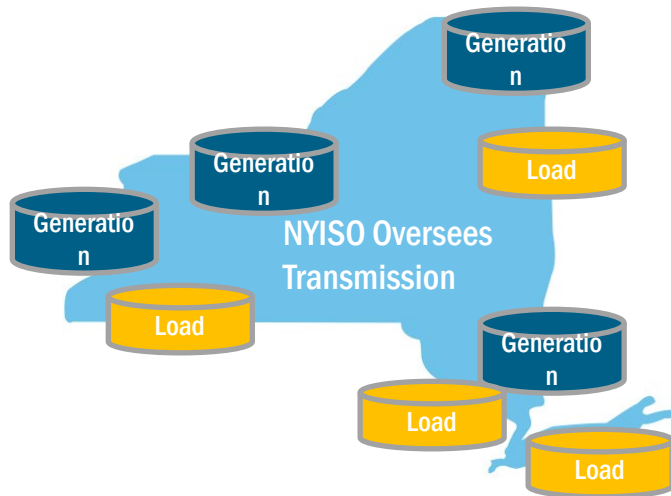
NYISO History

Electric Industry Restructuring

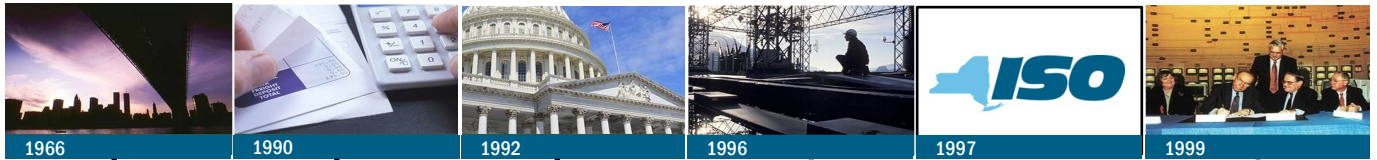
Utility World
Pre-FERC Order 888/889
Vertically Integrated



Restructured World
Post-FERC Order 888/889
Open Access to Transmission



Timeline of NYISO History



In response to 1965 Northeast Blackout, NY utility companies establish New York Power Pool (NYPP)

A nationwide movement to restructure the electric industry emerges to address rising electricity prices

Energy Policy Act of 1992 (EPACT)

Federal law aimed at improving energy efficiency, due to rising electricity prices
FERC begins restructuring of the electric industry by opening transmission lines to competition

FERC Orders 888/889 of 1996

Public utilities to provide Open Access for all electricity suppliers to the U.S. power transmission grid
New York's electricity restructuring included:
- Divestiture of generating assets from the NY electric utilities
- Creation of the NYISO, authorized by FERC in 1998
Creation of competitive markets

Members of NYPP file a proposal with FERC to form an independent system operator (NYISO)

In December of 1999, The NYISO assumes control of New York's power grid and begins operating competitive wholesale electricity markets statewide

NYISO Mission & Vision



Mission

Ensure power system reliability
and competitive markets for
New York in a clean energy
future



Vision

Working together with stakeholders
to build the cleanest, most reliable
electric system in the nation

Roles of the NYISO



Reliable operation of the bulk electricity grid



Administration of open and competitive wholesale electricity markets



Planning for New York's energy future



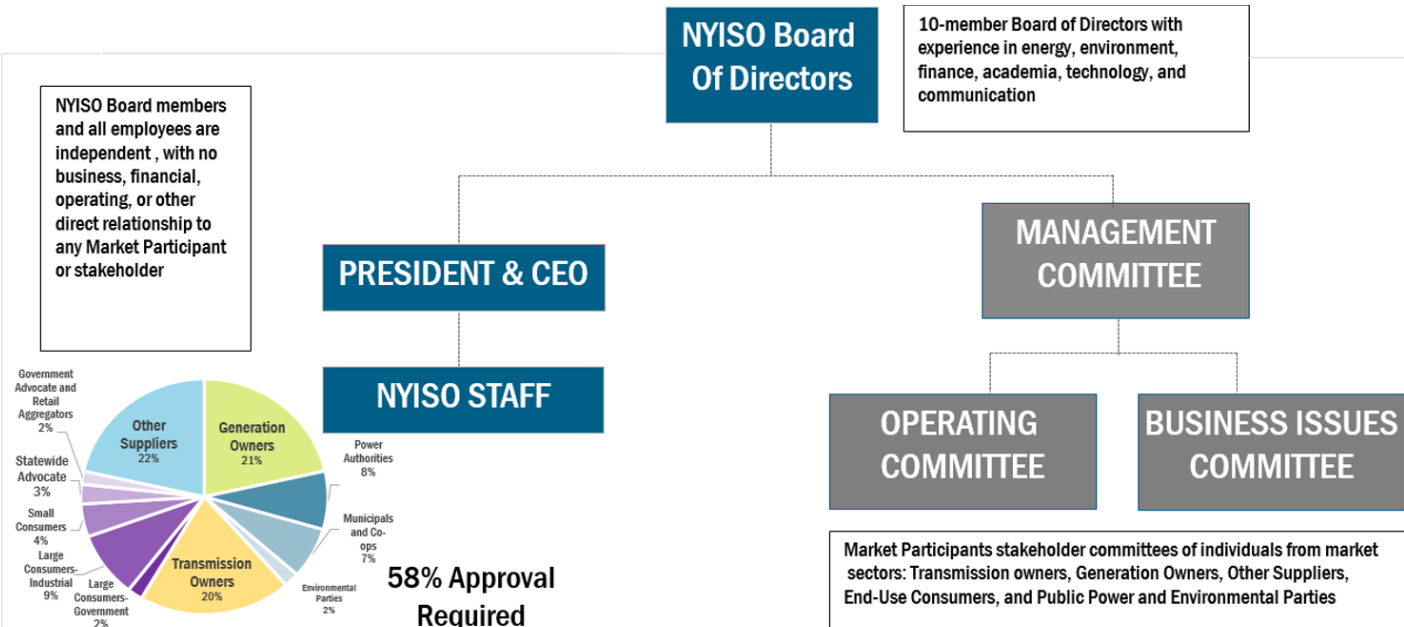
Advancing the technological infrastructure of the electric system

Governance Oversight

Reliability Regulation

Federal Energy Regulatory Commission (FERC)	New York State Public Service Commission (PSC)	North American Electric Reliability Corporation (NERC)	Northeast Power Coordinating Council (NPCC)	New York State Reliability Council (NYSRC)
<ul style="list-style-type: none"> Regulates the NYISO & other ISO/RTOs in the United States Jurisdiction over transmission service & wholesale power sales 	<ul style="list-style-type: none"> Active Participant in NYISO's shared governance process Jurisdiction over generation, transmission siting, resource adequacy, compliance with NYSRC rules, & local electric distribution within NY 	<ul style="list-style-type: none"> Established in response to the 1965 blackout to improve reliability & security of bulk power system Jurisdiction is In U.S., Canada & part of Mexico Compliance w/NERC Standards mandatory & enforceable as of 2007 in U.S. 	<ul style="list-style-type: none"> Formed as voluntary, regional reliability organization in 1966 Regions include New York, New England, Ontario, Québec, & Maritimes 	<ul style="list-style-type: none"> Established in 1999 Responsible for Reliability Rules specific to the NY Power System U.S. law authorizes NYSRC to impose more stringent reliability standards

NYISO Shared Governance



- **Open Access Transmission Tariff (OATT)**
 - Provides Transmission Services on an Open Access Basis
- **Market Administration and Control Area Services Tariff (MST)**
 - Provides all other Market & Control Area Services
- **Both Tariffs approved by the Federal Energy Regulatory Commission (FERC)**

Questions?