

# Comprehensive Mitigation Review Update

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**Business Issues Committee**

May 19, 2022

# Agenda

- **FERC Order**
- **Implications for BSM**
- **Capacity Accreditation Phase 2 Tasks**
- **Next Steps**

# FERC Order

# FERC Order

- **On May 10<sup>th</sup>, 2022, the FERC approved the Buyer Side Mitigation (BSM) Reforms proposal, Capacity Accreditation proposal, and ICAP/UCAP Reference Price Translation proposal of the NYISO's CMR filing, subject to a 30-day compliance filing and one-time informational filing within 90 days of completion of Phase 2 of the Improving Capacity Accreditation project**
  - The effective date of the Order was May 11, 2022.
- **The 30-day compliance filing requires the NYISO to file conforming tariff revisions to MST 5.10 and MST 5.11, replacing the use of "Adjusted Installed Capacity" with "Installed Capacity" in the ICAP to UCAP requirement translation calculations**
  - These tariff revisions were identified in the 03/16/22 Capacity Accreditation presentation to the ICAPWG and in the NYISO's 04/18/22 Answer to filed comments on the CMR filing
- **The order also directs the NYISO to submit a one-time information filing on the final Capacity Accreditation implementation details within 90 days of the completion of Phase 2**
- **The effective date of the approved tariff revisions is May 11<sup>th</sup>, 2022**

# Implications for BSM

# Implications of CMR Order on BSM Evaluations

- **In Class Year 2021 there are 13 Energy Storage projects and 3 Solar projects located in Mitigation Capacity Zones (i.e., Zone G-J and J) that are now excluded from BSM because they are technologies explicitly listed in the definition of Excluded Facilities in Section 23.2 of the Services Tariff**
  - The remaining projects located in Mitigated Capacity Zones are not automatically excluded because they are not technologies explicitly listed in the definition
  - However, there is a transition window\* where the remaining projects could submit certifications to the NYISO with a request to be considered an Excluded Facility under the criteria specified in (i), (ii) and/or (iii) of the Excluded Facilities definition
  - The NYISO will post on its website a list of each Examined Facility that it determines to be Excluded Facilities
- **The NYISO will discontinue Buyer-Side Mitigation evaluations for any newly enrolled SCRs and remove any Offer Floors for existing SCRs (starting with the June 2022 spot auction); and**
- **Offer Floors will no longer apply to prior Class Year Examined Facilities that received an Offer Floor determination but now meet all the eligibility requirements of an Excluded Facility**

*\* The transition window is 21 calendar days from the May 11, 2022 effective date*

# Capacity Accreditation Phase 2 Tasks

# Phase 2 Tasks

## ■ Ongoing Tasks:

- Determine the final modeling characteristics of the representative units of the Capacity Accreditation Resource Classes
- Review and recommend the technique for calculating Capacity Accreditation Factors and establish implementation procedures
- Determine the annual process for establishing Capacity Accreditation Resource Classes
- Finalize adjustments to resource specific derating factors for affected participation models



# Phase 2 Task (cont.)

## ■ Upcoming Tasks:

- Review and recommend a methodology to annually assess the Peak Load Window
- Conduct sensitivity analyses to calculate Capacity Accreditation Factors under possible future system conditions
- Conduct Consumer Impact Analysis with preliminary Capacity Accreditation Factors
- Finalize documentation of all implementation details in the ICAP Manual and Market Services Tariff, if necessary

# Next Steps

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## ■ May 24, 2022 ICAPWG

- Review redlines of MST 5.10 and 5.11 sheets that will be filed with the FERC by June 9, 2022 to comply with the recent order
- Discuss Capacity Accreditation Resource Class list updates and process for annual update of Capacity Accreditation Resource Classes
- Review Duration Limited Resource and Large Hydro Capacity Accreditation Factor data from GE

# Questions?

# Our 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