




Installed Capacity (ICAP) Market

The **Installed Capacity Market** facilitates the sale and purchase of capacity between ICAP suppliers and Load Serving Entities (LSEs). The purpose of the NYISO ICAP Market is to ensure resource adequacy (*i.e. supply is sufficient to meet load while adhering to reliability standards*).

How much do we need?

Components used to determine the amount of installed capacity required for NYCA as well as locational requirements:

Forecasted Peak Load (FPL)	Installed Reserve Margin (IRM)	Locational Translation Factor
 <p>Based on last year's NYCA Peak Load adjusted for: load reductions (DR resources), changes in load growth, and weather</p>	 <p>Reliability requirement to ensure resource adequacy; planned buffer to account for equipment outages and line limitations</p>	 <p>Percentage of average energy supplier unavailability based on performance and unavailability</p>





How much do we have?

Capacity suppliers must provide data to demonstrate their capability to produce a certain number of MW, otherwise known as their **Resource Capability**. Resource Capability is determined by one of the following (*depending on type of unit*):

Resource Nameplate	DMNC/DMGC Test	Performance Test	Actual Production Data
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How much can be sold?

The maximum amount of unforced capacity a supplier can sell is based on the following:

 <p>Maximum Demonstrated Output <i>i.e. Supplier's proven capacity</i></p>	 <p>Deliverability Limit <i>i.e. Amount of supplier MWs that can actually be delivered to the grid</i></p>	 <p>Capacity Accreditation Factor <i>i.e. Reflects reliability contribution of resource's to NYSRC resource adequacy</i></p>	 <p>Historic Performance/Availability <i>i.e. Unplanned resource unavailability</i></p>
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How much must be procured?

The minimum amount of unforced capacity Load Serving Entities must procure is determined using the following components specific to their individual load:

- Contribution to NYCA Forecasted Peak Load
- Installed Reserve Margin
- Locational Capacity Requirements (*if applicable*)
- Changes in Transmission Capability
- Derating Factor

