

# FERC Order 881 Ambient Adjusted Line Ratings Compliance Filing

---

Leila Nayar

Associate Market Design Specialist

**ICAP/MIWG**

June 1<sup>st</sup>, 2023

# Agenda

- Background
- NYISO's 7/12/2022 Filing
- FERC's 4/20/2023 Order on NYISO Filing
- Tariff Changes
- Next Steps

# Background

- **FERC Order No. 881 was issued on 12/16/2021, revising the *pro forma* OATT and the Commission's regulations under the Federal Power Act to improve accuracy and transparency of electric transmission line ratings.**
- **Among other requirements, the Order specifically requires:**
  - Public utility transmission providers to implement Ambient-Adjusted Ratings (AARs) on the lines over which they provide transmission service,
  - Transmission owners to share transmission line ratings and methodologies with their respective transmission providers and ISOs/RTOs, and
  - Public utility transmission providers to maintain a database of transmission owners' transmission line ratings and methodologies.

# NYISO's 7/12/2022 Compliance Filing

- **NYISO's Proposed Attachment GG to the NYISO OATT:**
  - Generally follows the *pro forma* Attachment M, but includes modifications necessary to conform with the NYISO's existing, Commission-accepted OATT provisions
- **Variations from *pro forma* attachment M**
  - Independent Entity Variation with Respect to Terminology Used in the NYISO's Proposed OATT Revisions: "Transmission Facility Rating", "Transmission Provider", Terms related to Emergency Ratings
  - Proposal-Specific Variations: Exception for Near-Term Transmission Service
- **Modifications to NYISO's DAM Congestion settlements**
  - NYISO proposed changes to its current DAM congestion settlement procedures to quantify the impacts resulting from circumstances when AAR limits employed in the DAM differ from the rating limits assumed in TCC auctions

# FERC's 4/20/2023 Order

- **FERC accepted in part and rejected in part NYISO's compliance filing.**
  - FERC determined that the proposed DAM Congestion settlement enhancements were outside the scope of the required compliance for Order 881 and could instead be pursued through a separate Section 205 filing
    - FERC declined to make any substantive determination regarding these proposed enhancements
- **NYISO filing only partially complies with seasonal line ratings requirements, as it does not define seasons to include no fewer than four seasons per year.**
- **NYISO filing only partially complies with information sharing requirements, as it assigns responsibility for responding to requests for TFRs and methodologies to TOs rather than itself.**
- **NYISO did not comply with the directive to explain the timeline by which AARs will be calculated or submitted.**

# Tariff Changes – Attachment GG

- **Section 39.1.2:** Revise definition of Seasonal Facility Rating to specify that seasons are determined by the ISO and TO to include not fewer than four, and that seasons will reasonably reflect portions of the year where expected high temperatures are relatively consistent
- **Section 39.2.2:** Revisions specify that NYISO, not the Transmission Owners, is responsible for responding to requests for the following information:
  - Transmission Facility Ratings for each period for which Transmission Facility Ratings are calculated and provided to the ISO, including any updated Transmission Facility Ratings that are calculated and provided to the ISO, and
  - Written methodologies used by the Transmission Owners to calculate Transmission Facility Ratings
- **Tariff redlines are posted with today's meeting materials**

# Next Steps

- **NYISO will submit:**
  - A compliance filing by 6/20/2024 with revisions to Attachment GG, and
  - A compliance filing by 11/12/2024 providing explanation on AAR timelines
- **NYISO intends to commence discussions with stakeholders within the next few months to seek approval through the normal share governance process to proceed with the previously discussed DAM Congestion settlement enhancements that FERC determined were beyond the scope of the required compliance with Order 881 .**
  - The NYISO previously reviewed the proposed DAM Congestion settlement enhancements and associated tariff revisions at the 6/16/2022 ICAPWG/MIWG meeting.

# 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