

# Internal Controllable Lines: Proposed Energy Market Tariff Revisions

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# Agenda

- **Project Review**
- **Draft Tariff Revisions**
  - Definitions
  - Bidding Requirements
  - Settlements
- **Next Steps**

# Project Review

# Project Review

- NYSERDA's Tier 4 REC initiative has driven the prioritization of this project to develop market participation rules for ICL
- The 2022 project reached Market Design Concept Proposed (MDCP)
  - [ICL MDCP Presentation](#)
- The 2023 project milestone is Market Design Complete (MDC)
  - Today's presentation summarizes partial draft energy market-related Tariff revisions
    - Draft Tariff defined term redlines and an incomplete version of proposed MST Section 32 are posted with today's meeting materials
  - Additional Tariff sections to be presented at future MIWGs

# Draft Tariff Revisions

# Summary of Draft Definition Revisions

- **Definitions updated or added to incorporate ICL**
  - MST 2.2: Base Point Signals, Bilateral Transactions
  - MST 2.3: Compensable Overgeneration
  - MST 2.4: Dispatchable
  - MST 2.9: Installed Capacity Supplier, Internal Controllable Line, ISO-Committed Flexible

# Summary of Draft Definition Revisions (continued)

- **Definitions updated or added to incorporate ICL**
  - MST 2.12: Lower Operating Limit
  - MST 2.13: Marginal Losses, Minimum Generation
  - MST 2.14: Normal Upper Operating Limit
  - MST 2.15: Out-of-Merit
  - MST 2.19: Start-Up Period, Start-Up Bid, Supplier

# MST Section 32, Attachment Q

- **ICL will be implemented as a hybrid of transmission and a Supplier. NYISO proposes to include many of the ICL Energy Market participation and settlement rules in an ICL-specific Attachment to the MST**
- **MST Section 32 defines items specific to ICLs**
  - Today's presentation summarizes operating parameters, bidding requirements and market settlement rules



# MST 32 Bidding Requirements

- An ICL is required to submit Bids to transmit Energy in the Day-Ahead and Real-Time Markets whenever it expects to be available
- ICL are required to offer all of their available capability using the ISO-Committed flexible Bid mode.
- ICL Bids may not require a minimum quantity of MW to be scheduled or dispatched

# MST 32 Settlements

## ■ Day-Ahead Market

- Each ICL that bids into the DAM will be settled at the product of the hourly MWs scheduled to be delivered at the injection bus and the hourly LBMP at the injection bus, minus the product of the hourly MWs scheduled to be withdrawn at the withdrawal bus, multiplied by a loss factor, and the hourly LBMP at the withdrawal bus

## ■ Real-Time Market

- In the Real-Time Market ICLs will be charged for their actual Energy withdrawals, and paid for their actual Energy deliveries in accordance with the equation in draft MST 32 (included with today's materials)

# Next Steps

# Next Steps

- **Return to future ICAPWG/MIWG meetings to continue discussions with stakeholders, including:**
  - Settlement for Deviations from ISO schedule/dispatch, BPCG and DAMAP
  - Obligations
  - Data posting
  - TCC modeling
  - Mitigation
- **Q4 Market Design Complete**

# 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