

# Spring 2019 Centralized TCC Auction Survey and Discussion

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# Overview

- **The NYISO conducted a poll of current TCC Market Participants (MPs) to solicit information about the demand for TCCs of various durations in future auctions as well as the desired structure of the Spring 2019 Centralized TCC Auction**
  - One survey response accepted per MP
  - Responses were due on November 28, 2018
  - 13 MPs responded
  - Responses for the Spring 2019 Centralized TCC Auction were limited to six-month, one-year, and two-year TCCs

# Spring 2019 Non-Historic Fixed Price TCC (NHFPTCC) Offering

- The NYISO provided a notice on November 12, 2018 informing Load Serving Entities (LSEs) that the NHFPTCC product would be made available for purchase concurrent with the upcoming Spring 2019 Centralized TCC Auction
- This notice established a December 7, 2018 deadline by which the NYISO must have received “Notice of Intent to Purchase and Certification” documentation from each LSE interested in purchasing NHFPTCCs during the upcoming offering
- No “Notice of Intent to Purchase and Certification” documents were received by this deadline and therefore an allocation of NHFPTCCs will not be held concurrent with the upcoming Spring 2019 Centralized TCC Auction
- Please note that the Spring 2019 Centralized TCC Auction survey was formulated assuming that NHFPTCCs would be made available concurrent with this auction

# Survey Results – Spring 2019

## Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration												Average	Median
Six-Month	64%	52%	45%	45%	40%	37%	35%	35%	35%	32.5%	30%	30%	39.3%	35%
One-Year	2.5%	15%	21.5%	20%	25%	25.5%	27%	25%	22.5%	24%	30%	25%	22.2%	25%
Two-Year	1%	0.5%	1%	2.5%	2.5%	5%	5.5%	7.5%	10%	11%	7.5%	12.5%	6.1%	5.5%
# of MP Responses	1	1	1	1	1	1	1	1	1	1	1	2		

The numbers above do not include the 2.5% of system capacity that was previously expected to be made available as NHFPTCCs in conjunction with the Spring 2019 Centralized TCC Auction nor the system capacity that was sold in the Spring 2018 Centralized TCC Auction as two-year TCCs (5%) and in the Autumn 2018 Centralized TCC Auction as one-year TCCs (25%).

# Survey Results – Spring 2019

## Total Rounds per Duration

Duration	Total Number of Rounds per Duration							Average	Median
Six-Month	3	4	3	4	3	4	4	3.5	4
One-Year	2	2	2	3	3	3	3	2.5	2
Two-Year	1	1	2	1	2	2	3	1.5	1
Total Rounds	6	7	7	8	8	9	10	7.5	7
# of MP Responses	2	3	2	2	2	1	1		

# Survey Results – Future Auctions

## Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration												
	90%	66.7%	84%	60%	57%	50%	50%	50%	45%	40%	50%	45%	50%
Six-Month	90%	66.7%	84%	60%	57%	50%	50%	50%	45%	40%	50%	45%	50%
One-Year	10%	33.3%	15.5%	30%	38%	45%	40%	30%	45%	40%	35%	35%	20%
Two-Year			0.5%	10%	5%	5%	10%	20%	10%	20%	10%	15%	20%
Three-Year											5%	5%	5%
Four-Year													2.5%
Five-Year													2.5%
# of MP Responses	1	1	1	1	1	1	1	1	1	1	1	1	1

# Survey Results – Future Auctions

## Total Rounds per Duration

Duration	Total Number of Rounds per Duration											
Six-Month	3	4	3	4	4	3	4	5	3	4	3	
One-Year	2	2	2	3	2	3	3	3	3	3	2	
Two-Year			2	1	2	2	2	2	2	2	2	
Three-Year									1	1	1	
Four-Year											1	
Five-Year											1	
Total Rounds	5	6	7	8	8	8	9	10	9	10	10	
# of MP Responses	1	1	1	2	1	1	2	1	1	1	1	

# Survey Comments

- Desire for the NYISO to offer On-Peak and Off-Peak TCCs (two responses)
- Desire to reserve some of the system capacity (10%) for the Balance-of-Period Auctions
- Desire to see a reduction in the time delay between the closing of the bidding window and the posting of results to below 5 days, while keeping the submittal period at 2 business days
- Desire for the bidding window of Centralized TCC Auctions to be Friday through Tuesday while maintaining the Thursday posting date for results
- Prefer to keep the number of rounds to at least 7 for market liquidity purposes



# Spring 2019 Auction Proposal

## 8 Auction Rounds

- **The NYISO would offer:**
  - 5% of system capacity as two-year TCCs in a single auction round
  - 20% of system capacity as one-year TCCs across three auction rounds
  - 45% of system capacity as six-month TCCs across four auction rounds
- **The remaining 30% of system capacity was sold as two-year TCCs in the Spring 2018 Centralized TCC Auction and as one-year TCCs in the Autumn 2018 Centralized TCC Auction**

# Proposed Schedule

Week	Round
February 8 – 14	Round 1 (Two-Year)
February 15 – 22	March 2019 Balance-of-Period
February 22 – 28	Round 2 (One-Year)
March 1 – 7	Round 3 (One-Year)
March 8 – 14	Round 4 (One-Year)
March 15 – 21	Round 5 (Six-Month) & April 2019 Balance-of-Period
March 22 – 28	Round 6 (Six-Month)
March 29 – April 4	Round 7 (Six-Month)
April 5 – 11	Round 8 (Six-Month)
April 12 – 24	May 2019 Balance-of-Period

# Auction Proposal – Considerations

- Unanimous agreement by the Transmission Owners is required for the NYISO to conduct fewer than four rounds in any Sub-Auction
- 6 respondents (46.2%) expressed interest in conducting fewer than four six-month rounds in the Spring 2019 auction
- All 13 respondents (100%) expressed interest in conducting fewer than four one-year rounds in the Spring 2019 auction

# Next Steps

- Receive and consider Market Participant comments resulting from this meeting
- Confer with the Transmission Owners concerning proposed auction plans with fewer than four rounds per Sub-Auction

# Questions/Feedback?

- Email additional feedback to: [deckels@nyiso.com](mailto:deckels@nyiso.com)

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- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policy makers, stakeholders and investors in the power system



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