

Spring 2024 Centralized TCC Auction Survey and Discussion

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PRINCIPAL, TCC MARKET OPERATIONS

ICAPWG/MIWG/PRLWG:

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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 2024 Centralized TCC Auction**
 - Responses for the Spring 2024 Centralized TCC Auction were limited to six-month, one-year, and two-year TCCs
 - One survey response accepted per MP and 12 MPs responded
 - An additional MP responded but did not complete the survey form. That MP indicated that they did not desire to see a change to the capacity being offered for sale for each TCC product or the frequency of each TCC product offering.

Survey Results – Spring 2024

Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration								Average	Median
Two-Year			2%	5%	5%	10%		10%	4.7%	5%
One-Year	20%	23%	20%	10%	30%	25%		10%	22.8%	24%
Six-Month	50%	47%	48%	55%	35%	35%	70%	10%	42.5%	41%
# of MP Responses	2	1	1	1	2	3	1	1		

- The invalid responses in red are excluded from the Average and Median values
- The numbers above do not include the system capacity that was sold in the Spring 2023 Centralized TCC Auction as two-year TCCs (5%), the Autumn 2023 Centralized TCC Auction as one-year TCCs effective starting November 1, 2023 (20%) and as one-year TCCs effective starting May 1, 2024 (5%)

Survey Results – Spring 2024

Total Rounds per Duration

Duration	Total Number of Rounds per Duration								Average	Median
Two-Year				1	1	2	1		0.9	1
One-Year	2	2	3	2	3	2	4		2.6	3
Six-Month	3	4	4	2	4	4	4	4	3.7	4
Total Rounds	5	6	7	5	8	8	9	4	7.3	8
# of MP Responses	1	1	1	1	4	2	1	1		

- The invalid response in red is excluded from the Average and Median values

Survey Results – Future Auctions

Capacity per Duration and Frequency of Product Offering

Duration	Desired Percentage of System Capacity To Be Made Available by Product (duration) Each Time It Is Offered and Desired Frequency of Product Offering												
Five-Year													5% once a year
Four-Year													5% once a year
Three-Year													5% once a year
Two-Year					5% once every 2 years	5% once a year	2.5% once a year	10% once a year	8% once a year	2.5% once a year	10% once a year		5% once a year
One-Year		20%	22.5%	25%	10%	20%	25%	20%	24%	30%	25%		10%
Six-Month	100%	60%	55%	50%	75%	50%	45%	40%	36%	35%	30%		10%
# of MP Responses	1	1	1	1	1	1	1	1	1	1	1	1	1

- One-year and six-month TCCs must be offered in each Centralized TCC Auction

Survey Results – Future Auctions

Capacity per Duration

Duration	Total System Capacity at Any Point in Time Associated with Each Product (duration)												
Five-Year													25%
Four-Year													20%
Three-Year													15%
Two-Year					5%	10%	5%	20%	16%	5%	20%		10%
One-Year		40%	45%	50%	20%	40%	50%	40%	48%	60%	50%		20%
Six-Month	100%	60%	55%	50%	75%	50%	45%	40%	36%	35%	30%		10%
# 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 Product (duration) Each Time It Is Offered									
Five-Year										1
Four-Year										1
Three-Year										1
Two-Year					1	1	2	2	1	2
One-Year		2	2	3	2	3	3	2	4	2
Six-Month	4	3	4	4	2	4	3	4	4	4
# of MP Responses	1	1	1	1	1	3	1	1	1	1

Survey Comments

- Desire for the NYISO to offer on-peak and off-peak TCCs
- Desire for a percentage of available system capacity to be reserved from the Centralized TCC Auctions for release in 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 to increase the submittal period beyond 2 business days
- Desire to discontinue offering two-year TCCs and repurpose such capacity to support the sale of one-year and six-month TCC products
- Desire for the NYISO to not implement the 3, 4, and 5-year TCC products

Spring 2024 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 2023 Centralized TCC Auction and as one-year TCCs in the Autumn 2023 Centralized TCC Auction**

Proposed Schedule

Week	Round
February 16 – 23	Round 1 (Two-Year TCCs)
February 24 – 29	Round 2 (One-Year TCCs)
March 1 – 7	Round 3 (One-Year TCCs)
March 8 – 14	Round 4 (One-Year TCCs)
March 15 – 21	Round 5 (Six-Month TCCs)
March 15 – 22	April 2024 Balance-of-Period
March 22 – 28	Round 6 (Six-Month TCCs)
March 29 – April 4	Round 7 (Six-Month TCCs)
April 5 – 11	Round 8 (Six-Month TCCs)
April 12 – 24	May 2024 Balance-of-Period

Auction Proposal – Considerations

- Unanimous agreement by the Transmission Owners that are subject to Attachment N of the OATT is required for the NYISO to conduct fewer than four rounds in any Sub-Auction
- 10 respondents (91% of valid submissions) expressed interest in conducting fewer than four one-year rounds in the Spring 2024 Centralized TCC Auction
- 2 respondents (17%) expressed interest in conducting fewer than four six-month rounds in the Spring 2024 Centralized TCC Auction

Next Steps

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

Questions/Feedback?

- Email additional feedback to: deckels@nyiso.com

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