
NYISO Business Issues Committee Meeting
Minutes
April 10, 2024
10:00 a.m. – 10:35 a.m.

1. Introductions, Meeting Objectives, and Chair's Report

The Chair of the Business Issues Committee (BIC), Mr. Scott Leuthauser (HQUS), called the meeting to order at 10:00 a.m. The members of BIC identified themselves and attendance was recorded. A quorum was determined.

2. Draft Meeting Minutes: March 13, 2024

There were no questions or comments regarding the draft minutes from the March 13, 2024 BIC meeting included as part of the meeting material.

Motion #1:

Motion to approve the minutes from the March 13, 2024 BIC meeting.

Motion passed unanimously.

3. Market Operations Report

Mr. Rana Mukerji (NYISO) stated that the market performance highlights were not yet available for review. The Market Operations Report will be posted as part of the meeting material once available.

4. 2025-2029 ICAP Demand Curve Reset: Real-Time Energy Prices for Net EAS Revenue Estimates

Mr. Zach T. Smith (NYISO) reviewed the presentation included with the meeting material.

Mr. Adam Evans (NYDPS) requested clarification regarding the rationale for removing the previously discussed real-time Energy "adder" component from the proposal. Mr. Smith clarified that the proposal to remove the previously discussed real-time Energy "adder" concept reflects that, based on the independent consultant's efforts to date, the development of a model that utilizes 5-minute real-time pricing for the 2025-2029 Installed Capacity Demand Curve reset appears feasible and implementable if such real-time pricing were ultimately recommended for adoption as part of the ongoing reset.

Ms. Doreen Saia (Greenberg Traurig) sought confirmation that the independent consultant plans to continue discussion of the 5-minute net Energy and Ancillary Services (EAS) model for storage at the upcoming Installed Capacity Working Group (ICAPWG) meeting on April 17, 2024 and provide further information in response to stakeholder feedback regarding the operation and logic of such model. Mr. Smith stated that independent consultant will present at the April 17, 2024 ICAPWG meeting and as part of such presentation will continue discussions related to the 5-minute net EAS model.

Ms. Saia asked whether the independent consultant will provide results for both hourly and 5-minute real-time pricing options as part of the ongoing reset. Mr. Smith stated that the independent consultant will provide results for both the hourly and 5-minute real-time pricing options as part of the ongoing reset noting that the independent consultant anticipates discussing certain preliminary results as part of its presentation at the April 17, 2024 ICAPWG meeting.

Mr. Marc Montalvo (UIU) asked for clarification regarding the process for finalizing the draft tariff revisions to implement the proposal prior to seeking approval of the proposal at the Management Committee (MC). Mr. Smith stated that the requested stakeholder action at today's BIC meeting does

not include any endorsement of tariff revisions. Mr. Smith further noted that the NYISO currently plans to discuss the associated tariff revisions and certain supplemental clarifying edits in response to stakeholder feedback at the April 17, 2024 ICAPWG meeting.

Mr. Dmitry Kiselev (Con Edison) provided the following statement for inclusion in the meeting minutes:

“Con Edison and Orange and Rockland Utilities support the proposal to incorporate 5-minute Real Time Dispatch prices in the EAS model as an important and necessary change to account for the evolution of resources participating in the NYISO market. However, we would like to express our disappointment that the earlier discussed part of the proposal to include a revenue adder for the hourly model was dropped. This would have provided valuable flexibility to be used in case the implementation of the sub-hourly model becomes infeasible in time for the current demand curve reset. This dropped provision would have provided a reasonable transition mechanism to account for these important attributes and ensure that the capacity market prices ultimately charged to customers are just and reasonable.”

Ms. Amanda Trinsey (Couch White) and Mr. Evans noted support for the concerns expressed by Con Edison regarding removal of the previously discussed real-time Energy "adder" component from the proposal noting that such "adder" provided beneficial optionality. Ms. Trinsey and Mr. Evans acknowledged, however, their willingness to support the revised proposal without such "adder" component in the interest of reducing opposition to the proposal while retaining the capability to recommend the use 5-minute real-time prices for determining net EAS revenues.

Mr. Montalvo requested clarification regarding the scope of approval being sought at today's BIC meeting. Mr. Garrett Bissell (NYISO) clarified that, as described in the presentation, stakeholder approval of the proposal does not include any endorsement of draft tariff revisions associated therewith. Mr. Bissell stated that the NYISO will continue to collaborate with stakeholders in an effort to finalize tariff revisions that will be included as part of the stakeholder approval sought at the MC.

Mr. Chris Hall (NYSERDA) expressed appreciation for the NYISO's efforts to collaborate with stakeholders on the development of the proposal.

Motion #2:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee (“MC”) approve enhancements to the real-time price options that can be considered when estimating the net Energy and Ancillary Services revenues for a peaking plant in connection with the establishment of the ICAP Demand Curves, as more fully described in the presentation titled “2025-2029 ICAP Demand Curve Reset: Real-Time Energy Prices for Net EAS Revenue Estimates” made to the BIC on April 10, 2024.

Motion passed unanimously.

5. Working Group Updates

Billing, Accounting, and Credit Working Group: The group met on March 22, 2024 and reviewed: (1) the standard accounting/settlement reports; (2) an overview of the planned replacement of the current settlement data exchange system; and (3) an overview new Advanced Programming Interface applications to be deployed in 2024.

Electric System Planning Working Group: The group has met three times since the last BIC meeting, including two joint meetings with LFTF. On March 21, 2024, the group met and reviewed: (1) an update regarding the process associated with the New York City Public Policy Transmission Need; and (2) an update regarding the 2023-2042 System & Resource Outlook study. The group met on April 1, 2024 and reviewed

an update regarding the NYISO's compliance plan in response to FERC Order No. 2023 addressing interconnection processes and procedures. The group also met on April 4, 2024 and reviewed an update regarding the 2023-2042 System & Resource Outlook study.

Installed Capacity Working Group: The group has met jointly with MIWG and/or PRLWG four times since the last BIC meeting. On March 13, 2024, the group met and reviewed a proposal to permit consideration of interval real-time prices in determining net revenue estimates used in establishing the Installed Capacity Demand Curves. The group met on March 20, 2024 and reviewed: (1) proposed enhancements to the modeling of natural gas system constraints as part of determining capacity accreditation factors; (2) proposed revisions to the Day-Ahead Market bidding requirements for capacity suppliers; and (3) an overview of potential changes to the maximum and minimum temperature operating data submitted by capacity supply resources. On March 25, 2024, the group met and reviewed: (1) a presentation by Analysis Group regarding the 2025-2029 Installed Capacity Demand Curve reset process; (2) a presentation by 1898 & Co. regarding the 2025-2029 Installed Capacity Demand Curve reset process; (3) the Summer 2024 UCAP Demand Curves; and (4) an overview of considerations related to potential winter reliability risks and potential impacts thereof on the capacity market. The group also met on April 2, 2024 and reviewed: (1) a proposal to permit consideration of interval real-time prices in determining net revenue estimates used in establishing the Installed Capacity Demand Curves; (2) an overview of proposed enhancements to the Decision Support System to facilitate review of invoice and settlement data in sub-groups established by a billing organization; (3) an overview of initial considerations related to assessing the potential impacts of correlated outages on availability of capacity supply resources; and (4) proposed ICAP Manual revisions addressing the ambient weather adjustment procedures for Special Case Resources.

Load Forecasting Task Force: The group met jointly with ESPWG twice since the last BIC meeting. On March 21, 2024, the group met and reviewed: (1) assumptions regarding the impacts of electric vehicles to be used in developing the long-term forecasts for the 2024 Load & Capacity Data report; and (2) assumptions regarding building electrification to be used in developing the long-term forecasts for the 2024 Load & Capacity Data report. The group also met on April 4, 2024 and reviewed the preliminary baseline long-term forecasts to be included in the 2024 Load & Capacity Data report.

Market Issues Working Group: The group has met jointly with ICAPWG and PRLWG twice since the last BIC meeting. On March 20, 2024, the group met and reviewed a proposal for developing a dynamic reserves construct. The group also met on April 2, 2024 and reviewed: (1) an overview of proposed enhancements to the Decision Support System to facilitate review of invoice and settlement data in sub-groups established by a billing organization; and (2) a proposal to accommodate the use of unbalanced trading hubs for bilateral transactions.

Price Responsive Load Working Group: The group has met jointly with MIWG and/or ICAPWG four times since the last BIC meeting (i.e., 3/13, 3/20, 3/25 and 4/2). At each meeting, the group reviewed the agenda topics related to distributed energy resources, energy storage resources and/or the NYISO-administered demand response programs.

6. New Business

There was no new business.

The meeting adjourned at 10:35 a.m.