

NYISO Consumer Interest Liaison Weekly Summary

October 21 – October 25, 2019

Notices:

- *As a next step identified in the Fuel and Energy Security presentation on September 24th, 2019, a draft of the final Fuel Security report is [posted](#) for review. Please provide feedback to Mathew Ercoline (mercoline@nyiso.com) no later than the close of business on November 5th, 2019.*
- *On July 2 and July 3, 2019, the NYISO experienced software issues that impacted the market evaluation of transaction bids at the Neptune, Hudson Transmission Partners (HTP), and Linden VFT Scheduled Lines. Additional details of the issue were described in a ‘Notice of Potential Market Problem’ email to Market Participants sent on July 3rd, 2019. The NYISO and its Independent Market Monitor, Potomac Economics, have concluded an assessment of the potential Market Problem and determined that the reported concern did not have a material effect on the ISO-administered markets or transmission service. Therefore, it was not a Market Problem.*
- *Please note, at the request of stakeholders, the **Climate Change Phase II Study** presentation has been moved to the November 1, 2019 TPAS-ESPWG.*

Meeting Summaries:

Tuesday, October 22, 2019

Joint Installed Capacity/Market Issues/Price Responsive Load Working Group

Potential New Carbon Pricing in the NYISO Market Analysis Group’s Final Report – Opportunity for Stakeholder Feedback

Susan Tierney of The Analysis Group (AG) provided an opportunity for stakeholders to ask questions and comment on the “*Potential New Carbon Pricing in the NYISO Market*” final report. The report

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was posted on the NYISO website on October 3, 2019. Ms. Tierney began the presentation by noting that the focus of the study evolved from whether or not including the price of carbon in the NYISO energy markets would help accomplish the New York State carbon reduction policies to studying how including the price of carbon in the NYISO energy markets would help accomplish the New York State carbon reduction policies. Ms. Tierney explained that carbon pricing is one aspect of meeting the NYS policy goals and would help the State meet its goals more broadly, efficiently and effectively. Ms. Tierney led a review of the key findings of the report while stressing the efforts that will be required to meet the Climate Leadership and Community Protection Act (Act) mandates.

In response to a stakeholder question, Ms. Tierney explained that AG did not recalculate the results of the Potomac Economics and The Brattle Group's carbon price in the markets, but rather reviewed the assumptions and methodologies prior to updating the values to 2019 dollars.

Ms. Tierney also noted that the study did not attempt to place a cost of the buildout of resources required to meet the goals of the Act when asked to clarify what is included in the market costs and savings estimations.

Ms. Tierney explained how including the price of carbon in the market place will increase efficiency benefits while potentially reducing out-of-market requirements. AG estimates a 1%-3% efficiency improvement in the overall capital and operating costs of the wholesale electric system through the use of a carbon price in the electric market price compared to a wholesale power market that does not include the carbon-pricing mechanism. Applying that range of market efficiency benefits to the above-market cost analysis, AG estimates a benefit to New York consumers in the range of \$280-\$850 million NPV for a baseline scenario.¹

A table illustrating the incremental value proposition of a NYISO carbon-pricing mechanism was provided as a summary of the overall proposition.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/8817674/Analysis%20Group%20-%20Report%20on%20NYISO%20Carbon%20Pricing%20Proposal%20-%2010-22-2019_.pdf/ff12ffd0-b4ae-43b7-5cff-3f14502732dc

Class Year/Interconnection Queue Redesign

Thinh Nguyen of the NYISO continued the discussion on the Class Year process and interconnection queue redesign. Mr. Nguyen highlighted changes to the process since the October 1, 2019 discussion with stakeholders. The changes are a result of stakeholder feedback received during and after the October 1, 2019 ESPWG meeting.

Tariff language was provided and discussed with stakeholders. The NYISO will provide a final working group presentation of the Class Year and interconnection queue redesign to stakeholders at the November 1, 2019 TPAS/ICAPWG meeting prior to seeking governance approval at the November 6, 2019 BIC.

¹ Potential New Carbon Pricing in the NYISO Market, 10/22/2019 MIWG presentation, pg. 13, https://www.nyiso.com/documents/20142/8817674/Analysis%20Group%20-%20Report%20on%20NYISO%20Carbon%20Pricing%20Proposal%20-%2010-22-2019_.pdf/ff12ffd0-b4ae-43b7-5cff-3f14502732dc

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/8817674/Class%20Year%20Redesign%20102219_TPAS_I_CAPWG_Final.pdf/617a06d4-4cc8-0db4-c96c-78fa055d0a08

Wednesday, October 23, 2019

Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee Local Transmission Plan: Central Hudson

Ruby Chan of Central Hudson Gas and Electric (Central Hudson) presented the Local Transmission Plan (LTP) for the transmission district. Ms. Chan noted that the five-year load forecast for the Central Hudson transmission district was fairly flat for the period.

Ms. Chan identified 14 firm projects that Central Hudson has scheduled for the ensuing five years.

Firm projects are identified as projects that:

- *Are scheduled within the ensuing five-year period*
- *Have a budgetary cost estimate*
- *Have an estimated in service date*

Three additional projects were identified as potential projects and would be addressed in the additional five-year period (years 6 – 10).

Questions and comments can be sent to rchan@cenhud.com. To see the complete Central Hudson presentation, please go to:

<https://www.nyiso.com/documents/20142/8834637/02%20CenHud%20Local%20Transmission%20Plan2019.pdf/5c3230e0-d152-8f6e-026a-708a8700185d>

Local Transmission Plan: PSEG Long Island

Nicholas Culpepper of PSEG Long Island (PSEG LI) presented the Local Transmission Plan (LTP) for the LIPA transmission district. Mr. Culpepper stated that the overall load forecast is declining for the five-year period but there is sporadic load growth in some areas.

Two projects of interest were noted. The transmission district will be integrating 130 MW of offshore wind and two five megawatt energy storage projects in the near term. The long term outlook consists of a large interconnection queue with several offshore wind and energy storage projects anticipated.

Mr. Culpepper presented one firm project for the 100kV system and several potential projects that are under consideration.

Questions and comments can be sent to LTP-PSEGLongIsland@pseg.com. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/8834637/02%20LIPA_LTP_Presentation.pdf/3695d7b0-6d2d-000d-958f-9b6bade39879

Reliability Planning Process (RPP) Manual Updates

Laura Popa of the NYISO presented manual updates for the RPP manual. This manual update is an off cycle revision due to recent changes to the RPP process. The updates include:

1. *Revising the RNA Base Case inclusion rules to reflect additional considerations*
2. *Revising the RNA Base Case deactivation rules to reflect additional considerations*
3. *Clarifying the RNA Base Case “2nd pass” updates*
4. *Clarifying the RNA Base Case updates after the RNA is approved by the NYISO’s Board of Directors Clarifying the RNA process when non-BPTF violations are observed*

Ms. Popa detailed each of the above updates to stakeholders.

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The NYISO will provide another opportunity for stakeholder discussion of these revisions at either the November 4 or November 18, 2019 ESPWG/TPAS meetings if comments or questions following this presentation reflect a need for further clarification.

To see the complete presentation and a redline copy of the updates please go to:

<https://www.nyiso.com/espwg?meetingDate=2019-10-23>

2019 CARIS 1 Scenario Load Forecasts Details

Arvin Jaggi of the NYISO presented the methodology and assumptions for the three CARIS 1 Scenario Load Forecasts. The ‘net’ Load Forecasts were ostensibly shaped by a combination of impacts due to Energy Efficiency/Codes & Standards (EE), behind-the-meter solar (PV), Electric Vehicles (EV) and electrification of space heating via adoption of Heat Pumps (SpHtg).

With the 2019 Gold Book providing the Baseline impact forecasts:

- *The High-Load Forecast assumes accelerated adoption of EV and a 50% increase in electric heating by 2030;*
- *The Low-Load Forecast assumes attainment of the higher EE and PV targets stated in the Climate Leadership and Community Protection Act (CLCPA);*
- *The ‘70x30’ Load Forecast Scenario reflects higher impacts due to EE, PV, EV and SpHtg.*

For each of the 3 scenarios, zonal load forecasts of annual energy are based on zonal shares of impacts due to EE, PV, EV and SpHtg. A new set of initial component 8,760 annual hourly load profiles were developed for CARIS modeling to reflect the main drivers of load discussed above – *i.e.*, separate zonal profiles for SpHtg, EV, Cooling and Non-seasonal load. The energy reduction impacts of EE and PV more than offset the rise in usage due to Electrification.

To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/8834637/04%202019_CARIS_ScenarioLoadForecasts_Details.pdf/a9a4a5c2-d603-29f4-15c2-be0a91ac92e6

2019 CARIS 1 70X30 Scenario Assumptions and Calculations

Dr. Benjamin Cohen continued the conversation from the September 11 and October 4, 2019 ESPWG meetings on the development of the 70x30 Scenario for CARIS 1. The 70x30 Scenario will be developed from the 2019 CARIS 1 base case 2028 model year.

Dr. Cohen began with a review of the adjustments that would need to be addressed from the CARIS 1 2028 base case assumptions:

- Load Forecast/Shape
- Neighboring system assumptions
- Modeling Energy Storage Resources (ESR)
- NYCA Nuclear and Fossil Fleet Operations
- RE Modeling, Locations and Amounts

The NYISO will include zonal load profiles with non-uniform distribution of EE, electrification (EV and space heating), and BTM-PV.

The external control areas bordering the NYCA system will be assumed to keep pace in seeking lower emissions and increasing renewable generation.

Zonal assumptions were provided to illustrate how energy storage, land based wind and utility scale solar resources will be distributed throughout the NYCA.

There will be four sensitivity cases developed to go with the 70X30 Scenario:

- Upstate Nuclear In-Service MAPS ESR Model
- Upstate Nuclear Out-Service MAPS ESR Model
- Upstate Nuclear In-Service External ESR Dispatch Model

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- Upstate Nuclear Out-Service External ESR Dispatch Model

Comments are encouraged and can be sent to bullock@nyiso.com. To see the complete presentation, please go to:

https://www.nyiso.com/documents/20142/8834637/05%202019CARIS1_70x30Scenario.pdf/451b790f-959c-85a8-593f-11d2a34cb081

Short Term Reliability Planning Process

Keith Burrell of the NYISO presented updates to the Short-Term Reliability Process (STRP) and led a review of tariff language.

There are some changes to the generator deactivation process concerning retaining equipment on a generator site and cost appropriation included with the STRP process development. While discussing these changes with stakeholders, the NYISO agreed to take steps to increase awareness among stakeholders that these changes are included in the proposal.

To see the complete presentation please go to:

<https://www.nyiso.com/documents/20142/8834637/06%20ShortTermReliabilityPlanningProcess.pdf/022b3c31-86ce-122a-6839-12de39f57781>

FERC Filings

October 25, 2019

NYISO joint 205 filing of Amended and Restated Transmission Project Interconnection Agreement among the NYISO, National Grid, and H.Q. Energy Services (U.S.) Inc.

October 25, 2019

Executed Reliability Coordination Agreement between NYISO and Alcoa Power Generating

October 23, 2019

NYISO filing of motion to intervene and comments in response to the Silver Lake Solar petition for tariff waiver of NYISO OATT

October 21, 2019

EPC Agreement (SA No. 2476) among NYISO, Alcoa, and HQUS for a project on the Cedar Rapids transmission intertie

October 25, 2019

NYISO filing on behalf of Niagara Mohawk Power Corporation of a Large Generator Interconnection Agreement (SA 2485) between Niagara Mohawk and Black River Hydroelectric, LLC

October 24, 2019

NYISO filing on behalf of Niagara Mohawk Power Corporation of a Cost Reimbursement Agreement (SA 2486) between Niagara Mohawk and O'Brien and Gere for certain work at the Geres Lock-Matthews Ave transmission line

October 22, 2019

NYISO filing on behalf of Niagara Mohawk Power Corporation ("Niagara Mohawk") of an amended engineering and procurement agreement (SA 2471) between Niagara Mohawk and Invenergy Wind Development LLC

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FERC Orders

There were no FERC Orders to NYISO for this week.

Filings and Orders:

http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp