NYISO Consumer Interest Liaison Weekly Summary

November 4 – November 15, 2019

Notices:

- *The **monthly Generator Status Update document has been posted** on the NYISO's website. The posting is located in the Generator Status Update folder under the NY Power System Information and Outlook section at the following link: **Generator Status Update***

- *Per Section 7.04 of the ISO Agreement, **Management Committee members must advise the President of the NYISO by November 30, 2019**, in writing, of the sector in which they choose to participate for 2020. If a Party is qualified to participate in more than one sector, it shall advise the NYISO President, in writing, of the sector in which it chooses to vote.*
  Please review your organization's representation and notify Kirk Dixon of any changes or updated contact information

Meeting Summaries:

Monday, November 4, 2019

Joint Electric System Planning Working Group/Transmission Planning Advisory Subcommittee

RPP Manual Updates

Laura Popa of the NYISO presented updates to the Reliability Planning Process manual. Ms. Popa highlighted minor revisions made since the initial manual revision presentation at the October 23, 2019 ESPWG meeting. The final manual revisions will be posted for review by November 27, 2019 before stakeholders vote on the revised manual at the December 12, 2019 OC. To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/9042045/02%20RPP%20Manual.pdf/841955df-d094-8cb2-599b-0b891a82d793

2019 CARIS 1 Preliminary Solution Results

Chen Yang of the NYISO presented the preliminary results for the 2019 CARIS study solutions. The three studies identified for the 2019 CARIS 1 were; Central East, Central East-Knickerbocker and Volney Scriba. Solutions were provided for Transmission, Generation, Demand Response (DR) and Energy Efficiency (EE).
Mr. Yang explained how the MW blocks and costs were developed and applied in the study.
To see the preliminary solutions for the CARIS 1 study, please go to:
https://www.nyiso.com/documents/20142/9042045/03%202019CARIS1_Solutions1.pdf/61de1a25-8dd8-7408-0b8d-16fe58e3af91

Short-Term Reliability Process & Other Proposed Reliability Planning Process Tariff Language Changes

Keith Burrell of the NYISO provided tariff changes for the Short-Term Reliability Process (STRP). The changes are primarily the result of stakeholder feedback from prior presentations at the ESPWG/TPAS meetings. Mr. Burrell explained that the title of the presentation was changed to help notify stakeholders that there are proposed changes to the Generator Deactivation procedure included in the development of the STRP, as requested by stakeholders.
Mr. Burrell highlighted changes made to the process since the last presentation. Where appropriate, Mr. Burrell reviewed the discussion leading to changes for clarification.
Sara Keegan of the NYISO provided a review of the revised tariff sections and noted stakeholder feedback.
Additional tariff updates will be provided at the November 13, 2019 ESPWG/TPAS with an opportunity for additional comments on November 18, 2019, prior to the NYISO advancing the proposal for governance consideration. In response to a stakeholder suggestion, the NYISO is considering a presentation of the proposal in a combined ESPWG/MIWG/ICAPWG meeting to reach a wider stakeholder group. To see the complete presentation, please go to: https://www.nyiso.com/espwg

Tuesday, November 5, 2019

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

Review of GT Start-Up Performance & NYISO Auditing Process

Paul Allen of Potomac Economics (MMU) presented the results of their review of GT start-up performance and the NYISO auditing process. Mr. Allen explained the differences in analysis between NYISO and the MMU and provided a graph to illustrate the comparison.
A stakeholder asked why the analysis is performed on NYISO audits rather than actual performance data. The NYISO explained that currently it does not have actual performance data and hence the MMU has to use NYISO audits for its analysis. However, the NYISO has started the process of gathering the data on performance during a reserve pickup event. The NYISO also noted that the reserve pickup data to date reflects very good performance from suppliers. Another stakeholder asked why poor performers are allowed to stay in the market. The NYISO responded that the NYISO follows up on all poor performance audits and following an explanation, suppliers rarely fail a re-test. It was also mentioned that poor performance is often a late start by a minute or two in a ten minute audit that results in a very near miss.

Mr. Allen addressed potential enhancements to auditing:

- *More frequent audits, at least one per year for all suppliers*
- *Consider a compensation regime to reflect performance*
- *Disqualify poor performers*
- *Employ more data from reserve pick-up events in lieu of audits*
- *Increase the length of the re-test window to provide an element of surprise on re-tests*

The overall conclusion by the MMU is that performance has improved since 2017. The enhancements to the NYISO audit procedure should encourage continued improvement. To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/9062219/NYISO_MMU_GT%20Start%20Audit%20Review__forMIWG.pdf/7a7be09c-a584-8611-43b8-97a8946203b4

Constraint Specific Transmission Shortage Pricing

Kanchan Upadhyay of the NYISO provided an update to the Constraint Specific Transmission Shortage Pricing project. The NYISO is advancing this project that was initiated in April 2018 and put on hold in February 2019. The demand curve is employed for facilities assigned a non-zero Constraint Reliability Margin (CRM) value. Ms. Upadhyay led a review of the proposed six-step transmission demand curve mechanism for these facilities. An illustration of the steps was provided and discussed with stakeholders:

- *The first three steps of the curve should capture 99% of the historical cost of solving the transmission system through physical re-dispatch.*
- *The fourth step should be established at a value that facilitates appropriate tradeoffs between products/services.*
- *The value of the fifth step is intended to provide for continued pricing increases for worsening levels of shortage between steps 4 and 6.*
- *The sixth and final step on the curve is set at $4,000 per MWh.*

For internal interfaces that have a Zero Value CRM, the NYISO proposes to implement a revised, two-step transmission demand curve mechanism.
External interfaces would continue to use the current single value $4,000 per MWh shadow price capping mechanism for external interfaces.
The NYISO will continue the development of the proposal with stakeholders and present a Market Design Concept Proposal to the BIC in December 2019. In response to a stakeholder question, deployment of constraint specific transmission shortage pricing would not occur before 2022. To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/9062219/Constraint%20Specific%20Transmission%20Shortage%20Pricing%20_MIWG_Nov%205%202019.pdf/0afe3383-3a2e-7f17-d529-4c10eced7a14

Annual Update for 2020-2021 ICAP Demand Curves

Nickolas Whitney of the NYISO provided the annual update for the 2020-2021 ICAP Demand Curves. As part of the 2016 ICAP Demand Curve reset process a new annual procedure was developed to

update the ICAP Demand Curves formulaically for each of the remaining three years of the reset period.

The 2020-2021 Capability Year (CY) ICAP Demand Curves will use data from September 1, 2016 – August 31, 2019 for updating the Winter/Summer ratios (WSR) and Net EAS revenue offset, with data from September 1, 2015 – August 31, 2016 rolling off from the calculation.

Mr. Whitney updated the WSR and changes to generation since the 2019-2020 ICAP Demand Curve update. The composite escalation factor was updated to 3.67%. This is an increase from the prior year primarily due to low turbine pricing.

Mr. Whitney explained the calculation using the updated variables and provided the following Reference Prices for the 2020-2021 ICAP Demand Curve:

- **Capital (ROS) $10.65**
- **G-J $17.67**
- **NYC (J) $23.31**
- **LI (K) $17.88**

It was noted that the Long Island (Zone K) Reference Price was constrained and was set by the upper bound of the collar. To see the complete presentation, please go to:
https://www.nyiso.com/documents/20142/9062219/2020-2021%20Annual%20Update%20110519%20ICAPWG.pdf/75d4bfe1-8b6e-bfd1-d84e-0ba7bfe80f6c

Wednesday, November 6, 2019
Business Issues Committee
Motion #1:
The Business Issues Committee (BIC) hereby recommends that the Management Committee approve changes to the NYISO's Open Access Transmission Tariff and Market Administration and Control Area Services Tariff with regard to the Class Year and Interconnection Queue Redesign as presented to the BIC on November 6, 2019.
Motion passed unanimously with an abstention

Motion #2:
The Business Issues Committee (BIC) hereby recommends that the Management Committee approve changes to the NYISO's Market Administration and Control Area Services Tariff with regard to the Competitive Entry Exemption proposals as presented to the BIC on November 6, 2019.
Motion passed unanimously

Wednesday, November 6, 2019
Joint Installed Capacity/Market Issues/Price Responsive Load Working Group
NYISO 2019/2020 ICAP Demand Curve Reset Initial Modeling Assumptions
Todd Schatzki of The Analysis Group (AG) presented initial modeling assumptions for the 2019/2020 Demand Curve Reset (DCR) process. AG intends to assess the experience to date with the current net Energy and Ancillary Services (EAS) revenue approach, introduced in the 2016 ICAP DCR. Mr. Schatzki presented the approach AG will use in the review of the EAS revenues.
Mr. Schatzki led a review of previous methodology for determining which natural gas hubs are applicable to the respective zones and explained that AG will review and evaluate this process.

The approach for the peaking unit technology evaluation was discussed with stakeholders. Mr. Schatzki noted that Burns & McDonnell will evaluate and screen several technologies. The peaking unit technology discussion with stakeholders will begin in December 2020.
Several stakeholder suggestions were noted for future discussion. To see the complete AG presentation, please go to:
https://www.nyiso.com/documents/20142/9080397/AG%20DCR%20ICAPWG%2011.06.19%20Final.pdf/ea0f7cd8-5948-fdf9-7926-eb0c18aaa445

Friday, November 8, 2019
Operating Committee
Motion #1:
The Operating Committee (OC) has reviewed Con Edison's procedures for compliance with Application No. 69 of the NYSRC Rule I-R3, and hereby approves such procedures as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands.

Motion #2:
The Operating Committee ("OC") hereby approves the revisions to the System Restoration Manual as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands

Motion #3a:
The Operating Committee (OC) hereby approves the Q#766 NY Wind Holbrook System Reliability Impact Study (SRIS) scope as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands

Motion #3b:
The Operating Committee (OC) hereby approves the Q#783 South Ripley Solar System Reliability Impact Study (SRIS) scope as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands

Motion #3c:
The Operating Committee (OC) hereby approves the Q#858 Genesee Road Solar System Reliability Impact Study (SRIS) scope as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands

Motion #3d:
The Operating Committee (OC) hereby approves the Q#859 Ridge View Solar System Reliability Impact Study (SRIS) scope as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands.

Motion #3e:
The Operating Committee (OC) hereby approves the Q#887 CH Uprate System Reliability Impact Study (SRIS) scope as presented and discussed at the November 8, 2019 OC meeting.
The motion passed unanimously by show of hands

Motion #4:

The Operating Committee (OC) hereby recommends that the Management Committee approve changes to the NYISO's Open Access Transmission Tariff and Market Services Tariff with regard to the Class Year Redesign and Interconnection Queue as presented to the OC on November 8, 2019. ***The motion passed unanimously by show of hands***

Tuesday, November 12, 2019

Load Forecasting Task Force

2019 Preliminary Weather-Normalized MW for 2020 ICAP Forecast

Max Schuler of the NYISO provided the preliminary weather-normalized MW for the 2020 Installed Capacity (ICAP) forecast. Mr. Schuler detailed the process used to determine the forecast values using the Locality Peaks, Cumulative Humidity Temperature Index, economic data, and the ratio of Coincident Peaks to Non-Coincident Peaks. The NYISO will continue to refine the data to provide a Final 2019/2020 ICAP Forecast. To see the complete presentation, please go to: https://www.nyiso.com/documents/20142/9083417/2020_ICAP_V1.pdf/6d82d7c1-690b-4247-31c5-440f60e5a1d5

Document Posting

As requested by stakeholders, the economic data from the 2019 Moody's Analytics Economic Outlook has been posted with the November 12, 2019 LFTF meeting materials.

Wednesday, November 13, 2019

Joint Electric System Planning/ Market Issue Working Group/Transmission Planning Advisory Subcommittee

Short-Term Reliability Process & Other Proposed Reliability Planning Process Tariff Language Changes

Keith Burrell of the NYISO led a review of the Short-Term Reliability Process proposal. Updates to the tariff language were presented and discussed with stakeholders. Some minor changes to the language were suggested by stakeholders for NYISO consideration. To see the complete presentation and the associated redline tariff language, please go to: https://www.nyiso.com/documents/20142/9082392/02%20STRP%20and%20Other%20Revisions.pdf/05f538db-8aae-b896-4b06-ef380f78a461

Short-Term Reliability Process Proposed Revisions to Generator Registration Requirements

Keith Burrell of the NYISO updated the Short-Term Reliability Process proposal. The purpose of this presentation was to discuss proposed changes to the generator registration requirements. For the purposes of maintaining the reliability of the system, the NYISO is proposing to expand the Generator deactivation rules to apply to non-Market Participants that possess ultimate authority to decide whether/when to deactivate a Generator. Mr. Burrell noted stakeholder comments for NYISO consideration. To see the complete proposal as presented, please go to: https://www.nyiso.com/documents/20142/9082392/03%20STRP%20Proposed%20Rev%20to%20Gen%20Registration%20Req.pdf/c13b50c4-cbb6-2c52-0b8d-93466fe47ac5

FERC Filings

November 11, 2019

NYISO filing notifying FERC of an "Emergency State" condition in the NYCA on November 7, 2019 at 00:04

November 14, 2019
NYISO filing on behalf of New York State Electric & Gas Corporation of an Engineering Fees Reimbursement Agreement (SA 2492) between NYSEG and Greenidge Generation LLC

November 8, 2019
NYISO filing on behalf of Consolidated Edison Company of a Notice of Termination of the PARS Facilities Agreement

FERC Orders

November 7, 2019
FERC letter order accepted the amended and Restated Transmission Facility Interconnection Agreement (Mainesburg Substation) Interconnection Agreement No. 2232 among NYISO, NYSEG, and TrAILCo

November 7, 2019
FERC order accepting an executed Amended and Restated Transmission Facility Interconnection Agreement (Agreement No. 2257) between and among NYSEG, TrAILCo, and NYISO

November 5, 2019
FERC order accepted amended and restated interconnection agreement between Rochester Gas and Electric Corporation and RED-Rochester, LLC

Filings and Orders:

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