

## NYISO Consumer Interest Liaison Weekly Summary

**October 28 – November 1, 2019**

### **Notices:**

- *The Cayuga 1 Generator Deactivation Assessment has been posted to the following link: [Generator Deactivation Assessment](#)*
- *Please use the link below to access the NYISO's stakeholder summary for the upcoming week. [NYISO Stakeholder Summary](#)*
- *The NYISO has received a request from a stakeholder to **extend the comment period for Analysis Group's report on Fuel and Energy Security** in New York State. In response, the deadline for comments has been extended to Friday, November 8, 2019. Please send any feedback to Mathew Ercoline ([mercoline@nyiso.com](mailto:mercoline@nyiso.com)).*

### **Meeting Summaries:**

**Monday, October 28, 2019**

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

##### **2021-2025 ICAP Demand Curve Reset: Stakeholder Proposes Tariff Revision**

Ryan Patterson of the NYISO presented proposals by stakeholders for revisions to the Demand Curve Reset (DCR) process. The NYISO requested that proposals for changes to the DCR process, particularly tariff changes, be presented early in the process. One stakeholder group provided several suggestions:

- Address three specific, technical aspects of the methodology for escalating Gross CONE and Net EAS revenue values

- Modify the Gross CONE composite escalation rate methodology to account for relative changes in the weightings of the four component costs (Labor, Materials, Turbine, General/Other) over the course of the reset period
- Modify the Gross CONE escalation methodology to account for revisions in publically available cost indices selected for use
- Modify the method of escalating Net EAS revenue values
- Extend the collar mechanism to apply to the annual updates performed for the 2022-2023, 2023-2024, and 2024-2025 Capability Years (CY)

Mr. Patterson detailed the proposals and noted feedback from stakeholders.

Some stakeholders agreed that the collar mechanism should be extended due to rapid changes expected to energy suppliers in response to state policy actions. Others suggested that it is imperative to remove the collar to send accurate price signals to investors.

Mr. Patterson noted that the proposed change to escalating NET EAS revenue values would not be subject to tariff revision. The proposals to modify CONE and the collar mechanism would require tariff changes and FERC approval.

The NYISO intends to further discuss potential enhancements in response to the NYTOs' proposal (including tariff revisions relating thereto) at the ICAPWG meetings in November/December 2019. Currently, the NYISO intends to seek stakeholder approval of any proposed process enhancements at BIC and MC in December 2019/January 2020. In addition to feedback provided at the October 28, 2019 meeting, the NYISO encourages additional comments to [rpatterson@nyiso.com](mailto:rpatterson@nyiso.com). To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/8922912/2%20DCR%20Proposed%20Tariff%20Changes%20102819%20ICAPWG%20Final.pdf/ce760cf5-c7d4-16eb-f0a4-687d3f242126>

### Reserves for Resource Flexibility

Ethan Avallone of the NYISO presented the market design concept for Reserves for Resource Flexibility. This initiative includes two components: Additional reserves are proposed for returning transmission elements to Normal Transfer Criteria following a contingency (“Normal Transfer Criteria”), and Additional reserves may need to be procured as the amount of weather-dependent generation on the grid increases (“Uncertainty Analysis”).

Mr. Avallone noted the operational performance metrics that are currently monitored by the NYISO and explained that the NYISO is considering including a new chart within the Operations Performance Metrics Monthly Report to track “net forecast error.”

A stakeholder suggested that the methodology and analysis for evaluating reserves requirements should be presented for stakeholder review on an annual basis due to the rapidly evolving grid. In response to a stakeholder question, Mr. Avallone explained that the NYISO does not currently have a renewable energy level that will automatically require new reserve requirements.

A stakeholder inquired as to the possibility of a sloped reserve demand curve and the NYISO responded that a sloped curve is not a possibility at this time but the NYISO is considering additional steps to the current curve.

The NYISO will continue to monitor operational metrics to determine whether a further review of reserve requirements is warranted in the future. Governance action for this proposal is anticipated for February 2020 and there is no firm date at this time for deployment. To see the complete presentation, please go to:

[https://www.nyiso.com/documents/20142/8922912/10\\_28\\_2019\\_Reserves\\_for\\_Resource\\_Flexibility\\_MDCP\\_FINAL.pdf/e8bedc39-867b-88d6-ef5a-fe92943d48ba](https://www.nyiso.com/documents/20142/8922912/10_28_2019_Reserves_for_Resource_Flexibility_MDCP_FINAL.pdf/e8bedc39-867b-88d6-ef5a-fe92943d48ba)

#### Enhanced Fast Start Pricing

Michael DeSocio of the NYISO reviewed the proposal to enhance fast-start pricing. Mr. DeSocio reminded stakeholders of the FERC requirement and noted that the compliance filing will likely be submitted to FERC ahead of the December 31, 2019 deadline.

The final proposal incorporates suggestions provided to the NYISO by the NY Transmission Owners. Mr. DeSocio noted that a write-up on the NYTO proposal is included with the meeting materials for today's meeting.

Mr. DeSocio provided tariff language for stakeholder review and noted that any additional revisions to the proposal would be addressed in a November MIWG prior to December governance activity. To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/8922912/4%2020191028%20NYISO%20-%20Enhanced%20Fast%20Start%20Pricing%20MIWG%20vFinal.pdf/ef026101-6b7e-c6ec-a2ac-9f90213a4375>

#### Enabling Technologies for DER Study Review

Harris Eisenhardt of the NYISO presented the development of an alternative communication framework to enhance the participation of Distributed Energy Resources (DER). The NYISO investigated whether alternatives to existing telemetry communication requirements may improve the efficiency of establishing required secure connections and reduce costs.

Mr. Eisenhardt explained the three high level components of a telemetry communication framework: Data, protocol, and pathway. Mr. Eisenhardt described the Multi-Protocol Label Switching (MPLS) technology the NYISO currently uses as the pathway for communications, and explained the necessary telemetry performance requirements. The protocol currently used over the MPLS is the Inter-Control Center Communications Protocol (ICCP). The NYISO evaluated additional protocols and public internet-based alternatives to the existing telemetry framework (ICCP over MPLS) and determined that a Software-Defined Wide Area Network (SD-WAN) appears to be a viable alternative telemetry communication solution. A viable protocol alternative to ICCP is Distributed Network Protocol Version 3 (DNP-3). Under the proposed DER Participation Model, Aggregators will have the option of communicating to the Distributed System Platform (DSP) and the DSP communicating the telemetry to the NYISO or setting up a parallel communication to both the DSP and the NYISO.

Following a failure mode analysis, the NYISO proposes a series of redundancy requirements. An Aggregation up to 100 MW can transmit through either an SD-WAN or an MPLS connection. An aggregation of 100 MW or above will be required to transmit using the ICCP over MPLS framework.

The NYISO is targeting review and identification of SD-WAN vendors by Q1 2020. To see the complete presentation please go to:

<https://www.nyiso.com/documents/20142/8922912/5%20Enabling%20Technologies%20for%20DER%20-%20Alternative%20Communications%20Study.pdf/631fbc18-72a8-12fa-8668-cb865c1ac185>

### More Granular Operating Reserves

Ashley Ferrer of the NYISO presented the results of reserve provider performance analysis as part of the More Granular Operating Reserves project. Reviewing the performance of resources scheduled to provide reserves is the third leg of the More Granular Operating Reserves project following the establishment of a reserve region in Zone J and evaluating load pocket reserves in New York City. Ms. Ferrer outlined the current reserve provider audit process in which the NYISO audits resources on a random basis to assess performance. The NYISO performs approximately 25 – 30 audits per Capability Period. In the event that a resource does not perform up to its stated amount of MWs, the unit is derated to the value it performs at until it passes a subsequent audit.

The NYISO evaluated the reserve performance audit data from approximately 475 reserve audits from the last five years throughout NYCA:

- *10-minute units have an average 85% pass rate*
- *30-minute units have an average 90% pass rate*

These results indicate that suppliers are able to provide reliable reserve capability when activated by the NYISO.

Based on feedback received at an April 30, 2019 reserve supplier performance presentation, the NYISO has been actively working to enhance its ongoing evaluation of reserve pickup (RPU) performance. NYISO will use the analysis of RPU performance in conjunction with reserve audits to continuously evaluate the performance of reserve providers and to assess whether to implement responsive action for addressing performance concerns. The NYISO also proposes to begin reporting the audit and RPU event performance metrics within the Operations report distributed at SOAS, at a minimum of once per Capability Period.

The following enhancements to the current reserve provider audit process are under review:

- Increasing the number of audits performed each Capability Period
- Reviewing the procedures for actions taken in response to demonstrated performance concerns, including limitations/restrictions on a resource's continued ability to provide reserves
- The NYISO also is reminding resources of the obligation to provide a written explanation that describes the reason(s) for the failure and a corrective action plan
  - This requirement applies if a resource fails an audit
  - Written explanation is required to be submitted with 5 business days after a resource receives a copy of its audit report
  - In the past, resources have often provided the required explanation via phone

Based on the above analysis, the NYISO does not recommend the development of a performance metric or other reserve payment discounting mechanism at this time.

A stakeholder suggested that without an analysis of RPU performance along with the audit performance, it is premature to determine that a performance metric or other reserve payment

---

***Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings.***

discounting mechanism is not necessary at this time. A stakeholder also noted that it would be preferable for the pending Consumer Impact Analysis to consider the separate reserve projects under development as a whole, and include the Ancillary Service Shortage Pricing project. The NYISO noted the feedback for consideration.

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/8922912/More%20Granular%20Operating%20Reserves%20-%20MIWG%2010282019.pdf/b880d28f-cdb2-e618-24f0-4bc0ccd96488>

### CEE for Additional CRIS & Repowering Tariff Revisions

Jonathan Newton of the NYISO presented incremental tariff revisions for the Competitive Entry Exemption for Additional CRIS and the repowering exemption updates.

Mr. Newton led a review of the changes and noted feedback. There could be an additional review at the November 1, 2019 TPAS/ESPWG/ICAPWG depending on the comments received, prior to bringing the proposals to the BIC and MC for governance approval. To see the clean and redline tariff language, please go to: <https://www.nyiso.com/icapwg?meetingDate=2019-10-28>

### Wednesday, October 30, 2019

#### **Management Committee**

#### **Motion #1:**

Motion to approve the draft September 25, 2019 Management Committee meeting minutes.

*The motion passed unanimously by show of hands.*

#### **Motion #2:**

The Management Committee hereby recommends that the Board of Directors approve the proposed Rate Schedule #1 Revenue Requirement for the 2020 budget year as described in the presentation materials for the October 30, 2019 Management Committee meeting, subject to the following provisions:

**Revenue Requirement** – The Revenue Requirement is \$168.0 million.

**Rate Schedule #1** – The budgeted Rate Schedule #1 is \$1.089/MWh.

**Spending Under-runs** – If a spending under-run occurs, the related funds should be utilized to pay down the principal amount of outstanding debt or reduce anticipated debt borrowings.

**Volume Over-collections** – If an over-collection on Rate Schedule #1 occurs, the related funds should be utilized to pay down the principal amount of outstanding debt or reduce anticipated debt borrowings.

*The motion passed by show of hands with an abstention.*

#### **Motion #3:**

The Management Committee (MC) hereby approves, and recommends to the NYISO Board for filing under Section 205 of the Federal Power Act, revisions to Attachment K of the Market Administration and Control Area Services Tariff as described in the presentation entitled “Proposed Changes to Enhance Credit Reporting Requirements and Remedies,” made at the October 30, 2019 MC meeting.

---

*Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings.*

*The motion passed unanimously by show of hands.*

**Motion #4:**

The Management Committee (“MC”) hereby recommend that the Board of Directors approve the revisions to Sections 6.10, 31.1, 31.4, and 31.7 of the Open Access Transmission Tariff (“OATT”), as more fully described in the presentation entitled “Cost Containment Mechanism for Public Policy Transmission Planning Process” as presented and discussed at the October 30, 2019 MC meeting.

*The motion passed by show of hands with abstentions.*

**Wednesday, October 30, 2019**

**Budget and Priorities Working Group**

**2019 Budget vs. Actual Results**

Patrick Kelly of the NYISO presented the 2019 year-to-date budget vs. actual status. Rate Schedule 1 recoveries are \$0.1M above budgeted revenues through September. Year-to-date budgeted costs vs. actual costs through September reflect an \$8.1M budget under-run. To see Ms. Hussey’s complete presentation, please go to:

[https://www.nyiso.com/documents/20142/7760206/02%20Budget\\_vs\\_Actual%20Results.pdf/47454626-992a-a162-8f55-53edfa186e40](https://www.nyiso.com/documents/20142/7760206/02%20Budget_vs_Actual%20Results.pdf/47454626-992a-a162-8f55-53edfa186e40)

**2020 Proposed Corporate Goals**

Cheryl Hussey of the NYISO updated the presentation on the NYISO Corporate Incentive Goals. Ms. Hussey highlighted the changes based upon stakeholder feedback. Other minor changes were made to improve clarity of the goal’s definition.

The Demand Curve Reset has been added as a Key Project.

To see the redline version of the proposed 2020 Corporate Incentive Goals, please go to:

<https://www.nyiso.com/bpwg?meetingDate=2019-10-30>

**2019 Project Milestones**

Michael DeSocio of the NYISO presented the status of the 2019 project schedule. The NYISO updates stakeholders periodically on the status of each project, letting stakeholders know of any changes to the schedule.

Mr. DeSocio highlighted projects that reflect a change in progress since the prior update and also projects that will be discussed in upcoming working group meetings. The projects with a change of status include:

- |  |                                 |
|--|---------------------------------|
| • <i>Finance Systems Strategic Vision Planning</i>               | <b><i>Complete</i></b>          |
| • <i>CRIS for External - ROS Transmission Investments</i>        | <b><i>Critical/Overdue</i></b>  |
| • <i>External Capacity Performance &amp; Obligations</i>         | <b><i>Complete</i></b>          |
| • <i>ICAP AMS Redesign Phase III</i>                             | <b><i>Critical/Overdue</i></b>  |
| • <i>ESR Participation Model (SOM)</i>                           | <b><i>Critical/Overdue</i></b>  |
| • <i>Automated Default Mitigation Implementation</i>             | <b><i>Complete</i></b>          |
| • <i>Constraint Specific Transmission Shortage Pricing (SOM)</i> | <b><i>Critical/Overdue</i></b>  |
| • <i>Reserve for Resource Flexibility</i>                        | <b><i>At Risk/Delayed</i></b>   |
| • <i>Application Platform Upgrade Phase – 2019</i>               | <b><i>Complete</i></b>          |
| • <i>EMS/BMS System Upgrade</i>                                  | <b><i>Critical /Overdue</i></b> |
| • <i>EMS/BMS Workstation Upgrade</i>                             | <b><i>Critical /Overdue</i></b> |

---

***Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYSIO or the discussions that take place at the meetings.***

- *PI System Upgrade*
- *Gurobi (MIP) Refresh*
- *TOA Platform Upgrade Phase III*
- *Interconnection Project Queue (or Portal) Automation*
- *Comprehensive System Planning Process Review*

*Critical /Overdue*  
*At Risk /Delayed*  
*On Schedule*  
*Complete*  
*At Risk/Delay*

Projects highlighted for upcoming or continued discussion include:

- *Enhancing Fuel and Energy Security*
- *Competitive Entry Exemption for Increased CRIS*
- *BSM Repowering*
- *Tailored Availability Metric*
- *Demand Curve Reset*
- *DER Participation Model*
- *Enabling Technologies for DER*
- *NYISO Pilot Framework*
- *Carbon Pricing*
- *More Granular Operating Reserves (SOM)*
- *Ancillary Services Shortage Pricing (SOM)*
- *Enhanced Fast Start Pricing*
- *Reserve for Resource Flexibility*
- *Comprehensive System Planning Process Review*
- *Climate Change Impact and Resilience Study*
- *Deliverability and Interconnection Process Redesign*

To see the complete presentation, please go to:

<https://www.nyiso.com/documents/20142/8948507/04%202019%20Project%20Schedule%20Milestone%20Update.pdf/ad27ecc7-24a4-2642-6678-5be78d67d962>

## **Monday, October 28, 2019**

### **Joint Installed Capacity/Market Issues Working Group/Transmission Planning Advisory Subcommittee**

#### **Climate Change Phase II Study**

Kevin DePugh of the NYISO introduced phase II of the Climate Change Study. Phase II will examine various scenarios that could potentially occur on the electric system due to climate change. The study will use an hourly, deterministic evaluation tool for the purpose of considering various potential impacts on the electric grid due to Climate Change. The study generation mix for 2040 will be based on the NYS Climate Leadership and Community Protection Act which requires 100 percent zero emission generation by 2040 (“100 x 40”).

Mr. DePugh detailed the load and generation assumptions, selection of scenarios and the events that will be highlighted, including:

- Drought
- Extreme Heat
- Storm Surge

A generic emission free category of generation will be included to represent future green resource technologies that are not currently identified.

Mr. DePugh explained that results will be reported as number of hours in which load is not served, reserve requirements are not met and SCRs are required. There will be periodic presentations to stakeholders as the study progresses for transparency and feedback.

To see the complete presentation, please go to:

[https://www.nyiso.com/documents/20142/9024774/03%20Climate Change Phase II study.pdf/f8e93ce7-1288-479e-fbac-93389cdc2309](https://www.nyiso.com/documents/20142/9024774/03%20Climate%20Change%20Phase%20II%20study.pdf/f8e93ce7-1288-479e-fbac-93389cdc2309)

#### Class Year Redesign

Thinh Nguyen of the NYISO highlighted updates to the Class Year Redesign/Interconnection Process since the October 22, 2019 working group discussion with stakeholders. Mr. Nguyen noted that this would be the last working group presentation prior to seeking governance approval of the changes. Sara Keegan of the NYISO led a review of the proposed tariff language.

The next step in this process will be a vote for approval at the November 6, 2019 BIC meeting followed with a November 8, 2019 OC vote.

To see the complete presentation, please go to:

[https://www.nyiso.com/documents/20142/9026322/04\\_Class%20Year%20Redesign%20TPAS\\_ICAP\\_WG\\_110119\\_FINAL.pdf/9dabbe72-0c5c-d23f-e026-96e7161d40e8](https://www.nyiso.com/documents/20142/9026322/04_Class%20Year%20Redesign%20TPAS_ICAP_WG_110119_FINAL.pdf/9dabbe72-0c5c-d23f-e026-96e7161d40e8)

#### Dividing Services Tariff Section 23.4.5 into Subsections

Joy Zimmerlin of the NYISO notified stakeholders of a re-formatting of Section 23.4.5.7 of the eTariff. There will be no changes made to language, content, or tariff numbering. Dividing the section into subsections will make this portion of the tariff easier to manage when revisions are required.

#### Short Term Reliability Process Tariff Updates

Keith Burrell of the NYISO presented proposed tariff changes required to implement the Short-Term Reliability Process (STRP). Mr. Burrell detailed the tariff changes contained in:

- *OATT*
  - *Section 31 (Attachment Y)*
  - *Section 6 (Rate Schedules 10 and 14)*
- *MST*
  - *Section 15 (Rate Schedule 8)*

Additional tariff language along with responses to comments received during and after this presentation will be discussed at the November 4, 2019 TPAS/ESPWG. Please send comments to [kburrell@nyiso.com](mailto:kburrell@nyiso.com). To see the complete presentation, please go to:

[https://www.nyiso.com/documents/20142/9024774/06\\_STRP%20and%20Other%20Revisions.pdf/9b205882-0e25-ba7f-ef30-d51d353e5023](https://www.nyiso.com/documents/20142/9024774/06_STRP%20and%20Other%20Revisions.pdf/9b205882-0e25-ba7f-ef30-d51d353e5023)

#### Study Scopes under Consideration for Recommendation for OC Approval

Queue #766:

NY Wind Holbrook

Offshore Wind

880 MW W/S

Suffolk County, NY

***Recommended to the OC for approval***

Queue #783:

South Ripley Solar

---

***Please note: This summary is provided for informational purposes only. It is not intended to be a substitute for the presentations and other information provided by the NYISO or the discussions that take place at the meetings.***



Solar PV  
270 MW W/S  
Chautauqua County, NY  
***Recommended to the OC for approval***

Queue #858:  
Genesee Road Solar  
Solar PV  
350 MW W/S  
Erie County, NY  
***Recommended to the OC for approval***

Queue #859:  
Ridge View Solar  
Solar PV  
350 MW W/S  
Niagara County, NY  
***Recommended to the OC for approval***

Queue #887:  
CH Uprate  
Uprate to Queue #458 HVDC Line  
250 MW W/S Additional  
Astoria, Queens County, NY  
***Recommended to the OC for approval***

Status of NYISO Studies/Activities

Ed Cano of the NYISO updated the Class year 2019 (CY19) process. The NYISO anticipates the list of projects that will be included in CY19 to be finalized in November 2019. Notice will be sent to stakeholders when finalized. The number of projects under consideration for CY19 at this time is 93 projects.

In response to a stakeholder question on process delays, Mr. Cano noted that the addition of the recently implemented Interconnection Portal and the Interconnect Frequently Asked Questions documentation will help expedite the process in the future.

Review of Material Modification Determinations and Modifications Requiring a New Interconnection Request/SIS Request

Queue #545A:  
Empire State Line Alternative Project  
Switchyard location change  
***Non-Material Modification***

Queue #546:  
Roaring Brook Wind Project  
Quantity of turbines change from 39 to 20  
***Non-Material Modification***

## **FERC Filings**

### **October 28, 2019**

IRC filing of comments in response to the NERC-FERC white paper on notices of penalty for CIP reliability standards

## **FERC Orders**

### **October 29, 2019**

FERC letter order accepting New York Transco, LLC's 05/08/2019 compliance filing of revisions to its open access transmission tariff to comply with the terms of the settlement agreement approved by the Commission. Effective April 8, 2019 as requested.

## **Filings and Orders:**

[http://www.nyiso.com/public/markets\\_operations/documents/tariffviewer/index.jsp](http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp)