New York ISO
Independent System Operator

Constraint Specific Transmission Shortage Pricing: Supplemental Manual Updates

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Agenda

- Background
- Supplemental Draft Manual Updates
- Next Steps

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Background

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Project Overview

- The Constraint Specific Transmission Shortage Pricing project introduced several enhancements to the transmission constraint pricing logic. The enhancements were implemented on November 14, 2023.
  - Six-step transmission demand curve mechanism for facilities and interfaces assigned a non-zero constraint reliability margin (CRM) value
  - Two-step transmission demand curve mechanism and assignment of non-zero CRM value for internal facilities the facilitate flows out of export-constrained areas (referred to as “Identified Facilities”)
  - Elimination of transmission constraint “relaxation” logic for facilities/interfaces that utilize a transmission demand curve mechanism
    - This logic remains applicable to external interfaces assigned a zero CRM value and subject to a single value ($4,000/MWh) shadow price cap
  - Enhancements to address the operation of transmission demand curves in assisting to resolve multiple active transmission constraints on the same facility and redundant transmission constraints on in-series and parallel facilities

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Previous Presentations

Date	Working Group	Discussion Points and Links to Materials
09-14-2023	BIC	Constraint Specific Transmission Shortage Pricing : Manual Update https://www.nyiso.com/documents/20142/39925526/5%20CSTSP%20Manual%20Updates%20-%2009142023%20BIC%20Draft.%20Final.pdf
08-24-2023	MIWG	Constraint Specific Transmission Shortage Pricing : Manual Update https://www.nyiso.com/documents/20142/39593642/5%20CSTSP%20Manual%20Updates%20-%2008242023%20MIWG.pdf
06-30-2022	MC	Constraint Specific Transmission Shortage Pricing : Multiple Active Transmission Constraints Proposal https://www.nyiso.com/documents/20142/31859086/02%20CSTSP%20MATC%20Proposal.pdf
06-22-2022	BIC	Constraint Specific Transmission Shortage Pricing : Multiple Active Transmission Constraints Proposal https://www.nyiso.com/documents/20142/31589128/4%20CSTSP%20-%20MATC%20Proposal%2006222022%20BIC.pdf
05-24-2022	ICAPWG/MIWG	Constraint Specific Transmission Shortage Pricing : Pricing Proposal for “Multiple Active Transmission Constraints” https://www.nyiso.com/documents/20142/30888946/4%20CSTSP%20-%20MATC%20Proposal%2005242022%20MIWG.pdf
05-03-2022	ICAPWG/MIWG	Constraint Specific Transmission Shortage Pricing : Multiple Active Transmission Constraints https://www.nyiso.com/documents/20142/30342744/CSTSP%20-%20MATC%20Same%20Facility%20Proposal%2005032022%20MIWG%20Draft%20v5_final%20(002).pdf
04-5-2022	ICAPWG/MIWG	Constraint Specific Transmission Shortage Pricing : Multiple Active Transmission Constraints https://www.nyiso.com/documents/20142/29688278/CSTSP%20-%20MATC%20Topology%20Proposal%2004052022%20MIWG_final.pdf
01-20-2022	ICAPWG/MIWG	Constraint Specific Transmission Shortage Pricing : Introduction on Multiple Active Transmission Constraints https://www.nyiso.com/documents/20142/27799605/20220120%20NYISO%20-%20CSTSP%20Managing%20Multiple%20Transmission%20Constraints%20vFinal.pdf

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Previous Presentations (cont.)

Date	Working Group	Discussion Points and Links to Materials
10-27-2021	MC	Constraint Specific Transmission Shortage Pricing: Market Design Proposal https://www.nyiso.com/documents/20142/25598577/06%20CSTSP.pdf
10-13-2021	BIC	Constraint Specific Transmission Shortage Pricing: Market Design Proposal https://www.nyiso.com/documents/20142/25263575/6%20CSTSP%20BIC%2010132021%20presentation.pdf

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Supplemental Manual Updates

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Supplemental Draft Manual Updates

- Initial manual revisions related to the Constraint Specific Transmission Shortage Pricing project were approved by stakeholders at the Business Issues Committee (BIC) and Operating Committee (OC) on September 14, 2023 and September 15, 2023, respectively

- In reviewing and approving the initial manual revisions, stakeholders requested consideration of supplemental updates to provide further information and examples related to the enhancements for addressing multiple active transmission constraints and redundant transmission constraints

- The purpose of today's presentation is to review proposed supplemental revisions in response to the prior stakeholder feedback

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Supplemental Draft Manual Updates (cont.)

- The NYISO proposes to include additional language regarding the enhancements for addressing multiple active transmission constraints on the same transmission facility and redundant transmission constraints on in-series and parallel transmission facilities
- The supplemental revisions incorporate certain examples previously reviewed with stakeholders as part of developing the Constraint Specific Transmission Shortage Pricing project
  - The example describing the logic for identifying redundant transmission constraints was reviewed with stakeholders at the April 5, 2022 MIWG meeting
  - Examples 1 and 2 addressing the operation of the logic for resolving multiple active transmission constraints are based on the information previously reviewed with stakeholders at the May 3, 2022 MIWG meeting. Example 3 addressing such enhancements is a new illustrative example designed to assist with further understanding the operation of the new logic
- Consistent revisions are included in the Transmission and Dispatch Operations Manual (T&D Manual) and the Day-Ahead Scheduling Manual (DAS Manual)
  - Section 7.3.7 of the T&D Manual
  - Section 4.3.5 of the DAS Manual

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Next Steps

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Next Steps

- July/August MIWG: review the draft supplemental manual updates
- July/August SOAS: review the draft supplemental manual updates
- August/September BIC and OC: seek approval of the proposed supplemental manual updates

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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

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Questions?

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