

Regulation Movement Multiplier Update

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MC

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Agenda

- Regulation Movement Multiplier (RMM)
- Current RMM
- RMM Update
- Tariff Update
- Ancillary Services Manual Update
- Data Transparency
- Next Steps

Regulation Movement Multiplier (RMM)

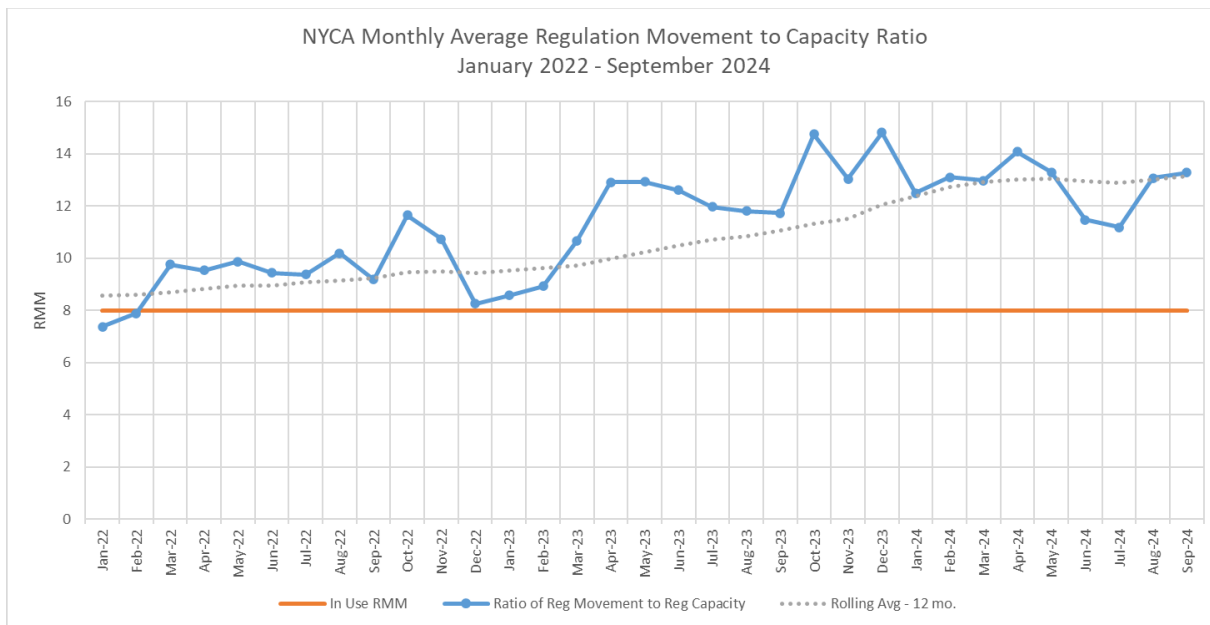
- Regulation Movement is the absolute value of the change in Energy or Demand Reduction over a six second interval, measured in MW, that a Regulation Service provider is instructed to deliver for the purpose of providing Regulation Service.
- Regulation Movement Multiplier (RMM)
 - A factor, when multiplied by the Regulation Movement Bid price, that is used in scheduling Regulation Service providers.
 - Represents the historical relationship between the number of MW of Regulation Capacity that the ISO sought to maintain in each hour and the number of Regulation Movement MW instructed by AGC in each hour.

Current RMM

- **Market Participants approved an update to the RMM in 2021.**
 - NYISO analysis recommended updating the RMM to 8 from the then value of 13.
 - The analysis was of the recently observed average ratio of Regulation Movement MWs to Regulation Capacity MWh.
 - Tariff updates to the Market Administration and Control Area Services Tariff (MST) Section 2.18 (the “R” definition section) were filed with FERC in July 2021.
 - The update was implemented on August 31, 2021.

RMM Update

- **NYISO analysis recommends updating the RMM to 13 from the current in use value of 8.**
 - Monthly average RMM for the period Jan-2022 thru Sep-2024 is shown below.



Proposed Process Change

- The NYISO proposes moving the controlled location of the RMM factor calculation and value from the MST to the Ancillary Services Manual (ASM).
- With the RMM factor now being controlled within the body of the ASM, any desired changes to it will no longer require FERC approval but will still need to be reviewed and voted on at the BIC and OC as a manual revision.
- Specifying the process to determine the value of the RMM, and the RMM value itself, in the ASM will allow changes in regulation service needs of the NYCA electric system to be captured more quickly.

Tariff Update

- NYISO proposes revisions to MST Section 2.18 to remove the RMM value explicitly to provide flexibility for periodic review and updates.
 - “Regulation Movement Multiplier: A factor ~~with the value of (8)~~, used with the Regulation Movement Bids, to schedule Regulation Service providers in both the Day-Ahead and Real-Time ~~Energy~~ Markets. The ISO calculates the Regulation Movement Multiplier, ~~pursuant to ISO Procedures~~, based on historical relationship between the number of MW of Regulation Capacity that the ISO seeks to maintain in each hour and the number of Regulation Movement MW instructed by AGC in each hour.”
- Draft tariff revisions are posted with meeting materials.

Ancillary Services Manual Update

- **NYISO also proposes revisions to Section 4 of the Ancillary Services Manual to further describe how and when the value will be reviewed and established.**
- **NYISO proposes the following revisions to Ancillary Services Manual Section 4.3.2:**
 - The RMM is calculated as the anticipated ratio of AGC instructed Regulation Movement to the Regulation Requirement.
 - The NYISO will review the RMM value at least twice per calendar year, and will update the value based on each review, if necessary.
 - The NYISO will present the proposed updated RMM value to stakeholders if an update is believed to be necessary, and a modified value will always become effective on the first day of a month.
- **Draft manual revisions are posted with meeting materials.**
- **The manual revisions are presented and posted here for information. These manual revisions have been reviewed and approved by the BIC and OC.**

Data Transparency

- At the 10/22 ICAP/MIWG stakeholders requested that NYISO present the RMM data at least once per year, regardless of whether the NYISO thinks the RMM should be updated or not.
- NYISO will present analysis with stakeholders only if a modification to the RMM is proposed.
- The NYISO's Regulation Movement Data is posted publicly on its website:
 - Markets → Energy Market & Operational Data → Reports & Info → Links → General Information → Regulation Movement Data
- The NYISO's Regulation Requirements are posted publicly on its website:
 - Markets → Energy Market & Operational Data → Reports & Info → General Information → NYISO Regulation Requirements

Next Steps

- Board of Directors Approval
- Tariff Language Filing with FERC
- Implementation

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

Questions?