

Integrating Champlain Hudson Power Express (CHPE): Energy Market Proposal

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Previous Discussions

Date	Working Group	Discussion Points and Links to Materials
05-05-25	ICAPWG/MIWG	Project Framing and Status Update: https://www.nyiso.com/documents/20142/51249988/CHPE%20Update%20050525%20MIWG_final.pdf/d8f994ee-eff2-d929-1101-f9476c3ac622
07-02-25	ICAPWG/MIWG	OATT Operating Rules Overview: https://www.nyiso.com/documents/20142/52280993/CHPE%20OATT%20Attachment%20July%2002%20MIWG_final.pdf/a5b42daf-fdc6-fa06-4057-fa029a1c2840
08-13-25	ICAPWG/MIWG	OATT Attachment Review: https://www.nyiso.com/documents/20142/53058544/CHPE%20Energy%20Market%20Tariff_ICAPWG_MIWG_081325_final.pdf/1b257afa-5a80-fa28-9fc2-92d7ef2d19b3
08-19-25	ICAPWG/MIWG	Additional Energy Market Tariff Review: https://www.nyiso.com/documents/20142/53169595/05%20B826%20Integrating%20Champlain%20Hudson%20Power%20Express%20(CHPE).pdf/44241897-e522-5760-1f6c-b92d82ce1bd8
09-08-25	ICAPWG/MIWG	Additional Energy Market Tariff Review: https://www.nyiso.com/documents/20142/53533375/CHPE%20Energy%20Market%20Tariff_090825%20ICAPWG%20MIWG_final.pdf/55e68936-e28c-f9ca-6ed0-880aeb126fc6
09-17-25	BIC	BIC Presentation: https://www.nyiso.com/documents/20142/53795513/04%20CHPE%20Energy%20Market%20Proposal.pdf/f1a80c91-a2d5-454a-72b5-210de97907fa

Agenda

- Background
- CHPE Energy Market Tariff Overview
- Next Steps

Background

CHPE Background

- **The Champlain Hudson Power Express (CHPE) Merchant Transmission Facility (MTF) is a 1,250 MW HVDC transmission line currently under construction**
 - CHPE will connect the Hydro-Québec system directly to NYC
 - The facility is scheduled to enter service in May of 2026
- **Tariff, software, and other documentation revisions will be necessary to incorporate this new device**
 - The 2025 project deliverable is Software Design

CHPE Background (cont'd)

- **CHPE will be a controllable transmission facility**
 - This characteristic distinguishes HVDC projects such as CHPE from free-flowing AC transmission
- **Advanced reservations are required for transaction bids across the Neptune, VFT, HTP, and CSC scheduled lines today)¹**
 - The NYISO anticipates that advanced reservations will also be necessary for CHPE transaction bids, consistent with the current process for scheduled lines
 - The NYISO will not validate a Bid to schedule an import to New York on the CHPE MTF unless there is a corresponding reservation posted on the CHPE OASIS
- **CHPE selected HQUS as the primary reservation holder via an open solicitation process conducted in 2021**
 - HQUS will need the ability to transfer its reservation rights to other MPs, consistent with FERC's open access requirements²
- **NYISO will have operational control over the CHPE line as the Transmission Operator (TOP)³**
 - This differs from the other scheduled lines that connect into NYCA, which are controlled by our neighboring Control Areas

1. NYISO MST Att. N Sec. 29.2: [9fulltariffnyisomst.pdf](#).

2,3. Order Granting Application for Authorization to Charge Negotiated Rates, Subject to Condition, and Granting Waivers. May 29, 2020. FERC Docket No. ER20-1214-000. Page 6.

CHPE Energy Market Tariff Revisions

Energy Market Revisions to the Open Access Transmission Tariff

- **Definitions:**
 - Add CHPE Merchant Transmission Facility (MTF) and MTF Reservation
 - Incorporate CHPE MTF to the definitions for Qualified Non-Generator Voltage Support Resource and Real-Time Scheduling Window
- **OATT 2.4**
 - Noting that MTF Provider (CHPE LLC) will have an OASIS that is used to manage reservations for the MTF, but transmission service is still procured by submitting Bids to the NYISO with schedules posted on the NYISO's OASIS
- **OATT Section 3 (Preamble)**
 - Addition of CHPE MTF
- **OATT 3.1.6 Curtailment of Firm Transmission Service**
 - Curtailments on the CHPE MTF will ordinarily be effectuated based on economic offer priority, not based on “physical” reservation priority
- **OATT 3.1.8.1 Scheduling of Firm Point-To-Point Transmission Service**
 - Adding submission of Bids on the CHPE MTF to DAM and RT scheduling deadlines
- **OATT 9.2 Methodology for Computing Firm ATC**
 - Indication that the rules for the MTF Provider (CHPE) determining ATC (but not TTC or CBM) for the MTF are set forth in Section 41 of the OATT and ATC is calculated by the MTF Provider and the ISO

Energy Market Revisions to the Open Access Transmission Tariff (continued)

- **OATT 12.4.1**
 - The NYISO proposes revisions to Section 12.4.1 of the OATT to give the NYISO clear authority to share revenue quality meter data that NYSEERDA requires to administer its programs
- **OATT 16.3.3.7 Scheduling External Transactions at the Proxy Generator Buses Associated with Scheduled Lines**
 - Add reference to OATT Attachment II to find CHPE rules
- **OATT 16.3.4 Bilateral Transaction Adjustments, Curtailments and Settlements**
 - Addresses transaction scheduling priority on the scheduled lines
- **OATT 19.2, OATT 19.2.4.1, OATT 19.9**
 - Document that CHPE MTF is excluded from TCC provisions, consistent with other similar facilities
- **OATT 19.9.8**
 - Adding language to codify in the Tariff that Designated Scheduled Lines and the CHPE MTF will be excluded from consideration in Centralized TCC Auctions, and the PTIDs associated with the “Designated Scheduled Lines” identified in Section 4.4.4 of the NYISO Services Tariff, and with the CHPE MTF, shall not be available as Points of Injection or Points of Withdrawal in any Centralized TCC Auction or Reconfiguration Auction
- **OATT 35.23 Schedule D Market to Market Coordination Process – Table 1 List of Scheduled Lines**
 - Add CHPE MTF to the table listing scheduled lines (relates to M2M process with PJM)

Energy Market Revisions to the NYISO Market Services Tariff

- **Definitions:**
 - Same as the changes to the OATT definitions
- **MST 4.2.1.1 Day Ahead Markets and Schedules; General Customer Forecasting and Bidding Requirements**
 - Add CHPE MTF to language addressing time of bid submission
- **MST 4.4.4 Identifying the Pricing and Scheduling Rules That Apply to External Transactions**
 - Add CHPE MTF to the table and identify unidirectional facilities
- **MST 17.1.5**
 - Addition of language to recognize that no congestion costs due to Interface ATC constraints shall be included for the Champlain Hudson Power Express MTF in either the Day-Ahead or Real-Time Market
- **MST 17.1.6**
 - Parallel change to 17.1.5 to the table that summarizes pricing rules for Non-Competitive, variably scheduled Proxy Generator Buses

Energy Market Revisions to the NYISO Market Services Tariff (continued)

- **MST 23 (Attachment H) Mitigation Measures**
 - 23.2.4.1.1 Adding that the NYISO will monitor merchant transmission facilities for possible withholding or under-delivery of scheduled Energy and, if identified, refer to the MMU for possible referral to FERC
- **MST 29 (Attachment N) External Transactions at The Proxy Generator Buses Associated With The Cross-Sound Scheduled Line, Neptune Scheduled Line, Linden VFT Scheduled Line, and HTP Scheduled Line**
 - Additional statement pointing to OATT Attachment II instead of MST 29 for CHPE MTF

CHPE OATT Attachment (Operating Agreement): Section 41

- **The purpose of the CHPE OATT Attachment is to provide rules for how CHPE will be operated**
 - The content is similar to provisions found in the PJM and ISO-NE Tariff rules for scheduled lines that connect NYISO with ISO-NE and PJM, with specifications tailored to the NYISO's markets and CHPE
- **Key Components of the CHPE OATT Attachment:**
 - Definitions of key concepts such as MTF, MTF Reservation, Initial MTF Reservation Holder, and MTF Provider
 - Transmission Customer requirements
 - Scheduling and curtailment procedures
 - Reservation release procedures
 - Inadvertent Interchange procedures
- **NYISO completed revisions to OATT Sections 41.1.6 (addressing review of MTF Provider Business Practice Rules) and 41.5.6 – 41.5.8 (addressing reporting and filing of MTF Reservation Service Agreements) after Tariff was posted for BIC review**

Additional OATT Attachment Details

- **The provisions in the posted draft OATT Attachment are based on the NYISO's current expectations**
 - Details are still being navigated between NYISO and HQ regarding the regulatory and software implementation of the point of exchange
 - Updates to the posted draft may be necessary to reflect the resolution of these items
 - The NYISO will work through the chair review process and provide notice to stakeholders if this need arises after MC
 - “Point of exchange” refers to the Astoria Annex location (“Point of Delivery”) for purposes of scheduling, checkout, and settlements in the posted draft OATT rules

Next Steps

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- **The NYISO plans to bring this item to the Board of Directors in October 2025 and file with FERC in November or December 2025**

Questions?

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