

External-to-Rest of State Deliverability Rights: ICAP Manual Changes

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Agenda

- **Background of External-to-ROS Deliverability Rights (EDR)**
- **Overview of proposed ICAP Manual Changes to provide for EDRs**
 - A redlined version marking proposed changes to the ICAP Manual, along with a clean version, are posted separately with today's meeting materials

Background

Background

- On March 28, 2018 the Management Committee approved the proposed filing of tariff revisions to accommodate and establish the rule for CRIS for External-to-Rest of State (ROS) transmission investment and EDRs, and the capacity market rules when External Resources use EDRs
 - EDRs connect an External Control Area to an unconstrained zone within the NYCA (UDRs sink into Localities)
- FERC accepted the tariff revisions on 7/13/2018
- At the December 14, 2018 ICAP Working Group meeting the NYISO presented proposed ICAP Manual Revisions to accommodate EDRs
 - A subsequent presentation on January 31, 2019 presented incremental revisions in response to feedback received from stakeholders
 - The presentations included proposed revisions of ICAP Manual Attachment J, Section 3.6, to calculate UCAP for Installed Capacity delivered over EDR Facilities similar to UDRs

Proposed ICAP Manual Changes to Provide for EDRs

Proposed ICAP Manual Changes to Provide for EDRs

- In general, EDRs function similarly to UDRs; therefore, several references throughout the ICAP Manual to UDRs have been updated to include EDRs where appropriate:
 - Section 2.7 – Limitations on Unforced Capacity from External Control Areas
 - Section 4.1 – Overview of Requirements Applicable to ICAP Suppliers
 - Section 4.8 – Bidding, Scheduling and Notification Requirements
 - Section 4.9 – External Resources, Imports, Exports and Wheels Through
 - Section 4.9.3 – Additional External ICAP Supplier Requirements (Certification and Deliverability)
 - Section 4.14.1 – Determination and Assignment of Unforced Capacity Deliverability Rights and External-to-ROS Deliverability Rights
 - Section 4.14.5 – Unforced Capacity Deliverability Rights and External-to-ROS Deliverability Rights offered in an Installed Capacity Auction
 - Section 5.15.2 – ICAP Spot Market Auction

Proposed ICAP Manual Changes to Provide for EDRs

- Section 4.9.6 – Maximum Allowances for ICAP Provided by Resources Outside the NYCA (Excluding Resources using UDRs and EDRs)
 - This section includes a table that shows the UDR MW awarded
 - Revisions would add an additional table to show the EDR MW awarded (currently none)

External-to-ROS Capacity Deliverability Rights (EDRs) awarded, not subject to the above limits or first-come, first-serve Import Rights, are:

External-to-ROS Deliverability Rights	
[none]	

Proposed ICAP Manual Changes to Provide for EDRs

- Section 4.14 – Unforced Capacity Deliverability Rights (UDRs) and External-to-ROS (ROS) Deliverability Rights (EDRs)
 - The proposed revisions would provide the processes for requesting, using and offering MW associated with EDRs
 - The revisions parallel those for UDRs

Proposed ICAP Manual Changes to Provide for EDRs

- Section 4.14.2 – Requesting, Granting, Duration and Adjustment of Unforced Capacity Deliverability Rights and External-to-ROS Deliverability Rights
 - This section establishes the process for requesting EDRs

Proposed ICAP Manual Changes to Provide for EDRs

- **Section 4.14.3 – Use of External Unforced Capacity Deliverability Rights and External-to-ROS Deliverability Rights**
 - This section provides that capacity combined with EDRs can be used to meet capacity requirements set for LSEs within the NYCA, but not a Locality
 - It has been updated to reflect that “[w]hen an entity combines EDRs with acceptable ICAP/UCAP, the resulting product, when supplied to an LSE, will be treated as UCAP located within the NYCA (but not a Locality), provided that energy is deliverable to the NYCA interface over which the EDR creates increased transfer capability.”

Proposed ICAP Manual Changes to Provide for EDRs

- Section 2.7
 - Fixed a broken web link, which now links to the correct section and has the correct cross reference

Next Steps

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- Motion to approve the revisions proposed to the Business Issues Committee on the Installed Capacity Manual

Questions?

The Mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefits to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policy makers, stakeholders and investors in the power system



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