

# Champlain Hudson Power Express (CHPE): Capacity Market Integration Plans

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**Tommy Servetas**

ICAP Market Operations

**ICAPWG**

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# Agenda

- Background
- 2026 Summer Season Set Up, Market Parameters and Notifications
- Intra-Capability Period Market Parameters Update

# Background

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- Pursuant to the new “triggering resource” rules that became effective on December 24, 2025,<sup>1</sup> the Unforced Capacity Deliverability Rights (UDRs) awarded to the CHPE project have been identified as a Triggering resource for the 2026-2027 Capability year. As a result, the NYISO has developed two sets of Locational Minimum Installed Capacity Requirements (LCRs) and will develop two sets of Capacity Accreditation Factors (CAFs) for 2026-2027 based on the different operating status assumptions for the CHPE UDRs: CHPE-In and CHPE-Out
  - CHPE-In Case: Represents the assumptions of the final case for the 2026-2027 IRM study
  - CHPE-Out Case: CHPE is removed the final case for the 2026-2027 IRM study; the operating status assumptions for all other resources remains unchanged
- In addition to LCRs and CAFs, two sets of market parameters will also be developed to reflect the different operating status assumptions for the CHPE UDRs, including:
  - Resource specific derating factors for qualifying intermittent resources (please see Installed Capacity Manual Attachment J, Section 6.4)
  - Locational derating factors
  - ICAP-to-UCAP translation of the ICAP Demand Curves
  - Load Serving Entity (LSE) UCAP requirements
- Only one set of External Import Rights and Peak Load Window will be developed using the final case for the 2026-2027 IRM study (i.e., the CHPE-In case)
- The applicable set of market parameters will depend on the status of ICAP market participation for the CHPE UDRs, as determined by the requirement to provide a notice of intent to commence ICAP market participation
- The following sections cover the NYISO’s plan for developing the remaining market parameters, providing notice of the initial parameters applicable for the May 2026 delivery month, and any required updating of the applicable parameters during the 2026 Summer Capability Period

1. Please refer to Services Tariff Section 5.11.7 for additional details regarding the rules applicable for a Capability Year that includes a Triggering Resource:  
[https://nyisoviewer.etariff.biz/ViewerDocLibrary/MasterTariffs/9TariffSections/MST%205.11%20FID5362%20redline\\_38142.pdf](https://nyisoviewer.etariff.biz/ViewerDocLibrary/MasterTariffs/9TariffSections/MST%205.11%20FID5362%20redline_38142.pdf)

# 2026 Summer Season Set Up, Market Parameters and Notifications

# 2026 Summer Season Set up and Market Notifications

- **If a valid notice for the CHPE UDRs is provided by 3/2/2026 indicating an intent to commence ICAP market participation for the May 2026 delivery month, the 2026 Summer season setup process will be conducted using the parameters associated with the CHPE-In case**
  - The NYISO will issue a notice by March 9 informing the market that the CHPE-In market parameters will be used starting with the May 2026 delivery month and remain in effect for the balance of the 2026-2027 Capability Year
  - Summer season setup will commence as normal. Updates will be available in ICAP Automated Market System (AMS) by March 18, as specified in the ICAP Event Calendar
  
- **If a valid notice for the CHPE UDRs is not provided by 3/2/2026 indicating an intent to commence ICAP market participation for the May 2026 delivery month, the 2026 Summer season setup process will be conducted to establish both CHPE-In and CHPE-Out parameters**
  - The NYISO will issue a notice by March 9 informing the market that the CHPE-Out market parameters will be used starting with the May 2026 delivery month
  - The market parameters associated with the CHPE-Out case will be established following the normal Summer season set up process
    - LCRs, CAFs, unit specific derating factors, ICAP translation factors, UCAP Demand Curves and LSE UCAP requirements that are associated with CHPE-Out case will be available in the ICAP AMS in their normal timeframe as specified in the ICAP Event Calendar
  - The NYISO will develop the market parameters associated with CHPE-In case in parallel with the normal 2026 Summer season set up process
    - The LCRs and CAFs that are associated with the CHPE-In case will be posted to the NYISO website by March 1
    - Market Participants with intermittent resources will be notified directly if their unit specific derating factors with CHPE-In case are different from the CHPE-Out case
      - Timing of such notification will be specified in the ICAP Event Calendar
    - The ICAP translation factors, UCAP Demand Curves and View ICAP to UCAP Calculations (Transmission District UCAP Requirements) will be posted to the NYISO website by March 25 as specified in the ICAP Event Calendar

# ICAP AMS Calendar Events Screenshots

- The 2026 Summer season set up with “triggering resource” will be reflected in the ICAP AMS Calendar Events, for example:

Wednesday Mar 18, 2026		
08:00 AM		IMPORT RIGHTS - ISO notifies Requestors of Priority and if Import Rights Requests were accepted or rejected
05:00 PM		CAPABILITY PERIOD - Summer Capability Period Updates Available
Wednesday Mar 25, 2026		
08:00 AM		SPOT MARKET AUCTION - Offer period opens for Apr Spot Market Auction
05:00 PM		IMPORT RIGHTS - Allocated Import Rights w/o MIS transaction IDs entered into Spot Mkt Auction @ \$0.00
05:00 PM		Triggering Resource - ICAP Translation of Demand Curve and ICAP to UCAP Calculations posted to NYISO website
05:00 PM		Triggering Resource - Primary market derating factors for applicable resources made available via email

# Market Parameter Updates and Notifications

- **If a valid notice for the CHPE UDRs is provided between March 3 and August 10 indicating an intent to commence ICAP market participation for a delivery month during the 2026 Summer Capability Period, the market parameters will be updated to those associated with the CHPE-In case for the delivery month indicated in the valid notice for the CHPE UDRs**
  - The NYISO will issue a notice to the market within 5 business days after receipt of a valid notice
    - Market notice will advise of the delivery month when the CHPE-In market parameters will be implemented:
      - LCRs, CAFs, some intermittent derating factors, locational derating factors, and UCAP requirements
  - Market parameters will be updated prior to the posting of the UCAP requirements for the relevant delivery month
    - Example: A notice is received on June 1 indicating an intent for the CHPE UDRs to commence ICAP market participation for the August 2026 delivery month
      - If completion of Trial Operation is confirmed, market notice will be provided by June 8 (within 5 business days)
      - Market parameter updates commence beginning on June 24 (after the certification deadline for July)
      - Market parameter updates are completed by July 8 (deadline for the August UCAP requirements posting)



# Timeline

**March 2, 2026:**  
Deadline for CHPE to submit participation notice of intent to participate for starting May; If valid notice is timely provided, only CHPE-In market parameters will be used/posted.

**April 10, 2026:** Deadline for CHPE participation notice for starting June; If valid notice is timely provided, CHPE-In parameters posted to ICAP AMS by 5/5

**June 10, 2026:**  
Deadline for CHPE participation notice for starting- August; If valid notice is timely provided, CHPE-In parameters posted to ICAP AMS by 7/8

**August 10, 2026:**  
Deadline for CHPE participation notice for starting October; If valid notice is timely provided, CHPE-In parameters posted to ICAP AMS by 9/4. If notice not received by this date, CHPE-Out parameters remain in effect for the balance of 2026-2027 Capability Year

**March 9, 2026:** NYISO to issue a notice informing the Market of the initial parameters starting with May

**May 10, 2026:** Deadline for CHPE participation notice for starting July; If valid notice is timely provided, CHPE-In parameters posted to ICAP AMS by 6/4

**July 10, 2026:** Deadline for CHPE participation notice for starting September; If valid notice is timely provided, CHPE-In parameters posted to ICAP AMS by 8/5

# Intra-Capability Period Market Parameters Update

# Intra-Capability Period Market Parameters Update

- **Market parameter updates mid-season will change the CAFs, which will influence the amount of UCAP available for resources**
- **Functionality within the ICAP AMS prevents the allocation of forward sales to specific resources prior to the beginning of a certification period.**
  - For example, sales made for the August delivery month cannot be allocated to a specific resource prior to July 1
- **This functionality limits allocation of forward sales to only the applicable UCAP available from each resource for a given delivery month**
  - For example, if a 20 MW offer was awarded in the 2026 summer strip auction and was allocated to a specific resource for May – July, and updated market parameters occurred for August that resulted in the resource’s UCAP rating being reduced to 18 MW starting with August, The ICAP AMS would only allow for an allocation of 18 MW to such resource for August.
    - If the portfolio for the applicable market participant (MP) now only had 18 MW of UCAP starting with August, the MP would be deficient 2 MW in meeting the previously awarded 20 MW sale from the 2026 summer strip auction, and would have the option of purchasing that deficiency in the August Monthly Auction, or the 2 MW of deficiency would be purchased on the MP’s behalf in the August spot auction

# Intra-Capability Period Market Parameters Update (cont.)

- Consistent with the new “triggering resource” rules, if a valid notice is not submitted for the CHPE UDRs by August 10 indicating an intent to commence ICAP market participation for a delivery month during the 2026 Summer Capability Period, the ICAP market parameters associated with the CHPE-Out case will be retained for the balance of the 2026-2027 Capability Year.
  - The NYISO would provide a notice to the market confirming that the CHPE-Out parameters will be retained for the balance of the 2026-2027 Capability Year
- At the 1/12/2026 ICAPWG meeting,<sup>1</sup> the NYISO initiated discussions with stakeholders regarding the consideration of potential implications for capacity supply associated with the CHPE UDRs during the peak months (December-February) for the upcoming 2026-2027 Winter Capability Period.

1. [2026-2027 Winter Capability Period: Potential ICAP Market Parameter Misalignment](#)

# Questions?

# Our Mission and 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

