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*Via E-Mail to [deckeles@nyiso.com](mailto:deckeles@nyiso.com)*

To: New York Independent System Operator, Inc. (“NYISO”)  
From: Matthew Schwall, Director of Market Policy & Regulatory Affairs  
Date: April 9, 2019  
Re: **Analysis Group Carbon Pricing Study**

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The Independent Power Producers of New York, Inc. (“IPPNY”) submits these comments in response to Analysis Group’s request at the March 28 ICAPWG/MIWG meeting for stakeholder suggestions on areas that should be examined as part of its supplemental analysis of the NYISO’s carbon pricing proposal.

During the meeting, a stakeholder suggested that, given New York State’s public policy goals for 70% renewables generation by 2030 and for specific quantities of select resources such as offshore wind and energy storage, Analysis Group include a consumer cost examination of a scenario where NYISO buyer-side market power mitigation rules are applied to all new resources receiving out-of-market payments, regardless of location, which may subject certain resources to price offer floors. IPPNY fully supports the inclusion of such a scenario in the carbon pricing analysis, which should include an examination of the consumer costs associated with New York State achieving its public policy goals with and without carbon pricing in place.

Given the significant uncertainty that exists at the federal level with respect to the intersection of wholesale markets and state public policies, it would be prudent to gather as much information as possible so that all stakeholders can make informed decisions leading up to the 2019 NYISO market participant vote on carbon pricing.

Respectfully submitted,

/s/ Matthew Schwall

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