

Autumn 2019 Centralized TCC Auction Survey and Discussion

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ICAPWG/MIWG

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Overview

- **The NYISO conducted a poll of current TCC Market Participants (MPs) to solicit information about the demand for TCCs of various durations in future auctions as well as the desired structure of the Autumn 2019 Centralized TCC Auction**
 - One survey response accepted per MP
 - Responses were due on May 15, 2019
 - 16 MPs responded
 - Responses for the Autumn 2019 Centralized TCC Auction were limited to six-month and one-year TCCs

Survey Results – Autumn 2019

Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration							Average	Median
	5%	10%	20%	30%	35%	40%	50%		
One-Year	5%	10%	20%	30%	35%	40%	50%	30.0%	30%
Six-Month	65%	60%	50%	40%	35%	30%	20%	40.0%	40%
# of MP Responses	1	1	2	4	3	3	1		

The numbers above do not include the system capacity that was sold in the Spring 2018 Centralized TCC Auction as two-year TCCs (5%) and in the Spring 2019 Centralized TCC Auction as two-year TCCs (5%) and one-year TCCs (20%).

* Note: one survey respondent did not provide data for the Autumn 2019 auction

Survey Results – Autumn 2019

Total Rounds per Duration

Duration	Total Number of Rounds per Duration					Average	Median
One-Year	2	2	3	3	4	2.8	3
Six-Month	3	4	3	4	4	3.7	4
Total Rounds	5	6	6	7	8	6.5	6
# of MP Responses	2	3	3	5	2		

* Note: one survey respondent did not provide data for the Autumn 2019 auction

Survey Results – Future Auctions

Capacity per Duration

Duration	Desired Percentage of System Capacity per Duration													
Five-Year										5%	5%	5%	10%	10%
Four-Year										5%	10%	9%	10%	10%
Three-Year										5%	10%	13%	10%	10%
Two-Year				0.5%	7.5%	5%	10%	20%	20%	10%	10%	18%	10%	20%
One-Year	20%	33.3%	50%	15.5%	40%	45%	40%	30%	40%	30%	30%	25%	40%	30%
Six-Month	80%	66.7%	50%	84%	52.5%	50%	50%	50%	40%	45%	35%	30%	20%	20%
# of MP Responses	1	1	1	1	1	2	1	2	1	1	1	1	1	1

Survey Results – Future Auctions

Total Rounds per Duration

Duration	Total Number of Rounds per Duration											
Five-Year								1	1	1	2	3
Four-Year								1	1	1	2	3
Three-Year								1	1	2	2	3
Two-Year				1	1	2	2	1	1	2	2	3
One-Year	2	3	4	2	3	3	3	2	3	3	3	3
Six-Month	3	4	4	3	4	3	4	4	3	3	3	3
Total Rounds	5	7	8	6	8	8	9	10	10	12	14	18
# of MP Responses	1	1	1	1	4	1	2	1	1	1	1	1

Survey Comments

- **Desire for the NYISO to offer On-Peak and Off-Peak TCCs (three responses)**
- **Desire to reserve some of the system capacity for the Balance-of-Period (BoP) Auctions (two responses)**
 - Request for future surveys to include the option of reserving capacity for the BoP auctions
- **Desire to keep the number of rounds to at least 7 for market liquidity purposes**
- **Desire to see a reduction in the time delay between the closing of the bidding window and the posting of results to below 5 days, while keeping the submittal period at 2 business days**

Survey Comments (continued)

- Comment expressing desire for auction results to be published faster (2-3 days from close of the auction)
- Desire increased availability of longer duration TCCs
- Given increased renewable investments, longer-term visibility into congestion costs will be increasingly important to spur continued investment
- Request for auction dates to be posted a year at a time, and recommendations for changes to format of postings for bidding windows for auctions

Autumn 2019 Auction Proposal

- **7 auction rounds in which the NYISO would offer:**
 - 25% of system capacity as one-year TCCs across three auction rounds
 - 45% of system capacity as six-month TCCs across four auction rounds
- **The remaining 30% of system capacity was sold as two-year TCCs in the Spring 2018 Centralized TCC Auction and as two-year and one-year TCCs in the Spring 2019 Centralized TCC Auction**

Proposed Schedule

Week	Round
August 23 – 29	Round 1 (One-Year)
August 30 – September 6	Round 2 (One-Year)
September 7 – 12	Round 3 (One-Year)
September 13 – 19	Round 4 (Six-Month) & October 2019 Balance-of-Period
September 20 – 26	Round 5 (Six-Month)
September 27 – October 3	Round 6 (Six-Month)
October 4 – 10	Round 7 (Six-Month)
October 11 – 24	November 2019 Balance-of-Period

Auction Proposal – Considerations

- Unanimous agreement by the Transmission Owners that are subject to Attachment N of the OATT is required for the NYISO to conduct fewer than four rounds in any Sub-Auction
- 5 respondents (33.3%) expressed interest in conducting fewer than four six-month rounds in the Autumn 2019 auction
- 13 respondents (86.7%) expressed interest in conducting fewer than four one-year rounds in the Autumn 2019 auction

Next Steps

- Receive and consider Market Participant comments resulting from this meeting
- Confer with the affected Transmission Owners concerning proposed auction plans with fewer than four rounds per Sub-Auction

Questions/Feedback?

- Email additional feedback to: deckels@nyiso.com

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- 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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