

CRIS Expiration Rules

Sarah Carkner

Associate Market Design Specialist

ICAPWG/MIWG

September 24th, 2019



Agenda

- Background
- Proposed changes to CRIS expiration rules
- Proposed revisions to the OATT
- Next Steps

Background



Background

- Potential changes to CRIS expiration rules were identified as part of the Class Year Redesign project
- NYISO has decided that CRIS expiration rules will be discussed separately from the Class Year Redesign

Purpose of Today's Discussion

- Continue discussions on the NYISO's proposal for more stringent CRIS expiration rules for internal resources
- Review proposed revisions to the OATT
 - Sections 25.9.3, 30.14, and 32.5

Proposed changes to CRIS expiration rules

Proposed Changes

- **Propose three distinct changes to CRIS expiration rules:**
 - Potential to be CRIS-inactive beings when the facility begins operation
 - Load modifiers not participating in the ICAP Market would be CRIS-inactive
 - A resource exporting capacity would not be CRIS-inactive (even if it has not offered capacity in New York)

Commencement of “3-year CRIS clock”

- **Facility may be CRIS-inactive starting when the unit begins operation**
 - Once a facility begins operation, if it is CRIS-inactive for 3 years, its CRIS will terminate
 - All resources with CRIS will be obligated to inform the NYISO when they begin operation (most resources already have this obligation)
 - For the purposes of this proposal, a resource begins operation as of its Initial Synchronization
 - For resources not subject to a NYISO interconnection process, their Initial Synchronization date needs to be within 4 years of obtaining CRIS or their CRIS will terminate
 - Rule would be effective for resources that begin operation after the effective date of provision

CRIS for Resources Acting as Load Modifiers

- Proposal will treat resources that have not offered capacity into ISO capacity auctions, been registered as a Capacity Resource for a Load Serving Entity through a bilateral transaction, or exported capacity to a neighboring control area as CRIS-inactive
 - Treat load modifiers as CRIS-inactive for purposes of CRIS expiration
 - Rule would be effective so that being CRIS-inactive would begin the month following
 - Would allow existing resources wishing to maintain their CRIS opportunity to enter the market
 - For example:
 - If FERC accepts revisions effective January 1, 2020, existing load modifiers would first be CRIS-inactive February 2020
 - The earliest CRIS would expire for these resources would be February 2023

CRIS for Resources Exporting their ICAP

- **Propose to allow a resource to maintain its CRIS even if it exports its capability for 3 years**
 - Exporting capability would not be deemed CRIS-inactive
 - Prevents the expiration of CRIS for an exporting unit, which then may be unable to participate in our neighbor's markets
 - Rule would be effective for resources exporting after the effective date of provision

Proposed revisions to the OATT

Proposed revisions to OATT 25.9.3

■ Section 25.9.3.1 – Retaining CRIS Status

- Sections 25.9.3.1.1, 25.9.3.1.1.1, 25.9.3.1.1.2, and 25.9.3.1.2 were created for formatting purposes
- The sections include the following revisions:
 - Facilities must be synchronized and have CRIS to be considered for CRIS-inactivity
 - A facility will be considered CRIS-inactive if it has not offered capacity into the ISO auctions, certified capacity through a bilateral transaction, or exported capacity to an External Control Area

■ Section 25.9.3.4

- Includes revisions that require facilities to notify the ISO of their Initial Synchronization Date

Proposed revisions to OATT 30.14

- **Appendix 3 – Standard Large Generator Interconnection Agreement Article 1. Definitions**
 - Revisions to definitions of Commercial Operation Date and Initial Synchronization Date to account for revisions to Appendices E-1 and E-2
- **Appendix E-1 – Initial Synchronization Date created**
 - Requires notification of Initial Synchronization Date from Developers
- **Appendix E – Commercial Operation Date revised**
 - Revisions of section title to be Appendix E-2 – Commercial Operation Date

Proposed revisions to OATT 32.5

■ Attachment 1 – Glossary of Terms

- The following terms were added to 32.5:
 - Commercial Operation
 - Commercial Operation Date
 - Initial Synchronization Date
 - In-Service Date
 - Trial Operation
- It is important to note that these terms already exist in other sections of the OATT

Next Steps

Next Steps

- Pending stakeholder feedback, return to a future ICAPWG to continue discussions on CRIS expiration rules and tariff
- BIC vote along with Class Year Redesign

Feedback/Questions?

Email additional feedback to: scarkner@nyiso.com and
deckels@nyiso.com

Appendix

Background

- Under current tariff provisions, a facility becomes CRIS-inactive on the last day of the month during which:
 - (i) it ceases to offer capacity into ISO capacity auctions, or
 - (ii) it ceases to be registered as a Capacity Resource for a Load Serving Entity through a bilateral transaction(s) or self-supply arrangement

Background (cont.)

- A facility's CRIS expires if the facility is CRIS-inactive for 3 years
- Currently, the 3 year CRIS expiration "clock" does not commence until facility enters the ICAP market
 - As a result, a facility with CRIS can go in-service and maintain its CRIS without its "3-year clock" starting until it enters the ICAP market and thereafter ceases to participate
 - In addition, a facility with CRIS can go in-service and participate as a load modifier and maintain CRIS indefinitely (i.e., 3-year clock never starts if the facility remains a load modifier)

CRIS Expiration Rules Overview

■ Overview of this proposal

- Do not allow existing facilities to retain CRIS if they do not enter the NYISO ICAP market for 3 years
- Prevent retention of CRIS that is not being used
- Modify expiration rule to maintain CRIS being used for exports

■ Benefits of this proposal

- Improves transparency of CRIS “clock”
- Increases deliverability “headroom” retained by facilities not using CRIS or that have not yet entered the ICAP market

Load Modifiers

- **Resources that are not participating in wholesale markets but may be injecting into the electric system**
 - These resources may have gone through NYISO interconnection process and received CRIS or have been grandfathered CRIS

CRIS Expiration Rules Overview

- The amount of CRIS from resources that are consistently not participating in the Installed Capacity market is roughly 400 MW

Changes For Future Consideration

- **The following changes have been identified previously as part of the CY Redesign but are not being proposed at this time:**
 - Terminate portion of CRIS for facilities that do not use their full CRIS for certain period of time
 - Terminate CRIS in excess of ERIS
 - CRIS-inactivity for single units within multi-unit PTIDs

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



www.nyiso.com