

Comprehensive Mitigation Review

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ICAPWG/MIWG

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Agenda

- **Project Overview**
- **Consideration of Options**
- **Suite of Options**
- **NYISO's Preferred Approach**
- **Next Steps**

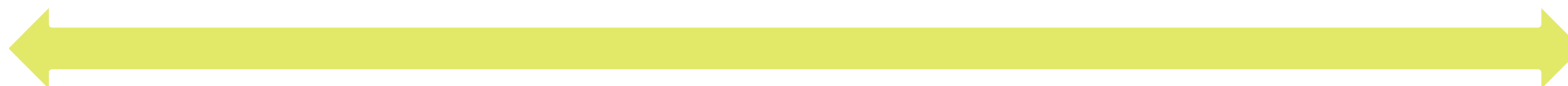
Project Overview

- **The original 2020 project candidate objective stated:**
 - The NYISO will perform a comprehensive review to examine the current BSM framework and principles to determine whether the rules efficiently mitigate concerns of buyer-side market power for both traditional and new resource types with both private and public funding considerations
- **The project goal is to complete the study and reach Market Design Complete in 2020**
- **NYISO believes it is necessary to expand the objective of the project to:**
 - Modify NYISO market structures in a balanced manner that preserves competitive price signals and economically efficient market outcomes required to maintain system reliability and supports the Climate Leadership and Community Protection Act (CLCPA) goals

Consideration of Options

- **As a starting point, the NYISO has evaluated a suite of options to consider which includes feedback from industry experts and stakeholder comments in the NY PSC Resource Adequacy Matters docket**
- **The NYISO believes it is prudent to focus discussions on those options that can be designed and implemented consistent with the timeline necessary to support achievement of the CLCPA goals, while having a meaningful impact towards the objective of this project**
 - It is reasonable to expect that the design could be multifaceted, where some elements of the design are advanced faster than others

Suite of Options



Contractual Models

- e.g., California Model, Energy-Only Market and Fixed Resource Requirement

Enhancements to Capacity Market

- e.g., BSM Exemption Redesign, Exemption Banking

Redesign of Capacity Market

- e.g., Forward Clean Energy Market, Tranches

NYISO's Preferred Approach

- Maintaining a balance between competitive market outcomes and CLCPA Policy Goals



- Competitive markets are essential to realize New York's CLCPA Goals

Next Steps

Stakeholder Input Requested

- The NYISO is very interested in feedback from stakeholders regarding the options discussed today or any additional options exist that the NYISO and stakeholders should consider
 - Written comments to deckels@nyiso.com are requested by January 3, 2020
 - All feedback will be posted under the December 13, 2019 meeting materials

Next Steps

- **The NYISO will return to a working group in January to discuss stakeholder feedback and next steps**

Appendix

Project Description

- **The full project description for Comprehensive Mitigation Review can be found in the BPWG materials located at:**
 - <https://www.nyiso.com/documents/20142/6544060/Project%20Candidate%20Descriptions%20-%20clean.pdf/>

Our mission, in collaboration with our stakeholders, is to serve the public interest and provide benefit 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 policymakers, stakeholders and investors in the power system

