

Analysis update: NYCA resources' capacity obligations to ISO-NE

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**NYSRC – Installed Capacity Subcommittee
Meeting #206**

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Objective

- Update the ICS on the reconfiguration auction and bilateral activity of NYCA resources for the upcoming ISO-NE capability year beginning June 1, 2018
- Provide the ICS additional detail on ISO-NE's February 2018 FCA #12 auction
- Request comments and feedback

Background

- **ICS previously considered the question of NYCA resource's forward capacity obligations to ISO-NE**
 - Modeling of export sales from a NYCA Locality in IRM Studies, 5/30/17
 - [http://nysrc.org/pdf/MeetingMaterial/ICSMeetingMaterial/ICS_Agenda%20196/ICS_Locality%20Sales%20Paper_final%20\(002\).pdf](http://nysrc.org/pdf/MeetingMaterial/ICSMeetingMaterial/ICS_Agenda%20196/ICS_Locality%20Sales%20Paper_final%20(002).pdf)
- **NYISO recommended the IRM study should continue to not model these forward capacity obligations, noting**
 - Forward obligations often did not materialize as actual exports from NY
 - ISO-NE's reconfiguration auctions cleared varying quantities of capacity at varying prices and thus resulted in uncertain export obligations
 - Sales from Rest of State (Load Zones A-F) have very little impact on securing the supply since they come from zones with excess capacity
 - Forecasting exports to ISO-NE is uncertain and will likely depend on a variety of unobservable factors (e.g., future market conditions)
- **Last meeting, NYISO presented updated materials relating to NYCA resource capacity obligations to ISO-NE**

Updated Analysis

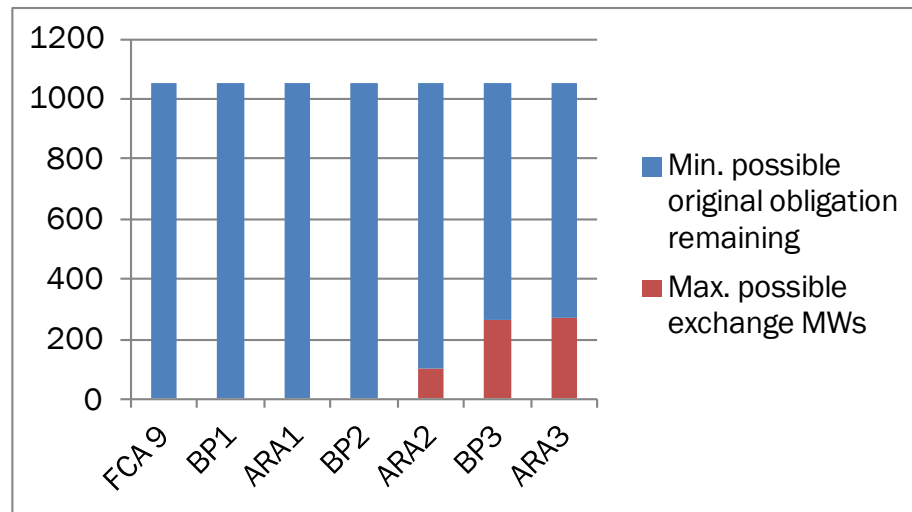
Method

- **This presentation shows the possible exchange MWs of capacity obligations for the upcoming capability year**
 - All capacity obligations were initially obtained in ISO-NE's ninth forward capacity auction ("FCA 9")
 - Since FCA 9, three annual reconfiguration auction bilateral periods and three annual reconfiguration auctions have occurred
 - No additional annual bilateral or annual reconfiguration auctions will occur prior to the start of the capability year
 - Capacity obligations may still be sold/transferred on a monthly basis (i.e., the monthly bilateral and reconfiguration auctions)
- **Possible exchange MWs is the sum of all capacity obligations sold or transferred during bilateral and reconfiguration auctions**
 - This measure identifies the maximum possible exchange MWs
 - This measure would over-estimate exchange MWs if resources sold/transferred obligations in one bilateral/auction and re-obtained obligations in a later bilateral/auction
 - Actual exchange MWs are not publicly known because unit-specific annual bilateral/auction results are not published by ISO-NE

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FCA 9 possible exchange MWs

- Approximately 25% of the initial FCA 9 capacity obligation MWs were exchanged during annual bilateral and annual reconfiguration auctions



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ISO-NE FCA #12

FCA #12 (delivery June 2021 – May 2022)

- Available at
 - https://www.iso-ne.com/static-assets/documents/2018/02/fca_12_result_report.pdf
 - <https://www.iso-ne.com/isoexpress/web/reports/auctions/-/tree/fca-results>
 - Unit specific results are “Forward Capacity Auction Obligations” (XLSX file) posted on 03/01/2018 12:00 AM EST
- **524 MW obligation to ISO-NE over the NY AC Ties**
 - Similar to the 539MW of obligations in FCA #11
 - Lower than the 1,045MW of obligations in FCA #10
- **NY AC Ties price cleared at \$4.631/kW-mo and was the same as the ISO-NE rest-of-pool price (i.e., did not bind)**

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FCA #12, cont'd

- The HQ wheel and NYPA long term obligations accounted for 381.3 of the 524 MW of total obligations (~ 73%)
- Roseton qualified over 1,200 MW but did not clear any MWs in the auction
- Consolidated Edison Energy, Inc offered 714.6MW of new unnamed resources with unknown locations. Only 2MW of these offers cleared.

FCA #12, cont'd

FCA 11 Offers	Offers	CSO	FCA 12 Offers	Offers	CSO
BROOME 2_LFGE 2020-21	1.8	1.8			
Carr Street Generating station Import 2020-21	83	0	Carr Street Generating Station Import 2021-22	84	0
Chaffee FCA11	6.1	6.1	Chaffee FCA12	5.9	5.9
Erie Boulevard Hydro Import 2020-21	364	0	Erie Boulevard HYDRO Import 2021-22	323	0
High Acres I FCA11	3.2	3.2	High Acres 1 FCA12	2.8	0
High Acres II FCA11	6.4	6.4	High Acres 2 FCA12	5.6	0
HQ_NY_Yearly_20-21	300	300	HQ_NY_Yearly_21-22	300	300
Madison County FCA11	1.4	1.4	Madison County FCA12	0.7	0.7
Mill Seat FCA11	6.1	6.1	Millseat FCA12	6	6
NYPA - CMR	68.8	68.8	NYPA - CMR	68.8	68.3
NYPA - VT	14	14	NYPA - VT	13	13
Oneida Herkimer FCA11	3.2	3.2	Oneida Herkimer FCA12	2.9	2.9
Rensselaer Cogen 20-21	77.4	77.4	Rensselaer Cogen 21-22	77	77
Roseton 1 20-21	610.5	0	Roseton 1 21-22	610.5	0
Roseton 2 20-21	596.2	0	Roseton 2 21-22	597	0
Seneca Grandfathered FCA11	45	45	Seneca Grandfathered FCA12	45	45
Seneca Non-Grandfathered FCA11	6	6	Seneca NonGrandfathered FCA12	3.2	3.2
SITHE_MASSENA 2020-21	80.7	0			
			NY_2021-22_01_Consolidated Edison Energy, In	2	2
			NY_2021-22_02_Consolidated Edison Energy, In	80.8	0
			NY_2021-22_03_Consolidated Edison Energy, In	61	0
			NY_2021-22_04_Consolidated Edison Energy, In	351.1	0
			NY_2021-22_06_Consolidated Edison Energy, In	80.7	0
			NY_2021-22_07_Consolidated Edison Energy, In	84.1	0
			NY_2021-22_10_Consolidated Edison Energy, In	54.9	0
TOTAL QUANTITIES	2,273.8	539.4		2,860.0	524

Gray highlight indicates units that offered in FCA 11 but not in FCA 12
 Purple highlight indicates units that offered in FCA 12 but not in FCA 11

Questions?

Questions or comments can be sent to Nathaniel

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- 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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