

FERC Wholesale Market Design NYISO Status

By

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Elements of the White Paper NYISO Compliance

- Regional Independent Grid Operation Compliant
- Regional Transmission Planning Process Work in Progress
- Fair Cost Allocation for Existing and New Transmission Work in Progress
- Market Monitoring and Market Power Mitigation Compliant

Elements of the White Paper NYISO Compliance

- **Spot Markets to Meet Customers' Real-Time Energy Needs** Compliant
- **Transparency and Efficiency in Congestion Management** Compliant
- **Firm Transmission Rights** Compliant
- **Resource Adequacy Approaches** Compliant

NYISO RTS Market Features

- Simultaneously co-optimized energy and ancillary services in both the Day-ahead and Real-time markets
- Full 2-settlement system for ancillary services
- Scarcity pricing via a reserve demand curve
- Enhanced market mitigation tools
- More frequent and consistent security analysis
- Pre-scheduled ICAP transactions

Resolution of Seams Issues

- NYISO is a leader in seams resolution
- Seams coordination agreements in place with all neighboring ISO/RTOs
 - *CEO's address any prioritization issues*
- FERC quarterly reporting (NY lead for NY, NE, PJM, & IMO)
- NYISO Chairs the ISO/RTO Council
- Progress has been made in many areas:
 - *Elimination of export charges between NY and neighbors*
 - *NYISO, PJM, and ISO-NE leading ISO efforts to establish a common data protocol*
 - *Development of a common resource adequacy market (RAM)*
 - *Virtual Regional Dispatch*
 - *Coordination of Interregional Planning via NPCC/PJM Working Group*

NYISO Planning Process

- NYISO received stakeholder support for a phased-in process
- Phase I:
 - *Initial Planning Process approved on September 10th*
 - *Implementation begun on September 19th*
 - *Reliability-based; historical congestion*
- Phase II:
 - *Discussions begun on September 19th*
 - *Will address:*
 - ▶ Reliability and economic needs
 - ▶ Cost recovery and allocation issues
 - ▶ NYISO, State, and Stakeholder roles
 - ▶ Procedures for ensuring that needed upgrades are built

NYISO's Shared Governance

A Successful Balance of Interests

- Independent Board
- Both Board and Market Participants must agree on 205 Filings
- BUT, Board may file under 205 in Exigent Circumstances
- Board and individual Market Participants may file under 206
- Market Participants may appeal Management Committee decisions

Shared Governance: Results

➤ 91 Section 205 Filings

- *Of these, only 4 MC-approved filings have been modified by the Board*

➤ 5 Exigent Circumstances Or Unilateral Filings Made By The Board

- *All but 1 were subsequently endorsed by the market participants*

➤ Board Has Decided 18 Appeals of MC Decisions

- *Only 2 of these appeals were taken to FERC for further consideration*