

Summer/Fall 2013 Operational Experiences



Peter Brandien
Vice President, System Operations
October 17, 2013

System Operational Update

- No gas infrastructure issues this past summer
- System Operations has hired a gas coordinator to assist in tracking gas supply and pipeline transportation
- ISO-NE is closely monitoring the status of the offshore Canadian production areas of Deep Panuke and Sable Island
- Non-gas fired resources account for approximately 20% of the energy mix on peak summer days

Near-Term Actions (2013–2014)

- Move up the Day Ahead Market
 - Facilitate supplemental commitment of oil and coal generators if necessary and provide gas-fired generators more time to line up fuel for the operating day
 - Implemented May 23, 2013
- Winter Reliability Program
 - In response to operational issues during the 2012-2013 winter, the ISO, working with stakeholders developed a program for the 2013-2014 winter season that will address near term reliability concerns
 - Commission approved
- Other Energy Market Enhancements
 - Hourly offers and intra-day re-offers in the energy market to reflect changing fuel costs and provides greater flexibility. Commission approved; will be implemented on December 3, 2014
 - Additional Reserve Requirements/Incentives
 - Tightening FCM Shortage Event Trigger
- The Commission has clarified generator obligations in a recent Order in EL13-66-000

Information Sharing

- ISO-NE filed comments supporting the Commission's NOPR in Docket No. RM13-17-000 to allow sharing of non-public information between operators of the gas and electric systems
 - Requested that the regulations be effective prior to the upcoming winter

Longer-Term Actions

Enhance Forward Capacity Market performance incentives

- ISO proposing a pay-for-performance (PFP) incentive approach
- Over-performing resources will be paid a premium through revenue transfers from under-performing resources
- This incentive will drive resources to perform when and where needed, including creating a strong incentive for fuel security
- ISO anticipates filing market rule changes in late 2013 to be effective for FCA 9 in 2018–19