



Workshop on Electricity Markets, Reliability and Planning *In Support of the Regional Greenhouse Gas Initiative*

Tuesday, November 30, 2004
9:00 a.m. – 4:30 p.m.

8:30 to 9:00 Coffee and Registration

9:00 to 9:15 Overview of the Workshop and Goals of the Day

Sue Tierney, The Analysis Group, Moderator (former MA utility regulator and environmental secretary and former Assistant Secretary of Energy, USDOE)

9:15 - 10:30 Tutorial on the Mid-Atlantic and Northeast Electricity Markets and Power System Operations

David J. Lawrence (NYISO) (with Jim Platts (ISO-NE) and Joe Kerecman (PJM))

- Introduction to the region's electricity markets - the basics of the three ISO-administered regional markets (PJM, NYISO, ISO-NE) and common elements across the three regions

Topics will include:

- Understanding market operation - Day Ahead and Real-time markets
- The other markets: "Ancillary services" and capacity markets
- Bilateral contracts
- Imports/exports
- Must-run units: purpose, status, impact on plant output
- Meeting load requirements through bilateral contracts, must-run units, energy markets, demand response: relative roles in practice
- Implications for RGGI design
 - Differences among the ISOs of interest in RGGI design

10:30 - 10:45 Break

10:45 - 12:15 RGGI design, markets and reliability issues (1) : Conventional Power Supplies

Issue Framing: *Mark Brownstein, PSEG*

- Allocation and interaction with electricity markets
- Leakage considerations (e.g., imports/exports, RGGI borders within PJM)
- Market clearing prices, cost recovery, generator competitiveness
- Bilateral contract arrangements

12:15 - 1:15 Lunch (on your own)

1:15 - 2:45 RGGI design, markets and reliability (2): Renewable and Distributed Resources

Issue Framing: *Richard Cowart, Regulatory Assistance Project*

- Renewable resources and RPS impacts
- Energy efficiency and demand response policies
- DG and CHP - reliability and interconnection
- Useful design options for RGGI

2:45 - 3:00 Break

3:00 - 4:20 RGGI design, markets and reliability (3): System Operations

Issue Framing: *Mark Babula, ISO- New England*

- Trading patterns: in-region trade, imports and leakage
- Fuel diversity and natural gas pipeline capacity
- Committing units for reliability (reliability must run units)
- Useful design options for RGGI

4:20 - 4:30 Wrap-Up and Adjournment

This workshop is presented by The Regulatory Assistance Project (RAP) and the Independent System Operators for the RGGI Region: ISO New England, the New York ISO, and PJM Interconnection.