Institute *for* Policy Integrity

NEW YORK UNIVERSITY SCHOOL OF LAW

FOR IMMEDIATE RELEASE – September 23, 2022

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STATEMENT ON FERC'S REJECTION OF NEW YORK MARKET RULE CHANGES

Today, the Federal Energy Regulatory Commission (FERC) rejected a complaint by several fossil-fuel generators in New York State seeking to expand NYISO's previously existing buyer-side market power mitigation rules to apply to the entire state. The requested rule change would have undermined some of New York's key climate and clean energy policies by preventing clean resources from participating in the capacity market.

The generators asked the Commission to replace the downstate-only offer floor that existed at the time with a state-wide minimum offer price rule (MOPR) covering all New York resources that receive out-of-market support. As with other expansive offer-floor rules, such out-of-market support would have included revenue from state clean energy policies and programs.

In line with recent decisions accepting tariff reforms in all three eastern RTOs/ISOs, including previously accepted reforms in NYISO that exempted clean energy resources from buyer-side mitigation rules, the Commission rejected the complaint.

Sarah Ladin, Senior Attorney at the Institute for Policy Integrity at NYU School of Law, issued the following statement:

Today's decision should be the final nail in the MOPR's coffin. Chairman Glick began his term with a clear message that market power mitigation rules that undermine state clean energy and decarbonization policies are not just and reasonable. By rejecting the request to expand NYISO's previous rule to the rest of the state, the Commission closes a chapter on overly expansive rules that undermine state authority and harm wholesale market competition.

Ladin is available for interviews on this issue.

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