NYISO Market Update Webinar
Q&A

Compiled: June 18, 2025

The following are answers to the questions our presenters received from participants during the NYISO Market Update webinar on June 10, 2025.

How is AI capacity affecting the U.S.? Is the impact different by region and if so, why?

Artificial intelligence (AI) and other data center related demand are the biggest source of demand growth in the electric sector in decades. Every market is impacted, but certain regions specifically are experiencing more near-term growth. These include ERCOT and certain parts of PJM, including Virginia and Ohio. While there may be less AI/data center growth in New York, the state could experience some impact due to proximity to PJM and competition for the same energy sources. This is clearly a bullish factor for all markets.

How can I manage market price volatility?

A managed approach is a flexible option to help navigate price volatility and capitalize on advantageous pricing. You can layer your forward (hedged) purchases and participate in the index (day-ahead) market when conditions present value. You can also position your business for future price shifts from changing fundamentals. It can position you to balance your risk tolerance with market opportunity. A managed approach also seamlessly incorporates energy management services, like peak load management and demand response, which can help you lower costs and even earn money.

Will the new presidential administration's views on renewables have any impact on New York's renewable and sustainability plans?

It may be too early to translate the Trump Administration's views on renewables and sustainability into direct impacts. Certainly, the wind industry is tussling with the administration's decision to withhold permits for offshore wind projects – and to cancel permits for previously-approved projects (e.g., Empire Wind, which was recently reinstated). Meanwhile, solar is being impacted by tariffs on certain components and Congress is considering the elimination or reduction of federal solar tax credits and a potential cut of $249 million for the EPA Solar for All program.

Interestingly, the New York state government has potentially exacerbated any impacts of federal action with the New York State Energy Research and Development Authority (NYSERDA) issuing an Order on April 24 eliminating $271 million in NY-SUN incentives. Clean energy groups are seeking a rehearing of that decision. Notably, one of the arguments that NYSERDA made to support the cut was the availability of the Solar for All funding – which is under threat, as noted.

Is the Constitution Pipeline project restarting and if so, what is the impact?

Although it hasn't yet been confirmed, what we've heard is that the Northeast Supply Enhancement Project and the Constitution Pipeline, might both get their water quality permits from New York state in exchange for the federal ban being lifted on the Empire Wind Project. The Northeast Supply Enhancement Project, which is a 23-mile underwater pipeline segment from New Jersey to New York City, would appear to have more impact for New York capacity than the latter – which is intended to provide natural gas to both the New York and New England markets.

What changes, if any, should we expect to see in energy rates given the current economic climate and/or federal tariffs?

It is always difficult to predict the future and what energy prices may be. How changing prices actually impact a business customer will depend on when they are purchasing their energy, their location and the term of the contract—among other things. There has however clearly been increased market volatility and uncertainty due to the many unprecedented factors that are currently impacting energy markets. It's important to remember that volatility can sometimes provide opportunity. This is why we regularly recommend a managed approach—which can help ensure you're prepared for upside and can capitalize on downside, all while staying within your specific risk tolerance.

Last year Zone G called for SCR responses more than in previous years. Is that expected to be the situation again this year? Should we expect to be called multiple times?

Special Case Resource (SCR) activations do not have clear-cut criteria based on temperatures and/or the load forecast. The NYISO SCR program is a reliability program mostly, so the NYISO may activate it on a day that's not "the hottest day of the summer,"but rather because of "systemwide need."

How many kWh does a customer need to use to participate in LFBI? And is that per contract or account?

The minimum usage a business would need to qualify for a load following block and index (LFBI) product structure is 1,000 MWh per contract (1,000,000 kWh), or 20,000 MWh/contract to take advantage of support from a Client Strategist.

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