

# NYSRC Installed Capacity Subcommittee

Meeting #97

**March 4<sup>th</sup> , 2009**

**9:30 a.m. – 5:00 p.m**

Meeting Minutes

**Attendees:**

	Present	Tel
<b>Members / Alternates:</b>		
Mr. Curt Dahl (LIPA), Chairman .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Carlos Villalba (Con Edison), Secretary .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Timothy Bush (Generation Owners).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Bart Franey (National Grid) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Steve Jeremko (NYSEG-RGE) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Mark Younger (Slater Consulting - Generation Owners) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Rajee Mustafa (NYPA).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Rich Wright (CHG&E) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mrs. Patricia Caletka (NYSEG-RGE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Madison Milhous (National Grid).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Kelvin Chu (Con Edison).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Mark Cordeiro (Municipal Power Agency).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Han Huang (NYPA).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Glenn Haake (Dynergy, Inc. - Generation Owners) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Harry Joscher (PSEG Power, LLC).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Advisers/Non-member Participants:</b>		
Mr. Al Adamson (Consultant) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Vitale (Consultant) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ms. Tracy Landers (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Greg Drake (NYISO) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Ciani (NYISO) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Dave Lawrence (NYISO).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Arthur Maniacci (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Ed Schrom (NYPSC).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Guests Present:</b>		
Mr. Robert Boyle (NYPA) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Dean Ellis (Dynergy) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Carl Patka (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Marie Pieniazek (Demand Response Group) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Alan Ackerman (Customized Energy Solutions) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Ms. Erin Hogan (NYSERDA).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. John Pade (NYISO-Consultant).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Steve Knach (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>

## 1. SCRs Performance

Mr. Curt Dahl briefly described for those participants that were not familiar with the ICS, the process of setting the IRM Study assumptions for the SCRs. Mr. Mark Younger then clarified that the assumptions being set for the IRM Study and the discussions he wanted to promote were not related and may not affect the NYISO payment methodology to SCRs.

Mr. Younger explicated his concern of relying with more SCRs in the IRM Study than what are available during the peak load hours or their load reduction potential. Mr. Younger claimed that during the peak load hours these entities, claiming SCRs, or Responsible Interface Parties (RIP) may be at a lower load than their Average Peak Monthly Demand (APMD), therefore, their load reduction is smaller than their load reduction potential. In contrast, Mr. Bob Boyle explained that the situation could be also reversed, the load maybe higher than its APMD and according to the rules will have to reduce its load to the one specified in the SCRs contract, therefore, reducing more than their load reduction potential.

Mr. Dave Lawrence confirmed that there is a difference in calculating the performance using CBL versus APMD. This difference was seen also in the 2006 response to the SCRs calls. The performance factors for zone J using CBL and APMD were approximately between 40% to 44% and 50% to 60% respectively.

Mr. Younger also indicated that the number of times the MARS program calls for SCRs is greater than the system has ever experience and thus a fatigue factor, if it does exist, should be included in the assumptions.

Mr. Lawrence and Mr. Drake will investigate and then present to the ICS the NYISO recommendation on how to model the Demand Response Programs in MARS.

[http://www.nyiso.com/public/webdocs/services/market\\_training/workshops\\_courses/nymoc/8\\_demand\\_response\\_01\\_2009.pdf](http://www.nyiso.com/public/webdocs/services/market_training/workshops_courses/nymoc/8_demand_response_01_2009.pdf)

## 2. Meeting Minutes

The group reviewed meeting minutes # 96 and performed the necessary corrections. Mr. Al Adamson will submit a correction of numeral five. The minutes will be re-circulated before are final.

## 3. Action Items

### 3.1. Closed

**94-1.** Linden VFT. Mr. Frank Ciani will circulate the slides presented during the last meeting.

**95-1.** CBL versus APMD methodologies. New action item 97-1 was created to investigate and produce a white paper to proposed a methodology to the ICS members.

**95-2 and 95-7.** Assumptions matrix completed and circulated.

**95-5.** Lessons Learned. Completed and circulated.

### **3.2. New**

**97-1.** SCRs performance modeling in MARS and NYISO's recommendation. Item assigned to Dave Lawrence, Greg Drake, and Mark Younger.

**97-2.** Finalize schedule tracking for IRM study. Item assigned to Greg Drake and Steve Jeremko.

**97-3.** Comments on the external ICAP paper.

**97-4.** Consult with NYISO's Law Department whether or not and why the MARS output file OT09 is deemed confidential.

**97-5.** Status of PJM transmission line project Susquehanna – Lackawanna – Jefferson – Roseland – Hudson – Branchburg. Item assigned to Carlos Villalba

**97-6.** Find out if NERC has a service to produce an analysis of the NYCA forced outage rate.

### **3.3. Revised**

All items were revised and the following items were discussed in detail.

**96-1.** Greg Drake reported preliminary conclusions from the Upstate/Downstate study.

**95-6** Scope of work for EFORD trends:

## **4. Lessons Learned by the NYISO.**

Ms. Tracy Landers presented to the group the Lessons Learned document for the 2009 IRM study. The members provided final comments and corrections.

Mr. Al Adamson asked the NYISO to add an item related to the status of letting third parties use the masked MARS database.

John Pade stated that the NYISO would not be able to have a finalized load forecast by October 1<sup>st</sup>; therefore, the LCR and the IRM will be based on two

different load forecasts. He reminded the members that the reason for accelerating the issuance of the load forecast was to have the IRM and the LCR on the same basis.

Mr. Younger and Mr. Dahl understood that the October 1<sup>st</sup> load forecast has reasonable regional load growth factors that are not final; however, the forecast calculated using the latest the summer experience is better than the one calculated with a year old data.

The group agreed that it is important and necessary to have the load forecast updated in October 1<sup>st</sup>.

## **5. Scope of Work for Forced Outage Trend**

Mr. Frank Vitale reported to the group the legal difficulties at the NYISO to work with the EFORd and outage data.

The group agreed to Mr. Curt to talk with Paul Gioia to talk to Carl Patka to eliminate any issues to obtain the EFORd data.

The group had the opportunity to comment on the draft Mr. Vitale circulated.

Mr. Vitale will investigate whether or not NERC has a service to produce forced outage statistics for NYCA only, instead of national average statistics.

## **6. Forward Capacity Market IRM.**

Mr. Dahl and Mr. Adamson informed the group that the scope of work was reduced and that the numbers of sensitivities were trimmed down to complete the study as scheduled with the available NYISO resources.

The group also reviewed and commented on the assumptions matrix. The following are some of the highlights:

- The group decided to use the same generation capacities used in the IRM 2009-10, and directed the NYISO not to use the new Load and Capacity report numbers due to scheduling delays.
- The FCM will use more updated Forced outage rates than the IRM Study for a better representation of the future.
- Environmental assumptions (to capture future environmental issues).
- Susquehanna line to Roseland. The group discussed that the 500 MW line proposed in the RTEP may be consider in the model. This will increase the transfer limit from PJM Central to PJM East. See next meeting notes for resolution.

## **7. External ICAP Allocation (1 hour) Not finalized**

Ms. Landers and Mr. Drake explained the methodology it was followed to create the new IRM/LCR curve that yielded a 13.1% IRM.

The NYISO proposed after their presentation to eliminate external capacity modeling for the IRM calculation.

Mr. Bart Franey and Mr. Carlos Villalba pointed out that this exercise shouldn't have resulted in an impingement of the LOLE. Mr. Dahl also questioned the NYISO results.

Mr. Franey agreed with the NYISO conclusion.

The group will have an opportunity to review NYISO conclusions for next meeting before we finalize the assumptions matrix.

## **8. Upstate/Downstate Study**

Mr. Drake reported the results of the Upstate/Downstate study through a presentation. The presentation has not been circulated because it needs still clearance from the NYISO's Legal Department.

For the third year, this study concludes that the Downstate customers are not being subsidized by the Upstate customers.

Mr. Bart Franey indicated that he was under the impression that this study has to be performed for one more year. He also suggested to remove the external capacity contracts to perform this study again, since the additional flows from the neighboring pools will result in higher reliability levels for Upstate.

## **9. OT09 File Confidential Information**

Mr. Drake stated that he does not believe that the information in the OT09 output file, showing zonal LOLEs, capacities, and loads is confidential.

Mr. Drake will talk to the NYISO's Legal Department to find out what information is considered confidential and why.

## **10. Next Meetings**

April 8, 2009 -- Meeting #98

April 29, 2009 -- Meeting #99

June 2, 2009 -- Meeting #100

*Secretary: Carlos Villalba*