

# NYSRC Installed Capacity Subcommittee

Meeting #130

**November 28th, 2011**

**9:30 a.m. – 3:00 p.m.**

Meeting Minutes

## Attendees

	Present	Tel
Members / Alternates:		
Mr. Curt Dahl (LIPA), <b>Chairman</b> .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Yuri Fishman (LIPA) .....	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Kathune Zannat (LIPA) .....	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Erin Plasse (CHG&E).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Rich Wright (CHG&E).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Kelvin Chu (Con Edison) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Gregory Chu (Con Edison), <b>Secretary</b> .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Syed Ahmed (National Grid).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Bart Franey (National Grid).....	<input type="checkbox"/>	<input type="checkbox"/>
Mrs. Patricia Caletka (NYSEG-RGE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Edward Gilroy (NYSEG-RGE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Steve Jeremko (NYSEG-RGE) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Robert Boyle (NYPA).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Han Huang (NYPA) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Rajee Mustafa (NYPA) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Bradley Kranz (NRG Energy, Inc.).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Chris LaRoe (IPPNY).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Mark Younger (Slater Consulting - Generation Owners) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Mark Cordeiro (Municipal Power Agency).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Michael Mager (Couch White, LLP), <b>EC Chairman</b> .....	<input type="checkbox"/>	<input type="checkbox"/>
Advisers/Non-member Participants:		
Mr. John Adams (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Peter Carney (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>

- Mr. Frank Ciani (NYISO).....  .....
- Mr. Dave Lawrence (NYISO) .....  .....
- Mr. Greg Drake (NYISO).....  .....
- Mr. Bill Lamanna (NYISO) .....  .....
- Mrs. Kathy Whitaker (NYISO) .....  .....
- Ms. Mariann Wilczek (NYISO) .....  .....
- Ms. Erin Hogan (NYSERDA) .....  .....
- Mr. Ed Schrom (NYPSC) .....  .....
- Mr. Glenn Haringa (GE Energy).....  .....
- Mr. Al Adamson (Consultant).....  .....
- Mr. Frank Vitale (Consultant) .....  .....
- Mr. Arthur Maniaci (NYISO) .....  .....
- Mr. Yannick Vennes (HQ).....  .....
- Mr. Scott Leuthauser (Consultant for H.Q. Services) .....  .....
- Mr. Henry Chao (NYISO) .....  .....
- Mr. Howard Tarler (NYISO) .....  .....
- Mr. Wes Yeomans (NYISO).....  .....
- Mr. Paul Gioia (NYSRC) .....  .....
- Mr. Dana Walters (NYISO) .....  .....
- Mr. Donna Pratt (NYISO) .....  .....

Guests Present:

- Mr. Charlie Shafer (AES) .....  .....
- Mr. Dean Ellis (Dynergy).....  .....
- Mr. Jim D'andrea (Transcanada) .....  .....
- Mr. Alan Ackerman (Customized Energy Solutions).....  .....
- Mr. Chris De Graffenried (Con Edison) .....  .....
- Dr. Roy Shanker .....  .....
- Mr. Phil Phedora (NPCC) .....  .....
- Mr. Arvind Jaggi (NYISO) .....  .....
- Mr. Frank Francis (Brookfield).....  .....
- Mr. Tom Patrit (EPS) .....  .....
- Mr. Ruben Brown .....  .....
- Mr. John Dalwin.....  .....

Mr. Richard Quimby.....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Carlos Villalba (Con Edison).....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Randy Wyett (NYISO).....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. David Allen (NYISO).....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Kai Jiang (Con Edison).....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. John Dowling (Luthin Associates).....	<input checked="" type="checkbox"/>	.....	<input type="checkbox"/>

**1. Special Case Resources Sensitivity Case**

Mark Younger (Slater Consulting) mentioned that the sensitivity case regarding SCRs (#14) should be zeroed out in the report because the case was not the same as the one ICS agreed upon. Mr. Younger mentioned that the NYISO performed the study based on Arthur Maniaci's (NYISO) equivalent analysis, instead of the study on the actual load reduction of this year.

Chairman Curt Dahl (LIPA) stated that Donna Pratt (NYISO) had stated in the previous meeting that the data to perform actual load reduction is not yet available thus the study cannot be done at this time. Mr. Dahl said Mr. Maniaci's analysis provided support for the 95% performance assumption.

Mr. Younger stressed that during the most recent Load Forecast Task Force (LFTF) meeting, it was revealed that Arthur's analysis had a standard deviation of +/- 300MW, which this lack of precision called the analysis into question. Mr. Younger reiterated that the SCR study using Arthur's analysis, regardless of the precision, was not agreed upon for the sensitivity case.

Mr. Younger had some additional thoughts about the Mr. Maniaci's analysis, including that the study seemed to assume ALL the reduction was attributed to SCR and EDRP calls, which may not be the case.

Mr. Maniaci was asked to come into this meeting later on and discuss.

## 2. Sensitivity Study Results

Gregory Drake (NYISO) stated that in the 1-in-2 case (sensitivity case #17), the result was a higher IRM, but it was referenced to a lower load forecast, so the MW was still the same even though it seemed like IRM has increased. This was just a change of reference point, thus the amount of MW required did not change. Mr. Younger mentioned that this explanation should be documented somewhere in the report. The members agreed to include the explanation as a footnote and worked out the exact wording at the meeting.

The Indian Point sensitivity study (#15) has one footnote. The footnote stated that there was no evaluation of the transfer limit and thus there was no change in the transfer limit.

The new EFORd method case (#13) showed that the final IRM value for this case was unknown. Due to some temporal mismatch that can't be corrected at this time, the implementation of the method will be problematic. The result of the study was an interim result and had not been fully reviewed. Bob Boyle (NYPA) wondered what the process would be to implement the Associated Power Analysts (APA) method for next year. Al Adamson (NYSRC) mentioned that a white paper will be required early next year. By May/June the ICS would be able to verify the method. -.

The updated PJM sensitivity case (#18) had some dramatic changes that Frank Ciani (NYISO) thought was not believable. Mr. Ciani went back to the preliminary base case (16.5%) and returned the model back to original New England, HQ, and Ontario data. He then reran that model and got a new starting baseline (16.3%). Finally Mr. Ciani updated that model with new PJM information and the result was a decrease of 1.2% in the IRM. Mr. Drake mentioned that a decrease of 1000 MW forecasted load in PJM East, reported by PJM, is questionable. It was also unclear how emergency assistance was modeled and policy 5 compliance was implemented. Chairman Dahl asked if the members would consider whether the result for this case should be included or not. Steve Jeremko (NYSEG-RGE) stated that the results should be included in the report, which Mr. Boyle agreed. Mr. Boyle would like this concern be noted in the report.

Henry Chao (NYISO) stated that the Executive Committee (EC) would, at their discretion, consider the relevance of the results. Mr. Boyle agreed and said that a note is needed because the EC may think that the updated PJM information is already included but in fact, the updated information was not in the base case and is suspect.

### **3. Special Case Resources Sensitivity Case Explanation**

Mr. Maniaci explained that his analysis of an alternative method (NYISO Peak Day Analysis Model) to gauge SCR effectiveness indicated a 90-98% performance factor was a reasonable assumption to use in the model. If this method is implemented, Mr. Drake said that instead of 1862 MW, 1828 MW would be used in the model.

Mr. Maniaci also mentioned that at the last LFTF meeting where this method was discussed, Mr. Younger strongly objected using the new performance factor based on this method since this would require a new curve with a new tangent 45 point, not to mention the large standard deviation possible as mentioned previously of 300+- MW.

Referring to the presentation “Top-Down Estimation of Demand Response Impacts- A Zonal Baseline Approach”, Mr. Maniaci explained that since Zone D was not called, a net of 440 MW was removed from NYCA 1871 MW, resulted in the 1431 MW displayed on slide 3. The method, as explained by Mr. Younger and confirmed by Mr. Maniaci, was to reconstruct the estimated peak load and compared with actual observed load, with the differences attributed to SCR/EDRP assistance.

Mr. Younger stated that his concern remained that the regression performed on the actual reconstructed non-weather normalized peak load had a standard deviation of 1%, equivalent to about 350 MW. The lack of precision of the method is a significant problem, since there would be 66% likelihood (1 standard deviation above and below the average) that the load would fall within 35750 and 35000 MW. Mr. Maniaci mentioned that 25% +- on the delta is acceptable by the LFTF.

Chairman Dahl suggested that a reduction of 330 MW of SCR should be implemented into a quick MARS run or through a calculation to cover the worst case scenario, since the actual data is not yet available. (AI 130-1) Mr. Younger is fine with this, but stated that the load has to be translated to the 2012 level. Nonetheless, he was still interested in the study of the actual expected SCR reduction.

Mr. Boyle wondered if +/- values for the SCR should be used. Mr. Younger found it strange that we would consider a HIGHER amount of SCR support than expected. Mr. Boyle suggested that the entire range of SCR should be noted. Mr. Younger also commented the note should state that the case assumed all reductions were attributed to SCR and EDRP. Mr. Maniaci disagreed with this particular statement. Mr. Younger stated that if this method is applied to the other days of the summer, the results will not accurately match the estimated values.

Ms. Pratt stated that the actual SCR data is not yet available and was never promised to be available by this meeting. The data will be reviewed by the NYISO and will be available after the end of December. (AI 130-2)

After the midday break, Mr. Younger asked for the original NYISO study about the SCR performance of 4 hours/6 hours top 15 peak days. Mr. Drake showed the results of the study and forwarded the document to the members. Mr. Drake explained that the study limited SCR support to only 4 or 6 hours to the top 15 peak days and the resultant LOLE jumped from .115 to .258 for the 4 hour response case. The LOLE jumped from .115 to .247 for the 6 hours response case.

Mr. Younger summarized the results by stating that it would take a 3% increase in IRM to maintain the same reliability when SCRs are restricted to 6 hour response during the top 15 peak load days. Mr. Boyle cautioned that there are capacity adjustments to the model in order to achieve these results. Furthermore, the results have not been vetted by the ICS fully. Mr. Younger suggested that the report should note this significant finding. Scott Leuthauser (HQUS) agreed that given the amount of times SCRs have been called upon to support the system,

the more information we can obtain from this study, the more informed ICS/EC (and readers of the IRM report) would be.

Chairman Dahl wondered if the LCRs were considered since a deficiency in any of the two localities can easily drive up the LOLE, the results may have appeared to be exaggerated as only the IRMs were considered in this study. Mr. Boyle did not believe that the 3% IRM increase should be included in the report since the results have not been validated. Mr. Boyle further stressed that while he agreed with Mr. Younger that the current SCR sensitivity study was not the analysis the members were originally looking for, this particular 4/6 hours study was the start of a lengthy study of the issue, to be concluded next year.

Mr. Younger would like to have a footnote in the report stating the preliminary results presented here.

Mr. Chao stated that the NYISO has committed that additional studies will be performed next year on the SCR issue.

The preliminary result of the 4/6 hours SCR study will be circulated to ICS and EC members. (AI 130-3)

#### **4. The Installed Reserve Margin Study Report**

Mr. Adamson reported that comments from both ICS and EC members were incorporated in the current version of the report. This version was forwarded to Mr. Drake for inclusion of the new results from the sensitivity cases.

Frank Vitale (NYSRC) reported that the appendix format was changed significantly, and some tables were missing. Mr. Drake responded that they would work together after the meeting to complete the appendix and the report as a whole.

Chairman Dahl mentioned that font style and size should be consistent throughout the sections of the report.

## **5. APA Method Status Report**

Mr. Drake stated that the APA method is progressing smoothly. Mr. Ron Fluegy has been fixing/updating his program. Mr. Drake planned on running the model and obtaining the transition rates to compare the result of the EFORd and Fluegy method. A validation process is needed that will include sending the data down to Dr. Chanan Singh for verification, and should take place in January 2012. A white paper will be available by next spring.

Mr. Younger commented that the method will not be implemented next year since it would a sensitivity study in 2012 and then the method would be a part of the base case in 2013. Chairman Dahl mentioned that if the implementation of previously agreed upon concept of APA method is validated and approved by all parties, then it is conceivable that the APA method could be a part of the 2012 base case. Mr. Adamson stated that the APA method will be applied to this year's assumptions through a special study ahead of the parametric study next year around May to test the impact of this method. The results of this special study, when deemed acceptable, will be presented to the EC for approval.

## **6. SCR Study Schedule**

Chairman Dahl wondered if the NYISO can comment on the SCR study schedule that is currently an open action item. Mr. Younger wondered why the NYISO has not given interim results for the study. Mr. Drake stated that information had been provided at several past meetings, but Mr. Younger would like to see a presentation. Mr. Drake will check with Ms. Pratt on this matter. Chairman Dahl recommended that this should be the main agenda item at the January 2012 conference call. (AI 130-4)



## 7. SCR Proposed Reliability Rule

Mr. Adamson mentioned that the NYISO need to review line 9 through 12 and provide comments on the implementation plan. The ICS also has to work together with the NYISO staff on Policy 5 changes. (AI 130-5)

Secretary: Gregory Chu

*(Con Edison)*

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Next meetings:

Meeting 131, Wednesday, January 4<sup>th</sup>, 2012 on a conference call  
Meeting 132, Wednesday, February 1<sup>st</sup> at NYISO HQ  
Meeting 133, Tuesday, February 28<sup>th</sup> at NYISO HQ  
Meeting 134, Wednesday, April 4<sup>th</sup> at NYISO HQ  
Meeting 135, Wednesday, May 2<sup>nd</sup> at NYISO HQ  
Meeting 136, Tuesday, May 29<sup>th</sup> at NYISO HQ  
Meeting 137, Wednesday, June 27<sup>th</sup> at NYISO HQ  
Meeting 138, Wednesday, August 1<sup>st</sup> at NYISO HQ  
Meeting 139, Wednesday, September 5<sup>th</sup> at NYISO HQ  
Meeting 140, Wednesday, October 3<sup>rd</sup> at NYISO HQ  
Meeting 141, Tuesday, October 30<sup>th</sup> at NYISO HQ  
Meeting 142, Tuesday, November 27<sup>th</sup> at NYISO HQ

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