

# NYSRC Installed Capacity Subcommittee

Meeting #139

September 5th, 2012

9:30 a.m. – 3:00 p.m.

Meeting Minutes

## Attendees

	Present	Tel
Members / Alternates:		
Mr. Curt Dahl (LIPA) .....	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Polina Adelson (LIPA) .....	<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 checked="" type="checkbox"/>
Mr. Rich Wright (CHG&E) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Luting Pan (Con Edison) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Gregory Chu (Con Edison), <b>Secretary</b> .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Syed Ahmed (National Grid) .....	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>
Mr. John Tigue (NYSEG-RGE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Robert Boyle (NYPA), <b>Chairman</b> .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Andrea Fossa (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 checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Peter Carney (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>

Mr. Frank Ciani (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Dave Lawrence (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Greg Drake (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Bill Lamanna (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mrs. Kathy Whitaker (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Mariann Wilczek (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Erin Hogan (NYSERDA) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Ed Schrom (NYPSC) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Al Adamson (Consultant).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Vitale (Consultant) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Arthur Maniaci (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Scott Leuthauser (Consultant for H.Q. Services) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Henry Chao (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Howard Tarler (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Wes Yeomans (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Paul Gioia (NYSRC) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Dana Walters (NYISO) .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ms. Donna Pratt (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. David Allen (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Mark Walling (GE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Gary Jordan (GE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Glenn Haake (Haake Energy Consulting LLC).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Guests Present:

Mr. Charlie Shafer (AES) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Dean Ellis (Dynergy).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Jim D'andrea (Transcanada) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Alan Ackerman (Customized Energy Solutions).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dr. Roy Shanker .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Phil Fedora (NPCC).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Arvind Jaggi (NYISO) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Francis (Brookfield).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Tom Patrit (EPS) .....	<input type="checkbox"/>	<input type="checkbox"/>

Mr. Ruben Brown (The E Cubed Co.) .....	<input type="checkbox"/>	.....	<input checked="" type="checkbox"/>
Mr. John Dalwin.....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Richard Quimby.....	<input type="checkbox"/>	.....	<input checked="" type="checkbox"/>
Mr. Randy Wyett (NYISO).....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. John Dowling (Luthin Associates) .....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Nicholas Occhionero (NYPSC) .....	<input checked="" type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Timothy G. Lundin (Customized Energy Solutions).....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Norman Mah (Con Edison) .....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Mr. Matt Renninger (Energy Curtailment Specialist) .....	<input type="checkbox"/>	.....	<input type="checkbox"/>
Ms. Kathy Slusher (SUNY) .....	<input type="checkbox"/>	.....	<input type="checkbox"/>

**1. Preliminary IRM/LCR Curve/Tangent 45**

Frank Ciani (NYISO) presented the result of the preliminary base case IRM/LCR curve. A total of 10 points were obtained from MARS runs that formed the curve. The points ranged from a little over 15% to 21%, in increments of 0.5%. The tangent 45 result on the locality curves showed a calculated IRM of 17.13%. Zone J preliminary results showed a LCR of 85.4% and Zone K has a LCR of 101.0% that correspond to the 17.13% IRM.

Mr. Ciani also stated that for the Zone J curve, the segment of 16.5% and 18% gave the best correlation. Zone K had a segment of 17% to 19% that gave the best correlation for tangent 45 study. Individual tangent 45 calculation resulted in IRM of 17.24% for J and 17.02% for K. Mr. Ciani said that Yuri Fishman (LIPA) had a slightly different IRM average of 17.2%, as opposed to the NYISO' s 17.13%.

Polina Adelson (LIPA) asked if the NYISO can provide some reasoning behind the 2% increase in LCR. Mr. Ciani said that the regression analysis and system condition led to a higher LCR.

Gregory Drake (NYISO) stated that Long Island saw an increase in LCR due to an increase in unit forced outage rates, which he pointed out in Attachment C1 of

the assumption matrix, 5-year zonal EFORds for Zone K increased from 10.4% to 11%.

Scott Leuthauser (HQUS) asked about the previous results that the NYISO unofficially announced during the July meeting, which was approximately 15%. Mr. Ciani said that based upon the GE QA result, a correction was made on the equivalent contracts modeled on the HQ tie. There were 0 MW modeled before the correction, and 1090 MW modeled after the correction. This caused the IRM to increase dramatically to 17.2%. Mr. Drake also said that GE found that the model had extra SCR MWs in July that had to be corrected.

Chairman Bob Boyle (NYPA) asked if the NYISO will finalize the GE findings as a preliminary version of the report was distributed among the members. The NYISO previously mentioned that there were changes to implement. Mr. Drake said that he would reissue the GE and the NYISO's findings together as a package. Mr. Ciani stated that GE would have another review later on the final base case. Chairman Boyle would like to see a report stating that all GE and the NYISO findings on the preliminary case has been addressed. **(AI 139-1)**

Ms. Adelson asked when the IRM/LCR documents get circulated, will the reasons for LCR increase be illustrated. Mr. Drake said that typically the reasons for the LCR changes are detailed during the preparation of January LCR report. Mr. Drake stated that an increase in unit forced outage rates definitely contributed to LCR increase. Furthermore, Mr. Drake said that less assistance from outside pools may be a contributor. Finally, cable forced outage rates may have been a contributor as well. Kathune Zannat (LIPA) said that cable Y49 and Y50 outage rates went from 3.85% to 6%. Mr. Drake recalled outages rates for several interfaces went up, including New York City interfaces that could have a direct impact on Zone K LCR. Gregory Chu (Con Edison) also asked if there is any specific factor, other than the ones that affected zone K's LCR, that affected Zone J. John Adams (NYISO) said the factors were the same.

Ms. Adelson asked about modeling changes other than less assistance from New England. Mr. Ciani said that the external areas in the preliminary base case followed the CP-8 model. Chairman Boyle asked about significant changes

between this year and last year's case. Mr. Ciani said that there are changes in the external control areas but he was not certain what the changes were exactly. Chairman Boyle asked the NYISO to return at the next ICS meeting to provide the external area model changes. **(AI 139-2)**

Al Adamson (NYSRC – Consultant) said that we need a final version of the curves in hand before the ICS can approve this at the meeting. Since the documents require NYISO legal review, we need to approve those at this meeting. ICS members indicated concern that lengthy NYISO internal review of IRM study results has the potential to delay NYISO staff deliverables, which could delay the 2013 IRM Study. Mr. Drake was asked to express this concern to NYISO management. Mr. Fishman has already completed the calculation and the tangent 45 curves. Ms. Zannat said that she will get Mr. Fishman to circulate his results to ICS members. **(AI 139-3)**

The sensitivity cases needed specific LCR values from the IRM and there was some additional discussion about whether to use the LCRs from 17.2% or 17.13% IRM calculation. In the end, the ICS decided on using the LCRs associated with 17.2% IRM since the curves that are to be published within the final report will indicate 17.2%.

## **2. Parametric Study- Table 1**

Mr. Drake stated that the new load forecast showed an upstate load growth that lowered the IRM as expected.

Mr. Adamson asked about effects of unit retirements in the model. Mr. Drake said that since the NYISO performed a test where capacity is only added or removed from the locality they are in, the effects on IRM were negligible.

Mr. Adamson would like the parameters that did not affect the IRM to still be listed in the parametric Table 1, as was included in the 2012 IRM report.

Chairman Boyle asked about if the new EFORd model meant APA methodology. Mr. Drake said it included that new methodology and also new performance factors. Mr. Adamson suggested that APA model impact be separate from the EFORd performance impact because the Executive Committee will want to see separate modeling and assumption change impacts.

Syed Ahmed (National Grid) asked about the less assistance we expect to receive from PJM/external control areas. Mr. Drake said that because there is external load growth but there isn't capacity increases in the external control areas. Mr. Ahmed cautioned that New England's increase in load is being offset by an energy efficient contribution. Since the model used CP-8's summer assessment that took place in April, there was a new forecast in the summer that didn't make it into the model in time.

Mr. Ahmed also asked about SCRs. Mr. Drake said that due to a decrease in enrollment and efficiency of SCR participants, combined with the change to decouple SCR MW from peak load levels, SCR increased the IRM by 0.7%. Mr. Ahmed suggested breaking these out in the table as well.

Mr. Younger wondered if the NYISO can explain the modeling change on Cross Sound Cable that has capacity returning to WMA instead of Norwalk. Mr. Ciani said that ISO-NE has expressed that the proper treatment of the contracted MW that went unused needs to be returned to WMA. The NYISO created dummy zones to reflect this modeling change. Mr. Ahmed said that the two RTOs don't treat this in the same way. In fact, he said ISO-NE planned for 0 MW returning back into their territory in their system study. The two RTOs have not resolved this issue.

### **3. Sensitivity Study Cases**

Chairman Boyle reported that the Executive Committee (EC) approved the list of the sensitivity cases.

Chairman Boyle stated that the “X” number of SCR calls per month in case #13 should be 5. He felt 8 calls would be too many. Glenn Haake (Haake Energy Consulting) asked if there’s any justification for the 5 calls. Mr. Younger explained that on average we can get about 20 calls per year. In the end, the ICS agreed that 5 calls per month would be fine.

Mr. Drake recommended case # 17 to be added to the list. The case would involve a run with new PJM load forecast. Chairman Boyle said that we should include all external areas and name this “update externals”.

Mr. Drake stated that the NYISO had already started on the sensitivity cases, when Mr. Younger asked about the current progress. Mr. Drake said that case #10- 2007 load shape study will take some time, but by the following week the NYISO would have probably have completed 9 cases.

Chairman Boyle asked about the order of the sensitivity studies, just in case the NYISO ran out of time with 17 case runs. Mr. Adamson stated that the EC typically won’t make an IRM determination based on cases 1-5 results. The EC usually consider case 6 and onwards for the final IRM value. As a result, Chairman Boyle recommended that cases 1-5 be pushed to the end as those cases are not as important. Erin Hogan (NYSERDA) suggested that case 3 may be important since case 10 shows a different load level and that coupled with case 3 will give a good idea if peak load effect is exaggerated by load forecast uncertainty. The new order would be 3, 6-17, 1, 2, 4, 5.

Mr. Drake will send around the updated sensitivity study list to the ICS. **(AI 139-4)**

The sensitivity study results are needed by the ICS October meeting. **(AI 139-5)**

#### **4. Quality Assurance reviews**

Mr. Drake mentioned that GE will provide a second round of review for the final base case. Chairman Boyle asked if the NYISO provided the base case back to GE after the deficiencies from the first review has been rectified. The NYISO said

no. Mr. Ciani said that the other two recipients of the masked preliminary data base, which were LIPA and Con Edison, have not responded yet.

Mr. Chu said that Con Edison obtained the data base last week and quality assurance is currently underway. Mr. Chu said some items have been identified and possibly the results of the review can be forwarded to the NYISO in the following week.

Ms. Zannat mentioned that LIPA will try to review the database and provide results by next Friday if possible. **(AI 139-6)**

## **5. APA/EFORd Model Analysis**

Mr. Drake said that there was nothing new to report. Mr. Chu said that Con Edison has been in touch with Ron Fluegge, and Mr. Fluegge couldn't perform the calculation that Con Edison has suggested for verification. Mr. Chu stated that Con Edison still has the same concern since the program code cannot be verified, even though Con Edison is in agreement that the methodology is sound. Mr. Chu suggested that the NYISO should still try to investigate units with the large deviation that were shown in the charts. Mr. Drake said that maybe they will look at the 10 largest deviations and see if they can explain why. **(AI 139-7)**

## **6. Fall Load Forecast**

Mr. Drake said that Arthur Maniaci (NYISO) is unclear what the ICS wants him to do with the forecast. Mr. Maniaci expressed concerns about meeting the study deadline since he had to obtain buy in from the Load Forecasting Task Force group on EACH the forecasting changes. Chairman Boyle said that Mr. Maniaci should manage this, and LFTF just needs to provide guidance to ensure the forecast is on track. This is just an additional check that needs to be done but the ICS leaves it up to Mr. Maniaci to provide the appropriate results.



Mr. Adamson mentioned that the Fall forecast is an important base case change for the final base case model and should have the highest priority in order to have the forecast available by October 1<sup>st</sup> due date. **(AI 139-8)** Mr. Drake said that the ICS expects Mr. Maniaci to provide a forecast, and not expect the LFTF to create a separate forecast from inputs from individual participants that would take way too long to complete.

Mr. Adamson mentioned that the IRM study report needs a transmission write-up from Bill Lamanna (NYISO). **(AI 139-9)**

## **7. PRR-109 SCR Data Collection**

Chairman Boyle said the NYISO gave a presentation at the August 20th ICAP meeting about the study of the CBL/ACL methodology. *NYISO presented five options for collecting data and asked stakeholders for a recommendation for the NYISO to bring to BIC. The NYISO will present these options to the BIC on September 20<sup>th</sup>. Options include collecting all the data for the next two years, the NYISO would send out a survey to SCRs and find out their ability to provide the data from the prior capability periods to use for the analysis, issue a data request to all RIPs for all data without a survey, issue a data request for a subset of SCRs, or use the same data that was used for the initial SCR baseline study.* There was no decision at the ICAP meeting. *In a follow-up teleconference, two recommendations were made: have the NYISO request the interval data from the Transmission Owners or collect whatever interval data is available from RIPs.* The NYISO would like to do a survey just to see what data is available. Chairman Boyle believed that the NYISO would not be able to meet the intent of the rule and the study may not be available by 2013 for the reliability council to review and consider.

Mr. Adamson said that there is Reliability Rules meeting that would review if the NYISO meet the requirement of PRR-109 tomorrow. He stated that there will be no non-compliance findings.

Chairman Boyle said that the NYISO will be able to meet the rule, but will not be able to address the underlying reason of the rule.

Mr. Haake stated that the NYISO tariff does not require participants to provide CBL data unless they want energy payments. He theorized that it may not be economical for some smaller participants to invest in the metering technology to be able to capture the data. He said that a tariff change would be necessary if the NYISO decides it must require all participants to provide CBL data.

Chairman Boyle suggested that for the purpose of the base line, the NYISO does not need to collect any data at all to perform the base line study. Each of the transmission owners (TO) already submitted some information to PSC, by customer categories. He suggested that TOs would be able to take that customer category “proxy load” and compare that with ACL/CBL methodology and see which baseline method would be the closest to the proxy load. Chairman Boyle is thinking that perhaps in rate cases the TO would have already obtained the numbers.

Chairman Boyle would like to discuss with TOs about available SCR data. **(AI 139-10)**

#### **8. Locational Capacity Requirement for a new zone (Hudson Valley)**

Mr. Haake said that the ICS will need to develop a new methodology for calculating a locational requirement for the new zone that is scheduled to be implemented beginning May 1<sup>st</sup>, 2014 and that given the complexity of the effort and implications for the current Tan 45 approach that will be required to address this issue, it will be necessary for the ICS to begin discussions on this matter well in advance of the typical March start of the IRM study effort. Mr. Younger said that would be an important topic to discuss next year. Chairman Boyle has asked the NYISO to provide a list that outlines the challenges of establishing LCR for a new zone. **(AI 139-11)**

#### **9. ICS Meeting Schedule for 2013**

Mr. Adamson will send out the schedule for next year's ICS meeting date and location for members' review. **(AI139-12)**

Secretary: Gregory Chu

*(Con Edison)*

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Next meetings:

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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