

NYSRC Installed Capacity Subcommittee

Meeting #159

April 29th, 2014

10:00 a.m. – 3:00 p.m.

Meeting Minutes

Attendees

	Present	Tel
Members / Alternates:		
Ms. Kathune Zannat (LIPA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Rich Wright (CHG&E)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Gregory Chu (Con Edison), ICS Vice Chair/Secretary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Richard Brophy (NYSEG-RGE)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Andrea Fossa (NYPA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Mark Younger (Hudson Energy Economics, LLC.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Advisers/Non-member Participants:

Ms. Erin Hogan (NYSERDA), ICS Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Ciani (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Greg Drake (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Nicholas Occhionero (NYPSC)	<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. John Adams (Consultant)	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Dana Walters (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dr. Kai Jiang (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Guests Present:

Mr. Timothy G. Lundin (Customized Energy Solutions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Mr. Jim Scheiderich (Energy Curtailment Specialist).....

1. Summery 2013 Demand Response Event Response

Vijaya Ganugula (NYISO) presented SCR and EDRP response summary for the summer 2013 events. He stated that the events were from July 15-19, 2013. All of the events were mandatory. SCR performance under ACL measurement was about 81.2%. Also, 92.3% of SCR resources reported CBL data (not mandatory to report), which has a performance under CBL measurement of 76.7%.

Mark Younger (Hudson Energy Economics) pointed out Zones J and K resources who reported CBL data performed better under ACL versus resources that didn't report CBL, yet their CBL performance is worse than those counterparts.

EDRP, being a voluntary program, only 60% of those resources reported data. EDRP resources had a performance of approximately 25%. Mr. Ganugula pointed out that the EDRP amount included unsold SCRs.

Mr. Ganugula will return at the next ICS meeting to provide model values for the IRM Study.

2. Assumption Matrix

Al Adamson (NYSRC – Consultant) asked the NYISO to fill out the “Possible IRM Impact” column of the matrix **(AI 159-1)**

The load shape section and load forecast uncertainty section will be filled in when Arthur Maniaci (NYISO) present to the group.

Chair Erin Hogan (NYSERDA) mentioned that there are no new renewable projects and she would double check the RPS project list, since Mr. Younger reminded that there were projects from last year that the group wasn't certain would have made it last year, but may have made it this year. **(AI 159-2)**

Due to some confusion about the parameter labeled Proposed New Units “non-wind units”, Frank Ciani (NYISO) is suggesting that the description under Basis for Recommendation be delineated between “Gold book units” and “Non-Gold book units”. Gregory Drake (NYISO) asked that the members please come back with new project details (“Non-Gold Book units”) if they know of any.

Chair Hogan also recommended that mothball units and retired units be split up as well. Mr. Younger mentioned that perhaps we can just change the heading to “mothballed and retired units”.

Summer maintenance data needs to be provided to John Adams and the analysis needs to be performed by July 1st **(AI 159-3)**

The “non-NYPA hydro” row should be renamed since some hydro from NYPA run of river units are included in the derate. “Small hydros” would be more appropriate.

Mr. Ciani will present the hydro derate at the next June meeting (45% historically). **(AI 159-4)**

Mr. Drake stated that “hydrological condition” should be deleted from the matrix. Chair Hogan said that the method that would forecast the derate should be stated, but Mr. Drake said it isn’t disclosed and thus should not be a part of the matrix. Chair Hogan said we would revisit this at the next meeting.

Con Edison and LIPA will need to provide the cable transition rates by July 1st **(AI 159-5)**

Chair Hogan asked that the NYISO to fill in the EOP table as soon as possible **(AI 159-6)**

Mr. Adamson asked that the NYISO to fill in all available possible information, including 2014 Gold Book data, in the matrix and circulate the matrix to members within the next week.

3. 2013 Wind Shape Characteristic

Mr. Drake reviewed the actual wind unit outputs and during summer peaking period, the capacity factor for 2013 wind was 14.4%. The factor is 24.2% for the entire year.

4. New MARS version

Mr. Ciani was not allowed by NYISO management to send out the actual manual update list document for MARS 3.18. He said that the changes included a new compiler. The new compiler had some different trailing numbers due to the new compiler. Mr. Ciani also mentioned that there's a new daily peak logic from the new software. However, the NYISO is defaulting back to the old logic for the time being until more study has been done about the differences.

Mr. Younger has asked the NYISO to provide a short write-up describing the logic change, versus the current methodology. Mr. Drake agreed. **(AI 159-7)**

Mr. Adamson is wondering if we need to approve this version for the model. The members agreed that 3.18 can be used for this year's study, pending the description of daily peak logic.

5. Load Shape Selection

Mr. Maniaci spoke at the meeting about the load shape selection to be used in this year's IRM study. He said that the NYISO is recommending the same load shapes to be used for the 7 bins from last year's study. The 2006 and 2002 load shapes would occupy the top two bins, and the 2007 load shape would be used for the remaining bins.

Vice Chair Gregory Chu (Con Edison) asked if 2013 summer all-time peak was looked at and considered, and Mr. Maniaci said that it was only higher than 2006 shape by only 30 MW.

The members agreed with the shape selection as suggested by the NYISO and Mr. Maniaci for this year's study.

Vice Chair Chu said that he will touch base with Carlos Villalba (Con Edison) to ensure Mr. Maniaci receives the load forecast uncertainty information to avoid unnecessary delays. **(AI 159-8)**

Mr. Maniaci will return to present the recommended load forecast uncertainty levels to use in the model. **(AI 159-9)**

6. Policy 5 Changes

John Adams (NYSRC – Consultant) mentioned two controversial changes that the members have reviewed. One is the June 1st inclusion date, the other is the CRIS rights.

Mr. Adamson wondered if Policy 5 should include language about load shape bins. Mr. Adams said that perhaps that type of detail may be inappropriate in Policy 5. Mr. Adamson was concerned that Policy 5 users may have questions about the load shapes, like the number of shapes, selection criteria, etc.

Bart Franey (National Grid) had a concern about units that would not be included without CRIS rights, even though those units have actual capacity tested under DMNC. The current practice is that the lesser of CRIS or DMNC of a unit is included in the model. He pointed out that CRIS study is a deterministic study and performed with load flow analysis. Given that MARS is a probabilistic study, he is recommending that we should include all of the capacity that is demonstrated in their DMNC tests. Mr. Adams mentioned that CRIS is the amount of MW a unit can sell into the capacity market to support reliability. In other words, MWs from a unit without CRIS is not deliverable. Mr. Franey does not agree with that statement. He thinks that taking the result of load flow (CRIS) should not be used in the IRM study since MARS is probabilistic.

Mr. Younger cautioned that if we include units that are not deliverable, having only ERIS, then we could be modeling incorrectly since these ERIS capacity would appear to help lower LOLE but in fact is not deliverable during time of need. Furthermore, including wind units which has high EFORd, will bias the IRM higher solely because of the low availability.

Mr. Adams also cautioned that if actual system conditions is balanced, i.e. just enough capacity to keep 0.1 LOLE, by adding poor performing ERIS units like wind in the model, it may result in insufficient capacity in the market to achieve the IRM requirement.

On the topic of EFORd/APA methodology, instead of attaching the entire white paper as an appendix in Policy 5, Mr. Adams will try to create the language for the body of Policy 5 that briefly describes what was changed. **(AI 159-10)**

Another comment was in section 3.5.2, where summer load period is not July to August, but rather May 1st through September 30th.

The NYISO suggested that 4.2 be removed since that is a large amount of data to be included in Policy 5. Members have no objections.

Dr. Kai Jiang (NYISO) said that in Appendix A section 3.4, 0.025 needs to be before "LOLE" or else reader may accidently interpret the LOLE to be 0.025. That number is for standard error only.

Mr. Drake said that appendix A (unified methodology) is too detailed to be included in Policy 5. Mr. Adams said that perhaps this will be relocated to the upcoming process guides/description documents.

There were some discussions about external area LOLE adjustments, where the NYISO has recommended that adjustments be made so that external area LOLE would be between 0.1 and 0.15. Scott Leuthauser (HQUS) asked how would the adjustment be made and Mr. Drake said load would be adjusted.

Vice Chair Chu wondered, hypothetically, if an external area changed its' reliability criteria to 0.17, what would happen to the model since that would be above the 0.15, but for that area they deemed to be reliable. Dana Walters (NYISO) felt that if this were to happen, we can revisit the criteria and make changes. Vice Chair Chu agrees with the approach, but he was concerned that Policy 5 may need to be changed frequently if external area changes its criteria frequently. Mr. Walters said it is highly unlikely. Mr. Adamson asked if the NYISO has tried using the criteria suggested here to see the results. Mr. Walters said that RNA has looked at it, but they don't have anything to present. Chair Hogan asked if the NYISO can set up the MARS case with 0.15 for PJM and report back the IRM from the run results. Mr. Drake said yes. **(AI 159-11)** Mr. Adamson said that this would be a major modeling change. Vice Chair Chu stated that until the group reviews the results, we should not leave that in the Policy 5 language until the group agrees that this should be implemented for a future revision. ICS agreed.

ICS agreed that additional comments on Policy 5 changes be sent to Mr. Adams by May 9. He will then prepare a new draft and send to ICS for review at the June 4 meeting. A revised Policy 5 draft will be approved by ICS no later than the June 27 meeting, with EC approval requested at its July 11 meeting.

7. Inclusion Date

Mr. Drake presented on the need for an inclusion date at the meeting. Mr. Drake said that historically peaks have happened during June, July, and August.

Mr. Drake said that new units would have better EFORD than the existing fleet, so adding new units would tend to lower IRM, and introduce reserve shortage when the unit does not materialize.

Mr. Younger stated that by adding the new units that appears after the June 1st deadline, we would end up with 1.) Higher IRM and 2.) Different numerator of the IRM depending on the time of year.

Vice Chair Chu cautioned that if the unit is not included in the model that would have come in BEFORE the system peak, we would end up with a higher IRM. The model calculates LOLE, which would increase without the new unit included, especially if the unit will be in service by July, but the peak occurs in August. Thus, the model will result with a higher IRM since we can't remove as much capacity out of capacity rich zones. The proper way, as previously supported other members, is to include units that would have entered into service up to the time of peak. This way, their contribution to the overall reliability of the system would be captured.

Mr. Younger was concerned about a different resource mix in the middle of the year. Vice Chair Chu said that this would be the same as before, since units that are coming at other time frames are already included and has always been a part of the system, since the model calculates the LOLE for the entire year, so there's always a different resources mix throughout the year.

Mr. Drake did mention that while we have the inclusion date, this does not mean we would not consider a change if situation changes. He said that the group would look at the situation by the final lockdown date in October.

8. Transmission Outage Study

Vice Chair Chu stated that the working group met separately and agreed that Chateaugay may be the best candidate to model outage on. In order to properly model the outages, NYISO assistance will be necessary. Vice Chair Chu has drafted and sent out an email to the NYISO outlining the needed detail information for the working group. The working group was not able to develop a schedule because the amount of time/manpower resources to perform power flow work is currently unknown.

Mr. Adamson asked how many capacity states would be needed. Vice Chair Chu said that we would look at outages on more than one element, but any more than two combination outages would not be necessary since the probability would be near zero. While that would mean a lot states to be considered, the group may be able to simplify and combine/consolidate some of the states.

The members are waiting for the NYISO to come back to the group and provide insight about the power flow study duration, and any information they can obtain to generate the outage states.

9. Voltage Reduction Degradation

Vice Chair Chu said Con Edison had 20 voltage reduction calls from 2009 through 2012. Most of the calls were long duration calls of over 24 hours long. MW benefits cannot be determined.

Rich Brophy (NYSEG) said they didn't have any records on past VR calls.

Jim Scheiderich (ECS) was still concerned about the drop off of VR benefits. Mr. Younger pointed out that we have no evidence that there would be MW drop offs, and being that this is a really small amount of EOP assistance, the group has done its diligence on this particular topic.

10. LCR – FERC Technical Conference

Chair Hogan mentioned that the Executive Committee has asked the ICS to review any recommended changes to the LCR methodology that Dr. Patton has spoken about at the recent FERC technical conference, when it becomes available, to ensure reliability is not adversely impacted.

Secretary: Gregory Chu

(Con Edison)

Next meetings:

Meeting 160, Wednesday, June 4th at NYISO HQ

Meeting 161, Friday, June 27th at NYISO HQ

Meeting 162, Tuesday, July 29th at NYISO HQ

Meeting 163, Wednesday, September 3rd at NYISO HQ

Meeting 164, Wednesday, October 1st at NYISO HQ

NYSRC Installed Capacity Subcommittee

Meeting Minutes for ICS meeting #159– 20140429 Final

Meeting 165, Tuesday, October 28th at NYISO HQ
Meeting 166, Monday, December 1st at NYISO HQ
