

NYSRC ICAP WORKING GROUP MEETING MINUTES
Conference Call No. 2 – September 12, 2000

Members/Alternates Present:

Mr. Jordan Brandeis (NYPA)
Mr. John Charlton (NYSEG)
Mr. Mark Cordeiro (Municipals) – Chairman
Mr. Curt Dahl (KeySpan/LIPA)
Mr. Gary Freeland (NYSEG)

Advisers/Non-member Participants Present:

Mr. John Adams (ISO)
Mr. Alan Adamson (Consultant)
Mr. Art Desell (ISO)
Mr. Greg Drake (ISO)
Mr. Keith O'Neal (NYPSC)
Mr. Frank Vitale (Consultant)

Members/Non-members/Advisers Absent:

Mr. Tom Baldi (ConEd)
Mr. Larry Eng (NMPC)
Mr. Michael Hogan (CHG&E) – Secretary

1. REVIEW & APPROVE MINUTES FROM LAST MEETING

- Minutes for conference call #1 of August 29th were approved with revisions.

2. STATUS OF ASSUMPTIONS UPDATES

- 2.1 **Generating Units Represented** – As discussed during the previous conference call, the base case will include all energy-only NUGs. Since the last conference call of the working group, the ISO has received information from Orion concerning the configuration at Astoria that will have a beneficial effect on the operation and thus MARS modeling for Astoria. Additionally, NYPA discussed the addition of 11 new gas turbine generator sets to be located throughout New York City totaling approximately 517 MW. NYPA stated the target in-service date is June 1, 2001. The 11 new gas turbines may be included in the base case with appropriate sensitivity analyses of the scheduled in-service date to identify the impacts of potential delays. Finally, currently scheduled additional capacity, retirements and/or reratings of units for Summer 2001 will be reflected in the Base Case.

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- 2.2 **Generating Unit Unavailability Factors** – For those generating units where historic availability data has been provided up to 1999, Mr. Desell will develop both a “last 5-year” and a “last 10-year” average. He will distribute those results to the working group via email during the week of September 20th and reports on the details of that analysis at the next meeting. Based on that analysis, Mr. Desell will also make a recommendation on which would be more appropriate to use for this Study.
- 2.3 **Generating Unit Ratings** - Update to include most recent tests.
- 2.4 **Emergency Operating Procedures** – By the next meeting Mr. Desell will present the results of converting the MW of values specific EOP’s in Table A-4, of last years report, into percentages. Sensitivities on these percentages will be performed.
- 2.5 **Forced outage rate uncertainty** – There will be a percent adder to account for general unit availability uncertainty.
- 2.6 **Load model** - Same as previous study (1995 load shape)
- 2.7 **Peak load** - Latest ISO forecast has been incorporated into the model.
- 2.8 **Transmission transfer limits** – The update to the transmission transfer limits reflecting the results from the summer 2000 operating study will be distributed to the NYSRC ICAP WG by September 14th. A description of any changes will be included.
- 2.9 **Outside Area load and capacity models** – Mr. Desell reported that the ISO has executed one agreement with Nova Scotia and that he believes the ISO was close to executing an agreement with New Brunswick. Further, he stated that the ISO is continuing to work with both Hydro Quebec and New England. However, he also reported that the NY ISO has conveyed to the Ontario IMO that only NY ISO staff will see any data for the Ontario control area. Ontario has not responded as of this date. Mr. Desell stated that NY ISO counsel is working on a generic confidentiality agreement that could be used with all the neighboring control areas.
- 2.10 **Load forecast uncertainty model** –Mr. Adams reported on the status of this update. He stated that the inclusion of 1999 conditions would be completed within several days.
- 2.11 **Inter-Area reserve sharing** – Monitor 2000 summer reserve sharing to determine whether new market structure impacts emergency assistance. No progress has been made in this area.
- 2.12 **Locational capacity requirements** – The Base Case will assume the present requirements and the addition of NYPA capacity in New York City and LIPA capacity on Long Island. Sensitivities will be done to quantify the effects of delays in the start-up dates for new generation and on lowering the reserves for the NYC and LI.

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2.13 **ICAP special case resources (interruptible loads and standby & emergency generators)** – NY ISO staff will discuss this issue further to identify MW amount and location of special case resources to be modeled as part of this study. Interested market participants were requested during the open session to provide any details they may have concerning this subject to the ISO by Friday, September 22, 2000.

2.14 **Maintenance Schedules** – NY ISO staff will update the historic maintenance schedule database and compare an average maintenance schedule produced from that updated database to the current maintenance schedules on file with the ISO. An updated Table A-2 will result.

3. Scope of ICAP Report's Appendix A

- Reviewed the draft update of Appendix A distributed by Mr. Vitale. Additional comments will be forwarded directly to Mr. Vitale by September 15, 2000. Mr. Vitale will add a description of the NYPA proposal to install 11 gas turbine generator sets in New York City. Additionally, he will add a section on Special Case Resources. These additions will be included in his update distributed prior to the next meeting.

4. Study Procedure

- Will assume for the study that external ICAP grandfathering will continue. HQ now qualifies as an ICAP provider. Energy-only units are already included within the Base Case. Necessary sensitivities will be identified during future meetings.

5. Review of Study Milestones

Effectively, all the milestones have been pushed back approximately 1 month. They now reflect the following:

- 9/18 EC Meeting - Will report on the status of the Study
- 10/3 ICAP WG Meeting – Finalize and approve study scope and assumptions.
- 10/5 RRS Meeting – Report to RRS and seek approval of study scope and assumptions.
- 10/17 EC Meeting – Report to EC and seek approval of study scope and assumptions.
- 10/18 - ICAP WG review initial Base Case results.

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6. Review of Assignments

- Item 09-02: The draft Long Range Study Work Scope was not available for discussion, will discuss at next WG meeting. This item is not impacting the completion of this Study.
- Item 09-04: An initial updated Appendix A draft was circulated to the WG prior to the meeting and discussed. Comments to be forwarded directly to Mr. Vitale.
- Item CC1-1: Incorporate 1997 – 1999 unit availability data as available and present results of 5 year vs. 10 years averages.
- Item CC1-2: Update list of EOP's with both MW value and as a percent of load when applicable.
- Item CC1-3: Update Transfer Limits to be used for Study.
- Item CC2-1: Update Load Forecast Uncertainty Model to include 1999 data.
- Item CC2-2: Pursue access to outside areas load and capacity models.
- Item CC2-3: Special Case Resources Modeling options, magnitude and locations.
- Item CC2-4: Update Historic Maintenance Schedule.
- Item CC2-5: Issue 2nd draft of Appendix A.

7. OTHER BUSINESS

- Proposal for Long Range (3 year) Study – Mr. Eng was not present to discuss the proposed study.

8. FUTURE MEETING SCHEDULE

- October 3, 2000 Closed & Open Sessions
- October 18, 2000 Closed & Open Sessions