



**For Immediate Release  
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## **New York Continues 18% Installed Reserve Margin Requirement**

The New York State Reliability Council L.L.C. ("NYSRC"), the entity responsible for the reliability standards to be used for electric power supply throughout the State of New York, has agreed to continue the 18% state-wide installed reserve margin ("IRM") requirement for electric generating capacity for the period May 1, 2002 through April 30, 2003. This equates to an installed capacity requirement of 1.18 times the forecasted New York Control Area ("NYCA") 2002 peak load for the same period.

The NYSRC's decision was based on a comprehensive study of load and capacity in New York State, dated December 14, 2001 ("Study"), which was conducted by the NYSRC's Installed Capacity Working Group. Factors considered in the completion of the Study included, but were not limited to, transmission transfer limits, load forecast uncertainty, installed capacity conditions in neighboring systems, emergency assistance available from neighboring control areas, and current availability rates of generating units in New York. The technical results of this Multi-Area Reliability Simulation study show that the state-wide IRM required for the NYCA, during the capability year May 1, 2002 through April 30, 2003, is 18.0% under base case conditions, which equates to the installed capacity requirement of 1.18 times the forecasted NYCA 2002 peak load.

The Study continues a long history of such analyses, going back to the early years of the New York Power Pool ("NYPP") in the mid-1960s. Setting a state-wide installed capacity requirement for New York was formerly the responsibility of the NYPP. After restructuring, the responsibility for setting the state-wide installed capacity requirement was assigned to the NYSRC, while the responsibility for defining the IRM requirement for Load Serving Entities ("LSEs"), as well as the locational capacity requirements consistent with the state-wide requirement, was assigned to the NYISO. Both the NYSRC and the NYISO include representation from the various market participants in the deregulated electric power supply market in New York.

The complete Study report, which is the basis of the NYSRC's decision on the state-wide installed capacity requirement, is available on the NYSRC's web site at [www.nysrc.org](http://www.nysrc.org). Go to the "Documents" page, under the heading, "Technical Reports," and click on "New York Control Area Installed Capacity Requirement for the Period May 2002 through April 2003 -- Final Report."

*The purpose of the New York State Reliability Council is to promote and preserve the reliability of the New York State power system by developing, maintaining and, from time to time, updating the reliability rules which must be complied with by the New York Independent System Operator and all entities engaging in electric power transactions on the New York State power system. The New York State Reliability Council carries out its purpose to the benefit of the entire electric service industry, including consumers, with no intent to advantage or disadvantage any member or any market participant's commercial interest. The New York State Reliability Council is a not-for-profit entity. Visit our web site at [www.nysrc.org](http://www.nysrc.org)."*