

Installed Capacity Subcommittee - Meeting #185

Meeting held June 29, 2016

Documents can be found at:

<http://www.nysrc.org/ICS%20Agendas/ICSAgenda185.html>

Status of Studies for 2017 IRM Study – R. Boyle

Emergency Assistance Model: Draft White Paper

NYISO presented their draft white paper which had two interesting numbers. One is NYISO's proposal to limit the Emergency Assistance from all interfaces to 2620 MW. Limiting the amount to 2620 MW is based on NYISO's operational reserves. The other reported number is based on our neighboring control areas excess 10-minute reserves of 2970 MW. Al Adamson thought that using the neighboring control areas' excess appeared to answer the basic question, what can our neighbors provide with short lead times. NYISO responded to Al by saying that there has been some movement in operations towards his thoughts. ICS members had numerous questions and suggestions for NYISO's review. At this point ICS does not have a formal completed white paper from the NYISO.

Policy 5 Revision – G. Drake, A. Adamson, R. Boyle

Changes for your approval deal with clarifying when special sensitivities will be undertaken, and revamping the policy to more clearly define when a generating unit will be removed from the IRM base case.

Your package has the updated Policy with changes highlighted.

The only major discussion we had, once it was determined that ICS has full control over and that our requirements were fully independent of NYISO's reliability studies, was where to put the information in Appendix C. NYPA, PSEG-LI, NYSEG, NYISO and the Supply sector want the information in Policy 5 and in Appendix C. John Adams, Al Adamson and Grid want the information in a study guide. The differences can be explained as how one views material in policies. Those who want the information in the policy look at this a place where the reader of the IRM report can go to get the full picture on the report's

development. Those who want Appendix C to be removed from the policy believe that process descriptions do not belong in policies. The majority voted for inclusion in the policy, so we offer this version for your approval.

2017 IRM Study Assumptions Matrix – ICS Approval of Preliminary Base Case Assumptions

The assumptions matrix has been updated for your approval. White papers that have been fully reviewed and accepted by ICS are included in your packet and noted in the assumptions matrix.

Con Ed questioned the explanation from the NYISO on how the absence of the wheel is being modeled, but felt that given the absence of contractual terms with PSEG it was acceptable but subject to change in the future.

Review of Parametric Study Scope & Schedule

ICS is taking requests for variables to be isolated and stepped through in the parametric study. Please send your thoughts to Robert.boyle@nypa.gov and Greg Drake at gdrake@nyiso.com

ICS TF – Forward Sales Modeling

A small group met to start the discussions on how capacity sales from NY into neighboring control areas with forward markets should be model for calculating the IRM. One method is to take the final positions that are known at the time of the ICS has it database lockdown. Another method is to forecast the expected sales based on clearing prices known and forecasted. The second option cannot be implemented at this time because we have no data to make predictions from. A suggestion was made that data should be collected over the next 3 to 5 years. In the meantime, the TF is exploring option 1 and various modeling assumptions for moving capacity out of NY. We are using the sale of Roseton's capacity sale to ISO-NE to model the options.

Option 1 – Use the current method of reducing Roseton’s capacity and derating the ties. The capacity flows across two ties, Zone F to Western MA and Zone G to Connecticut. An issue was raised about this method in that it could allow more flows into and through zone A in to NY as units are backed down, but internal ties still have full transfer abilities.

Option 2 – Model all contracts from the exporting units across all internal ties and export from zones F and G as they would naturally sink.

Option 3 – Model Roseton as the NYISO proposes with all the capacity staying in zones GHI and the equivalent amount going out from zone F from the north and west zones.

Option 4 – Model Roseton as exporting to Connecticut up that ties limit and to leave any remaining MW in the zone where Roseton resides. The remaining MW should be removed from zones north and west of zone G.