

Agenda Item 4.1: ICS Report to NYSRC Executive Committee (EC)

March 5, 2025, ICS Meeting #301

Prepared for: March 14, 2025, EC Meeting #311

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4.1.1 EC Update

W. Gunther summarized the discussion on ICS topics at the prior EC meeting, including firm fuel constraints. M. Younger proposed that we delay discussing the merits of the firm fuel estimate vs election options until April to allow time for stakeholder discussions at ICAP-WG and have NYISO VPs present (absent at the March EC meeting due to a conflict).

4.1.2 DER Whitepaper

NYISO presented a first draft of their DER modeling whitepaper and requested suggestions/edits. The content and recommendations are equivalent to prior presentations and the writeup fulfills ICS 2025 goal A1.1. See attached NYISO slides for more detail. Whether we expect to see DER resources this year and whether certain resources that receive ancillary service revenues are required to switch to DER participation were discussed. NYISO will follow up on the latter next meeting.

4.1.3 BTM Solar and Enhanced Load Modeling (ELM)

NYISO presented in detail their planned implementation of BTM Solar and ELM in the IRM study. Currently, BTM solar is incorporated in the underlying load shape and this change would model it explicitly as a generator in the model so that its impact can be separately studied. Initial attempts at explicitly modeling BTM solar last year pointed to the need to also update the load shape adjustment method as the current method adjusts all hours of the load shape consistently. The revised load shape method captures winter peak and annual energy forecasts. The combined impact of the two modeling changes is to increase the IRM by 0.8%. M. Younger indicated the proposed load shape modeling is a significant improvement and supported incorporating the changes in the base case. ICS approved inclusion in this year's base case and will bring a formal whitepaper to the EC for approval in the April/May timeframe. See attached NYISO slides for more detail.

4.1.4 Fuel Availability Constraints Modeling Phase 2

As a follow-up to the last EC meeting, NYISO presented the methodology of developing fuel availability assumptions for gas and oil from the Phase 1 Whitepaper, as well as updated assumptions based on updated data and production duration assumption of 56 hours (from previously 96 hours) for available oil. Available gas assumption increased slightly after incorporating recent years' data in the regression, with no change to the Tier 1 assumption. M. Cadwalader raised the question on updating the Tier 1 available gas assumption of 375 MW based on updated Tier 2 available gas assumption. M. Younger also requested to re-run the regression limiting the dataset to load levels where gas constraints may be relevant (i.e. removing the data points below the 20,000 MW) to plot the fuel availability regression. As part of NYISO's update, the available oil assumption increased from 11,000 MW in the Phase 1 Whitepaper to 12,100 MW. The methodology is based on fuel availability surveys and did not separately account for individual generator air permit limitations. The team did, however, discuss internally with their Ops department and is comfortable with the recommendation. M. Mager indicated the EC has historically erred on deferring to NYISO Ops and it might be helpful to hear their input directly. C. Wentlent mentioned there are generators under a combined emissions bubble and others that have individual restrictive operation or emission limits. M. Younger indicated that the NYISO estimates must use the same requirements as the firm fuel market definition. The NYISO stressed that the available fuel assumption reflects the level of historical reported available fuel that can support reliability, not an estimate of what generators can be qualified for firm fuel in the market. M. Mager asked about NYISO's plan for updating assumptions, including multi-year averages. The NYISO pointed out that the current focus is to finalize the assumptions for the 2025 -2026 IRM study, so that the current year study can proceed with some stability in the underlying assumption. NYISO plans to tackle how to update the fuel constraints assumptions for future studies in the remainder of the year with the ICS and indicated that the

assumption update may want to maintain some flexibility to consider additional information that may be available later in the year. For example, NYISO has contracted a consultant for a fuel availability study that will be completed in Q3 of this year