

# NYSRC Installed Capacity Subcommittee

Conference Call #44

July 21<sup>st</sup>, 2009

1:30 a.m. – 3:00 p.m.

Meeting Minutes

Updated Minutes: 7/21/09

## Attendees

	Present	Tel
Members / Alternates:		
Mr. Curt Dahl (LIPA), Chairman .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Carlos Villalba (Con Edison) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Timothy Bush (Generation Owners).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Bart Franey (National Grid).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Steve Jeremko (NYSEG-RGE) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Mark Younger (Slater Consulting - Generation Owners) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Rajee Mustafa (NYPA).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Rich Wright (CHG&E) Ruby Chan (filling in).....	<input type="checkbox"/>	<input type="checkbox"/>
Mrs. Patricia Caletka (NYSEG-RGE) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Madison Milhous (National Grid).....	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Hilary Goldman (Con Edison).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Kelvin Chu (Con Edison).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Mark Cordeiro (Municipal Power Agency).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Han Huang (NYPA).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Glenn Haake (Dynergy, Inc. - Generation Owners) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Harry Joscher (PSEG Power, LLC).....	<input type="checkbox"/>	<input type="checkbox"/>
Advisers/Non-member Participants:		
Mr. Al Adamson (Consultant) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Vitale (Consultant) .....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. John Adams (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Greg Drake (NYISO).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Frank Ciani (NYISO) .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Mr. Peter Carney (NYISO) .....  .....

Mr. Arthur Maniaci (NYISO).....  .....

Mr. Ed Schrom (NYPSC).....  .....

Guests Present:

Mr. Robert Boyle (NYPA) .....  .....

Mr. John Charlton (NYISO) .....  .....

Mr. Bill Lamanna (NYISO).....  .....

Mr. Frank Francis (BEMI) .....  .....

Mr. Clyde Custer (NYISO).....  .....

Ms. Erin Hogan (NYSERDA).....  .....

Mr. John Pade (NYISO-Consultant) .....  .....

Mariann Wilczek (NYISO) .....  .....

Mr. Sam Krueger (Dynergy, Inc.).....  .....

Mr. Alan Ackerman (Customized Energy Solutions .....  .....

Mr. Paul Gioia (NYSRC) .....  .....

Mr. Chris De Graffenried (NYPA) .....  .....

Mr. Chris Wentlent (AES-NY) .....  .....

Tracy Landers (NYISO).....  .....

New Guests Present:

Dr. Roy Shanker .....  .....

Yannick Vennes (HQ).....  .....

Liam Baker (US Power Gen) .....  .....

Scott Leuthauser (Consultant for H.Q. Services) .....  .....

**1. 2010 IRM Study Assumptions Matrix**

**1.1. LFU**

- 1.1.1. Arthur Maniaci has been in contact with Con Edison about LFU model
- 1.1.2. Various methodologies can be used – Con Edison has tentatively finalized a model with Arthur Maniaci but it still needs some minor updates.
- 1.1.3. Con Edison agreed to send out the Zone J LFU model and methodology within the next day.
- 1.1.4. Zones H and I also need to be sent out – they will be sent to the committee by July 24<sup>th</sup>.
- 1.1.5. Arthur already has zones A through G and K completed.

## **1.2. Peak Load Parameter – issue discussing the decreased peak load forecast.**

- 1.2.1. The economy has affected the peak for next year's IRM study. There was a question raised about whether the mild summer temperatures recorded this year will also affect the IRM study for next year. Since the LFU submitted for the 2010 IRM is based on 2008 summer peak data, the mild summer weather in 2009 will not affect the LFU until the 2011 IRM study.
- 1.2.2. GOLD book forecast in 2009 shows a decrease as well due to economy and the Energy Portfolio Standard (energy efficiency and energy reduction). Even if economy is growing by 1 or 2 percent, the energy conservation programs will still show a decrease in peak demand or a leveling.
- 1.2.3. For example, the 2009 GOLD book shows that for 2009, the weather normalized summer peak demand for NYCA in 2009 is 33,452 and 33,441 for 2010 with energy conservation impacts. The peak demand for 2009 does not correspond with the 2009 ICAP forecast of 33,930 MW due to lowered economic growth and new energy efficiency programs. Additionally, for 2010, the Coincident Summer Peak Demand for NYCA without reductions for energy conservation impacts or emergency demand response programs is approximately 33,767 for 2010.
- 1.2.4. Previously, only 30% of energy conservation programs were accounted for in the RNA. Now, more than 30% is being considered (close to 40%); however, as next summer approaches, a re-evaluation of the effectiveness of the EEPS programs will be analyzed to ensure that a higher % of the EEPS programs in peak load reduction is warranted.
- 1.2.5. Mark Younger questioned whether or not to use the GOLD book peak as our baseline – is it really accurate to use at this time? Mark proposes to qualitatively describe the reason for the decline or flat line projection of the peak load forecast.
- 1.2.6. Arthur M. is monitoring the funding for the energy conservation programs – However, there was a request to follow up with Diane Barney (PSC staff) to confirm or report how much funding has been released at this point (which will affect the percentage of conservation/load reduction used in the assumption matrix).

## **1.3. Existing Generating Unit Capacities**

- 1.3.1. Carlos brought up that 74<sup>th</sup> St # 2 GT is 18.2 MW, not zero. Gold book shows zero capacity. However, 74<sup>th</sup> #2 GT has been retested and the DMNC value is available. Carlos to follow up and provide Greg Drake or Frank Ciani with the value.
- 1.3.2. Ravenswood GT 08 – Carlos suggested it should be 25 MW; however, it was brought up that it's in a long term shut down in 2010 so capacity should be zero.

## **1.4. Proposed New Units – New Units**

- 1.4.1. Seneca Energy – (6.4 MW) Uprate to existing LFG – will not be available for this IRM study. This should be removed from the list.

- 1.4.2. Steel Wind 2 should be included (45 MW) – developer stated that they would be up and running by this May 2010. This should be included because they have a contractual obligation and have notified of construction.
- 1.4.3. Riverbay (Co-op City) – (roughly 25 MW) should be included because this is the net generating capacity (excess of the load). Carlos Villalba to follow up on the total net generating capacity for the study, which may be higher than 25 MW due to a new unit coming on-line as part of the co-generation facility. Added as action item 101-8 for next meeting.
- 1.4.4. July 28<sup>th</sup> – all committee members to review the updated new units by this date that will be sent out shortly after this meeting.

#### **1.5. Wind Resource Modeling**

- 1.5.1. Capacity factor continues to be approximately 11% for the period of June 1<sup>st</sup> through August 31<sup>st</sup> for hours beginning 2-6 pm, including weekends. Based on collected hourly wind data during summer days and hours from 2-6 pm.

#### **1.6. Solar Resource Modeling**

- 1.6.1. Solar should be included but with a performance factor. It was suggested that solar performance be based upon LIPA's study that showed 65% performance factor during peak hours.
- 1.6.2. Proposal to measure availability of performance factor in same manner as wind is measured. Not a firm rule at this point, but a default methodology to calculate the performance factor or capacity factor of solar is needed until further data is collected in the future. As far as Tariff and Manual, solar performance or capacity should have a calculated default performance factor similar to methodology to determine the performance factor of wind at this point.

#### **1.7. Run of River Hydro**

- 1.7.1. Question about the appropriate derate to use for run of river hydro during July and other peak days. John Charlton to send out methodology and assumptions that have gone into calculating the performance of hydros. It was decided to calculate the performance factor of run of river hydros average rating by using the 5 year average of 20 highest hours.
- 1.7.2. Mark Younger also requested John C. to resend data on last summer's run of river hydro performance or worst year performance.

#### **1.8. Forced and Partial Outages**

- 1.8.1. Al Adamson reported that RCMS had received a letter to market participant indicating a unit's non-compliance.
- 1.8.2. Curt Dahl questioned if the anomaly found for a unit's outage rate affects the 5 year period outage rates used for upcoming study.
- 1.8.3. The conclusion was that there was no impact on the upcoming IRM study's use of the 5 year period historical outage rates because the unit was immature (new

unit) and the unit's outage data had not been previously used in any previous IRM studies or 5 year historical outage trends..

#### 1.9. **Special Case Resources**

- 1.9.1. Greg Drake to draft numbers based on July registrations
- 1.9.2. Greg Drake also asked do we keep July or wait for August reporting? Also, do we use similar growth rate methodology as we did last year?
- 1.9.3. Mark Younger and Carlos Villalba suggested that we continue to use last three years SCR's growth rate.
- 1.9.4. ICS analysis, study, and white paper supported to use a 74% performance factor for SCRs UCAP modeled into the IRM model– this analysis was presented and circulated to the ICS committee at the 6/2/2009 meeting.
- 1.9.5. This study was performed, based on 2006 data, to determine the performance factor of SCR during peak demand days. The study found that the performance factor of participating SCRs has historically been lower than 92%, or the value derived using the average peak monthly demand (APMD) methodology.
- 1.9.6. The study illustrated that using the Customer Baseline Load (CBL) methodology may provide a better and more conservative estimation of actual SCR performance if the data is weather adjusted.
- 1.9.7. Mark Younger suggested that we use 80% of 92% performance factor based upon the CBL and APMD study on SCR performance for conservatism.

#### 1.10. **Capacity – Sales**

- 1.10.1. This year, due to New England Forward Capacity Market, 716 MW of firm contracts must be modeled.
- 1.10.2. Question whether these are confidential contracts – Yannick suggested that these contracts are on the ISO NE website. Mark Younger suggested that contracts should be shown in the ISO NE website under the net capacity obligation for ISO New England Forward Capacity Market. Mark suggested that the majority of the contracts are coming from Area C.
- 1.10.3. Question over whether these are really firm contracts or whether these contracts will be broken if NYCA has transmission problems/generation deficient? Yannick suggests that contracts are based upon economic evaluation. However, MARS doesn't recognize dollars, only reliability.
- 1.10.4. ISO ruling on forward capacity contracts basically state that contracts have priority over NYCA load shedding. It was suggested that these contracts be modeled from their specific locations as to not potentially block emergency assistance at interfaces.
- 1.10.5. Path needs to be defined for these contracts. Bill Lamanna stated that roughly about 50% of the contracts will flow from G to NE and 50% from F-NE. Also, there will be a higher flow from F to G. Bill L. to provide more information on how to

model these FCM contracts to NE (716 MW). Added as action item 101-9 to discuss at next meeting.

**1.11. EOPS**

1.11.1. Last meeting Greg Drake discussed the 5% voltage reduction test performed in June 2009 and the results came in at about 200 MW. A question came up that in MARS this EOP step was model at 480 MW, therefore he needed an explanation for the difference.

1.11.2. Mr. Villalba and Mr. Franey explained to the members the differences that Greg Drake was observing. These differences were alloted to adjustment performed after the test to consider the fact that these tests are performed during lighter loads than the peak. Carlos also reported that he found some discrepancies in how the results were reported for Con Edison by the NYISO.

1.11.3. Con Edison investigated change from 129 to 295 MW for voluntary industrial curtailment.

1.11.4. Investigation shows that value was misinterpreted; all MW increase was due to double counting because the participants from voluntary industrial curtailment program and the interruptible load program are participating in SCR and EDRP programs.

**1.12. Interface Limits**

1.12.1. Bill Lamanna went over new topology diagram. Will provide detailed write up by next meeting.

1.12.2. Some highlights/changes:

1.12.2.1. UPNYSNY limit increased from 5150 to 5250 due to stronger ties inside NE (they loop on our system less and we loop on their system a little more)

1.12.2.2. Generation in Astoria East in dummy area with a limit with how much simultaneously can be dispatched from Astoria East to rest of system with maximum utilization of the PARS.

1.12.2.3. Generation was removed in zone J. Exercise showed that 295 MW of generation in J can't be utilized simultaneously with imports.

1.12.2.4. K to J interface towards J – load sensitive – Bill working with LIPA to update the nomogram associated with that interface limit. Should be finalized by the end of the week.

1.12.2.5. PJM Central to PJM East – previous limit was 6500, however, this interface limit could drop to 6200 – Bill working with PJM to finalize that decrease in interface capability and will wrap up and finalize by next week.

1.12.2.6. Still working on the interface for Ontario to A – 1450 transfer limit could be reduced until equipment replacement is made at interface. Should have interface limit by end of week.

1.12.2.7. HQ to D – emergency import – Bill L waiting for final confirmation on interface limit. Bill should have this limit by next week.

1.12.2.8. Propose to separate A-Line and VFT from Hudson Farragut connections to zone J. Extra 300 MW on A line can be achieved by separating this line from Hudson Farragut. Similar to for VFT but nomogram needed.

**1.13. Transmission Cable Forced Outage Rates**

1.13.1. Con Edison is done – Carlos just needs to review and finalize and send to Greg by next meeting.

1.13.2. Curt Dahl to provide cable FORs to Greg for K as well

**1.14. UDRs**

1.14.1. August 5<sup>th</sup> meeting – UDR claims will be known by this time.

1.15. Reserve Sharing between Areas

**1.16. External Imports**

1.16.1. Only three imports modeled are 1080 MW (PJM) and 1090 (HQ) and 50 MW (NE).

1.16.2. ICS agreed to model as contracts in the MARS model.

**2. Action Items Reviewed**

2.1. See attached Action Items for updates and additions.

2.2. For 101-1, it was decided that Bear Creek wind farm, located in PA, will be modeled as a unit in New York because it has a contract with Zone C and it is receiving RPS credit. Need to find out where it will be located into Zone C and what wind shape to use.

**3. Next Meetings**

August 5, 2009 – Meeting#102

September 2, 2009 – Meeting#103

September 30, 2009 – Meeting#104

November 4, 2009 – Meeting#105

November 30, 2009 – Meeting#106

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*Secretary:* Carlos Villalba

*Prepared by:* Hilary J. Goldman

*(Con Edison)*

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