

NYSRC Installed Capacity Subcommittee

Meeting #57

October 5, 2005

9:30 a.m. – 3:00 p.m.

NYISO: Washington Ave Ext. Conference Room WD

Meeting Minutes

Attendees

Members/Alternates Present:

Mr. Curt Dahl (LIPA), Chairman
Mr. Bart Franey (National Grid)
Mr. Steve Jeremko (NYSEG-RGE)
Mr. Carlos Villalba (Con Edison) – Telephone
Mr. Rich Wright (Central Hudson)
Mr. King Look (Con Edison), Secretary

Advisers/Non-member Participants Present:

Mr. Al Adamson (Consultant)
Mr. Greg Drake (NYISO)
Mr. Frank Vitale (Consultant)

Guests Present:

Mr. John Charlton (NYISO) – Limited Participation
Mr. Tim Foxen (NRG Energy)
Mr. Glenn Haake (IPPNY, EC Member)
Mr. Glenn Haringa (GE) – Limited Participation
Mr. Gary Jordan (GE) – Limited Participation
Mr. Hebert Joseph (NYPSC)
Mr. Madison Milhous (KeySpan Ravenswood)
Mr. John Pade (NYISO) – Limited Participation
Mr. Steve Wemple (Con Edison Energy / Con Energy Solutions) – Telephone
Mr. Cenk Yildirim (NYISO) – Limited Participation

Additions to Meeting Agenda:

At the start of the ICS meeting, two items were added to the agenda:

9. Joint NYISO / ISO-NE Study
10. National Grid Complaint

The original agenda items 9 through 12 were renumbered as 11 through 14.

1. Review and Approval of Meeting Minutes

1.1. Meeting #56 on 9/2/05

The Meeting Minutes from Meeting #56 (held on 9/2/05) were reviewed. A motion was made and accepted to finalize these minutes with some editorial corrections.

2. Review of Previous Outstanding Assignments

Action Items List #56 was reviewed and resulted in no additional action items closed out.

3. “GADf” Paper

The status of the GADf paper (i.e., *Adjusting for the Overstatement of Resource Availability in Resource Adequacy Studies for the New York Control Area During the 2006-2007 Capability Year*) was discussed. Both the RCMS and the ICAP Working Group have reviewed the paper and approved it. At today’s ICS meeting, ICS also approved the paper. Curt Dahl asked John Adams to send out the GADf paper in final form as an NYISO report to the EC.

4. Preliminary IRM Study Results (agenda item originally titled “IRM Base Case Results”)

Greg Drake reviewed with ICS the preliminary IRM study results, which show the impact of the recommended assumptions for the 2006-2007 IRM base case, relative to the 2005-2006 IRM base case. The comparison was made using the prior IRM methodology, i.e., adjusting load to reach the 0.1 LOLE criteria. The comparison showed that the forecasted 2006 peak loads (vs. forecasted 2005 peak loads) would increase the 2005-2006 base IRM from 17.6% to 20.6%. Other preliminary results include New York isolated at 25.5% IRM, zero ties with New England at 25.3% IRM, and the test case (i.e., the 2006-2007 IRM base case using the prior IRM methodology) at 19.7% IRM.

Because of the unexpected large impact of the peak load forecast on the IRM, ICS requested John Pade to come in to discuss the peak load forecast. A comparison of the forecasted 2005 NYCA peak load (32,320 MW) and the forecasted 2006 NYCA peak load (32,400 MW) shows that the 2006 NYCA peak load is 80 MW higher. However, the forecasted 2006 New York City peak load (11,505 MW) is 140 MW higher than the forecasted 2005 New York City peak load (11,365 MW). Likewise, the forecasted Long Island peak load (5,320 MW) is 160 MW higher than the forecasted 2005 Long Island peak load (5,155 MW). King Look suggested that because the prior IRM methodology proportionately scaled load across the zones based on the zonal loads, the higher load growth in New York City and Long Island relative to the other zones would increase the IRM, which is consistent with the preliminary IRM study results.

The updated load uncertainty model increased the NYCA LOLE. Curt Dahl suggested running the case of no change to the load uncertainty model for zones A through I to isolate the impact of the updated load uncertainty model for zones J and K.

- *As a new action item (#57-1), Greg Drake will run the case of no change to the load uncertainty model for zones A through I to isolate the impact of the updated load uncertainty model for zones J and K.*

For the October 14th EC meeting, Greg Drake will determine the NYC and LI LCRs corresponding to an 18% state reserve margin (SRM) using the unified methodology, and will begin to develop the LCR vs. IRM curve. An ICS conference call will be scheduled to review the preliminary IRM base case results prior to the October 14th EC meeting.

5. Sensitivity Cases

At the September 9th EC meeting, the EC approved the fifteen sensitivity cases proposed by the ICS.

6. Separate Upstate and Downstate IRMs

Curt Dahl summarized the September 29th joint Transmission Owner Technical Committee / ICS (TO members only) conference call to discuss the proposed NYSEG-RGE study to determine separate upstate and downstate IRMs. At that conference call, it was agreed that ICS will do a standalone study, subject to the approval of the EC, to assess the support upstate and downstate provides each other, after completion of the 2006-2007 IRM Study.

Steve Jeremko reviewed with ICS the revised draft study scope for the determination of the assistance upstate and downstate provide each other. This study will use the 2006 IRM base case as the starting point. The revised draft scope includes modeling of firm contracts representative of current practice of downstate LSEs buying upstate capacity to meet the statewide installed capacity requirement of 118% of peak load. Gary Jordan indicated that including the firm contracts would better represent the zonal LOLEs. King Look termed the use of firm contracts to provide reliability to a load zone as “contractual reliability” and questioned the appropriateness of “contractual reliability” if contracts cannot prevent blackouts in that zone.

- *As a new action item (#57-2), ICS members will review and comment on the revised upstate / downstate draft study scope.*

7. Review of Draft Procedures

7.1. Modeling of Wind Resources

The draft procedure is not ready for review.

7.2. Unified Method

The draft unified method procedure will be marked up and revised when going through the process of developing the LCR vs. IRM curve and identifying the point with the negative tan 45° slope.

8. Review of 2006-2007 IRM Study Work Plan Matrix

8.1. Monte Carlo Error Range Analysis

Glenn Haringa made a presentation to the ICS on GE's error analysis for the 2005 IRM base case. The GE error analysis compares the replication results, which show that the LOLE generally decreases as the number of replications increases and levels off at about 4,000 replications. ICS simulated about 2,300 replications in the 2005 IRM base case to within +/-0.05 standard error in the LOLE results. GE is looking for ways to speed up the LOLE convergence process in the MARS model. The GE error analysis will be reported to the EC, which will close out the Monte Carlo Error Range Analysis action item in the *NYSRC 2006-07 NYCA IRM Study Work Plan Major Modeling and Study Assumption Issues* matrix accepted by the EC at the March 11, 2005 EC meeting.

8.2. Fuel Availability

According to the *NYSRC 2006-07 NYCA IRM Study Work Plan Major Modeling and Study Assumption Issues* matrix accepted by the EC at the March 11, 2005 EC meeting, this is an ICS action item action. Steve Jeremko will provide Curt Dahl with PJM fuel related information for incorporation in the fuel availability white paper.

9. Joint NYISO / ISO-NE Study

ICS discussed ISO-NE's draft study scope on the proposed study. ICS has numerous questions and agreed that the draft scope needs to be improved. Al Adamson is interested to see how would varying the interface limits between New York and New England affect the IRM. Curt Dahl suggested that the joint NYISO / ISO-NE study will be done in the first half of next year, which would approximate the same schedule for the Upstate/Downstate study.

10. National Grid Complaint

Bart Franey summarized for ICS National Grid's complaint to FERC against the NYSRC and the NYISO pursuant to Section 206 of the Federal Power Act.

11. Committee Reports

John Charlton reported on the activities of the NYISO ICAP Working Group and the statuses of the New England LICAP proposal and the PJM RPM proposal.

12. Other Business

NPCC: Al Adamson reported that ISO-NE had sought clarification from the NPCC on the interpretation of the criteria of "on average, no more than 0.1 day per year". The NPCC CP-8 Working Group responded that they will drop "on average" from the criteria, because the 0.1 LOLE already reflects a probabilistic weighted average of the load levels considered and therefore, "on average" is redundant. NYSRC agrees with the NPCC CP-8 Working Group's response.

Reliability First Corporation (RFC): Steve Jeremko will be attending the RFC Workshop on Thursday, October 6 in Wilmington, Delaware. RFC is the large regional

reliability council initiative that will consolidate MAAC, ECAR, MAIN and the MRO into a single NERC Regional Reliability Council. RFC plans to be operational by January 2006. NYSEG-RGE will remain involved with future RFC activities. Steve Jeremko offered to provide ICS with periodic reports and updates of RFC activities, and ICS accepted and thanked Steve Jeremko for the offer.

13. Review Action Items

See attached action item list.

14. Next Meeting

November 2, 2005 Meeting # 58

Secretary: King Look