

NYSRC Installed Capacity Subcommittee

Meeting #35

December 4, 2003

9:30 a.m. – 3:30 p.m.

NYISO: Wash Ave Ext. Conference Room WA

Meeting Minutes

Attendees

Members/Alternates Present:

Mr. Curt Dahl (KeySpan/LIPA) – Chairman
Mr. Bart Franey (NGRID)
Mr. Steven Jeremko (NYSEG)
Mr. Steve Whalen (NYSEG) - Telephone
Mr. Peter Chamberlain (Wholesale Sector) - Telephone
Mr. Carl Courant (NYPA) - Telephone
Mr. John Beck (Con Ed) – Secretary

Advisers/Non-member Participants Present:

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

Other interested Parties:

Ms. Erin Hogan (NYSERDA)

Members/Non-members/Advisers Absent:

Mr. Steve Keller (NYPSC)
Mr. Ed Schrom (NYPSC)
Mr. Michael Hogan (CHG&E)

1. Meeting Minutes Review

1.1. Finalized Meeting Minutes from Meeting #34 on 11/6/03.

2. Review of Previous Assignments

Outstanding Action Items were reviewed and resulted in the closure of Item number 34-1.

3. 2004-05 IRM Study

3.1. Final Review of IRM Report prior to issuance to the NYSRC EC

The group discussed the Draft IRM Report, comments received from Executive Committee (EC) members, consolidated information into the appropriate report sections, and crafted several clarifications to enhance the flow of modeling information and findings.

In the Introduction of the Draft IRM Report, a statement regarding the adequacy of NYCA resources during the August 14, 2003 Blackout was contained in the IRM Report. Enhancements to this statement were discussed and incorporated to the Final Version of the IRM Report.

Glenn Haringa, of GE, and members of the ICS provided clarification for the Accuracy Expectation to better define the tolerance of the IRM. A footnote, in the Executive Summary, was revised to reflect the 99.7 % probability that the base case result is within the range of 16.8% to 17.4%.

A discussion, regarding the inclusion of transformer and line outage data into the generating unit forced outage rates, resulted in the following clarification being added to Appendix A:

While NYCA data prior to the formation of the NYISO includes unit unavailability due to transmission outages, recent data collection does not include these elements- and may slightly overstate availability. The NYISO is currently developing procedures and software to incorporate outages associated with generator leads and Generator Step-Up (GSU) transformers.

Based on operating experience, the Emergency Operating Procedure (EOP) representation was updated to include changes in the Special Case Resource, Emergency Demand Response Program, and voluntary industrial curtailment load relief values included in the EOP representation. In the effort to capture the market effect of an SCR's ICAP classification, SCR's are modeled as capacity and not as load modifiers.

3.2. Review Appendix A

Clarification was provided to Section A-2 regarding the standard error on the LOLE value and follows:

The number of replications simulated is determined such that the standard error of the estimate of the LOLE is 0.05. This year, the standard error in LOLE results in a +/-0.3 percentage point IRM range for a Base Case confidence interval of 99.7%.

Figure A-3, titled: “Five Year Average Daily Peak LDC’s” was removed from the report.

3.3. Review Appendix B and Finalize the Sensitivity Runs

The group reviewed the results of the sensitivities, as reported in Appendix B, and focused on the sensitivity results of the SCR impact on IRM. The results of an additional sensitivity run were discussed and are incorporated to Table B-1 as case 13a. This new case modeled the relocation of all SCR’s in the state to Zones J and K and yields an IRM of 16.6%

Previous Meeting Minutes reported that a White Paper would be prepared to provide the rational for the SCR EOP step IRM value and for its reasonableness. This action was reevaluated, and the White Paper will not be issued due to clarifications and incorporation of the above mentioned new sensitivity case.

4. Committee Reports

4.1. Resource Adequacy Model (RAM) Group Report

John Charlton, of the NYISO, provided a brief update on the status of the NERA – Resource Requirement (Demand Curve).

4.2. Installed Capacity (ICAP) Group Report

John Charlton, of the NYISO, provided a brief update on the status of a study to evaluate the real cost of a gas turbine (GT) for use in development of the Demand Curves.

5. Other Business

A detailed review of the 2004 ICS meeting schedule was performed, contrasting the dates of EC and PJM meetings, so as to facilitate attendance at these other related venues by the participating ICS members. Dates were selected for the year and will be posted to the NYSRC ICS web-page.

6. Review Action Items

See attached action item list.

7. Next Meeting

February 4, 2004 Meeting #37 9:30 am – 3:30 pm

Note: Meeting #36, scheduled for January 7, 2004, was cancelled.

Secretary: John Beck