

NYSRC Installed Capacity Subcommittee

Meeting #131

January 4th, 2012

Conference Call

9:30 a.m. – 3:00 p.m.

Meeting Minutes

Attendees

	Present	Tel
Members / Alternates:		
Mr. Curt Dahl (LIPA), Chairman	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Yuri Fishman (LIPA)	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Kathune Zannat (LIPA)	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Erin Plasse (CHG&E).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Rich Wright (CHG&E).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Kelvin Chu (Con Edison)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Gregory Chu (Con Edison), Secretary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Syed Ahmed (National Grid).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Bart Franey (National Grid).....	<input type="checkbox"/>	<input type="checkbox"/>
Mrs. Patricia Caletka (NYSEG-RGE)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Edward Gilroy (NYSEG-RGE)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Steve Jeremko (NYSEG-RGE)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Robert Boyle (NYPA).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Han Huang (NYPA)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Rajee Mustafa (NYPA)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Bradley Kranz (NRG Energy, Inc.).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Chris LaRoe (IPPNY).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Mark Younger (Slater Consulting - Generation Owners)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Mark Cordeiro (Municipal Power Agency).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Michael Mager (Couch White, LLP), EC Chairman	<input type="checkbox"/>	<input type="checkbox"/>
Advisers/Non-member Participants:		
Mr. John Adams (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>

Mr. Peter Carney (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Ciani (NYISO).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Dave Lawrence (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Greg Drake (NYISO).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Bill Lamanna (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Mrs. Kathy Whitaker (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Mariann Wilczek (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Erin Hogan (NYSERDA)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Ed Schrom (NYPSC)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Glenn Haringa (GE Energy).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Al Adamson (Consultant).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Frank Vitale (Consultant)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Arthur Maniaci (NYISO).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Yannick Vennes (HQ).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Scott Leuthauser (Consultant for H.Q. Services)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Henry Chao (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Howard Tarler (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Wes Yeomans (NYISO).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Paul Gioia (NYSRC)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Dana Walters (NYISO)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Donna Pratt (NYISO)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Guests Present:

Mr. Charlie Shafer (AES)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Dean Ellis (Dynergy).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. Jim D'andrea (Transcanada)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Alan Ackerman (Customized Energy Solutions).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dr. Roy Shanker	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Phil Fedora (NPCC).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Arvind Jaggi (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Frank Francis (Brookfield).....	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Tom Patrit (EPS)	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Ruben Brown (The E Cubed Co.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mr. John Dalwin.....	<input type="checkbox"/>	<input type="checkbox"/>

Mr. Richard Quimby.....

Mr. Randy Wyett (NYISO).....

Mr. David Allen (NYISO).....

Mr. John Dowling (Luthin Associates).....

1. Action Item List Discussions

Mark Younger (Slater Consulting) recommended, pertaining to action item 125-3 Special Case Resource (SCR) study, that the NYISO appear before the subcommittee with a comprehensive presentation that discuss the current status and interim results of the SCR Study. Wes Yeomans (NYISO) stated that the SCR Study analysis will not be available for February meeting discussion. Chairman Curt Dahl (LIPA) reiterated that the study must be completed by March 31, 2012. Mr. Yeomans said that it would be a hard target date to achieve. Syed Ahmed (National Grid) suggested an external consultant may be needed to assist the NYISO on meeting the deadline.

Donna Pratt (NYISO) stated that she had sent an email to Gregory Chu (Con Edison) about the due date for action item 130-2 regarding actual SCR data following the necessary internal review and subsequent FERC filing in January 2012. Mr. Chu confirmed this and Ms. Pratt had recommended the due date to be changed to February’s ICS meeting. Mr. Younger mentioned that since Ms. Pratt stated that the calculations were completed already, he would like those be available at this time. Ms. Pratt mentioned that the results were unavailable until the completion of internal review.

Arthur Maniaci (NYISO) reported to the committee that he has been working on the report for Top-Down Demand Response Estimation Model in action item 129-6. He expected a draft report would be available in February. Mr. Younger mentioned to validate the accuracy of the method, the methodology should be applied to a day when no SCRs were called. Mr. Maniaci agreed with Mr. Younger in picking a couple of days (possibly 5, later revised to 3) in 2011 for validation purposes. Bob Boyle (NYPA) agreed with this but also recommended selecting some lower load days since SCRs can be called on a non-peak day.

Mr. Maniaci agreed to propose the days selected by the end of the week, and eventually include the results in the report. Tentatively, Mr. Maniaci will pick a low, a medium, and a high load day and perform goodness of fit for Zones J, K, and NYCA as a whole. (A1129-6 revised)

2. Executive Committee (EC) Actions on 2012 IRM Study

Chairman Dahl stated that the Executive Committee adapted 16% as the 2012 IRM at the December 2nd meeting. There was also an extended discussion on the sensitivity results. Most specifically the load shape and SCR were the focus of the discussion. New York State Reliability Council filed with FERC on December 12th for approval of the new IRM. The new IRM should be effective on February 16th, just ahead of the ICAP auction in March.

3. Executive Committee Requests for 2013 IRM Study – Load Shape Model Methodology

Chairman Dahl mentioned that the EC is interested in a review of using the 2002 load shape as a representative model shape. The shape may be too conservative . The EC was wondering if the shape is still the appropriate representative for the 2013 study, given that a composite shape (4-5 year average shape) assumed in the sensitivity case resulted in an IRM 2.4% less than the 16.1% base case, which uses the 2002 load shape model.

Mr. Younger asked if Mr. Maniaci has discussed how the NYISO altered the NYCA and neighboring pools load for the composite shape. Mr. Maniaci mentioned that the neighbor loads were not changed. Mr. Younger had a concern about NYCA and neighboring pools not matching. For the 2002 shape, everyone's load can be matched. Mr. Younger believes that the mismatch can lead to model results showing diversity when there isn't one.

Due to a significant amount of work needed to match up all the loads, Mr. Maniaci suggested a load shape sensitivity case of using 2 high temperature years like 2006 and 2011, and 2 low temperature years like 2004 and 2009 to

perform a MARS run for IRM impact analysis. Mr. Younger reiterated that it is critical to adjust the neighbors' load as well. Chairman Dahl recommended that Mr. Maniaci take the lead on this composite shape topic and provide a scope of the study. Al Adamson (NYSRC) asked the scope to include different options considered and their feasibility. Mr. Adamson mentioned that NPCC will also be reviewing the 2002 shape. Mr. Boyle asked if the sensitivities done here will explain the IRM changes. Chairman Dahl stated that by May the EC will be expecting a recommendation on the suitable load shape, whether it is a 2002 or some other composite shape, so the shape must be justified. Ruben Brown (The E Cubed Co.) has volunteered to participate in this endeavor. Mr. Maniaci said that the scope will cover the overall methodology and how the NYISO examine the other years' impact on the IRM. (AI 131-1)

4. Executive Committee Requests- SCR High Frequency Calls

Chairman Dahl mentioned that the EC was wondering if the 2012-13 IRM Study base case assumption of 20 SCR calls is a reasonable number and has asked the ICS to review.

Mr. Yeomans asked about the origin of the 20 calls. Mr. Younger responded that it is the average expected calls at the minimum reserve margin requirement.

Mr. Ahmed wondered what the neighboring pools consider as their reference number of calls. Ms. Pratt mentioned that the NYISO has looked at the neighbors for persistence data. Most of the RTOs are limited on the numbers and duration of calls. Mr. Drake stated that NPCC has charted the actual calls. Mr. Younger cautioned that under the as-found condition, we should expect no calls. Mr. Younger also mentioned that the NYISO should take the number and duration of the limited calls from other ISOs and consider those in our base case. Scott Leuthauser (HQUS) asked if PJM and/or New England assume a number of calls in their adequacy modeling. Mr. Ahmed volunteered to find out numbers of calls made in New England and their assumption in their study models. Steve Jeremko also volunteered to perform the same task for the PJM territory. (AI 131-2)

Mr. Adamson asked if the SCR study will identify the maximum number/level of calls. Mr. Yeomans responded that this is not within the original SCR study scope and the study will present the evaluation, without any suggestion on program modification. Mr. Boyle suggested that the NYISO should provide an upper band of MWs can be called BEFORE the system becomes unreliable. Mr. Brown mentioned that the selection of critical number of calls needs to be carefully considered. Mr. Yeomans does not believe this will be available by March 31st. Mr. Boyle thinks we need to request for this upper limit. Chairman Dahl said that any insight from the NYISO will be very helpful.

Mr. Younger cautioned that if the NYISO has an issue with SCR study scope, they need to disclose that with the ICS as soon as possible since the results must be available by March 31st.

5. Executive Committee Requests – Ensure Outside World Models Received on Schedule

Chairman Dahl stated that this particular request was brought up due to the delayed PJM data availability from last year's study. This is a process issue with regards to 1) getting the data on time and 2) addressing concerns about any questionable data.

Frank Ciani stated that this delay was because PJM was late at providing the data. Typically there are no problems with other external data arriving on time. Mr. Ciani recommended that he bring up this issue at the CBA working group. Mr. Leuthauser asked if PJM will provide data to CBA since they are no longer a part of NPCC. Mr. Ciani believes that they will still provide data. Chairman Dahl asked Mr. Ciani to provide a status report on this particular matter from the CBA working group. (AI 131-3)

Mr. Adamson suggested that we should have a policy in place in case another ISO provided their data late. Chairman Dahl mentioned that if we don't receive the data, we would consider the late data for sensitivity test. Mr. Adamson further

reiterated that even if the data is provided on time, there still a need for a procedure to deal with questionable data. Mr. Ciani believed that if the data is supplied early enough the questionable data can be rectified. Mr. Ciani was asked to draft at a high level document about what is needed in Policy 5 to address this.

6. Follow-up Actions – Draft Report Template

Mr. Drake reported that the template has not been applied to the 2012 study. He recommended that the template to be circulated for comments. Mr. Boyle suggested that the NYISO should take the latest final report and apply the template to it, to which Mr. Drake agreed to perform.

Mr. Adamson suggested a cover letter that contains a summary about the purpose of the template. (AI 131-4)

7. Follow-Up Actions –Final IRM Database Posting

Chairman Dahl wondered if we should continue to post the final IRM database online. Mr. Dahl supports transparency and believed that this should continue. Mr. Adamson asked if we should keep historical database kept online. The members agreed that historical database should be kept online.

8. Follow-Up Actions – 2013 IRM Study Milestone Schedule

Mr. Adamson stated that he has already started preparing this schedule and it will be available within a few weeks for member review.

9. Executive Committee Commendation

Chairman Dahl stated that the EC had sent a letter to commend the work done by the ICS members. It was a tremendous team effort and the EC thanks the ICS for the hard work.

10. Follow-Up Actions – Policy 5 changes

Chairman Dahl asked Mr. Adamson to circulate Policy 5.5 for members' suggestions for amendments to be commented at the next meeting. (AI 131-5)
Mr. Adamson mentioned that Policy 5 will need to discuss the necessary SCR information to be collected in regard to the SCR Proposed Reliability Rule (PRR), since the PRR does not address this particular issue.

11. Status of Associated Power Analysts (APA) Method

Mr. Drake offered that he will identify the steps needed to get the implementation validated and approved, and circulate that list to the members for comment. (AI 131-6)

Mr. Drake also mentioned that Mr. Ron Fluegy recoded the program, with the previously identified problems corrected, and they were in the process of generating transition table. Once the table is available, they would be added to the MARS model and a test run will be performed. The results should be available by the next meeting. (AI 131-7)

12. NYISO SCR Study Status

The study results is not available at this meeting, but will be added to the agenda for next meeting.

13. SCR Proposed Reliability Rule

Chairman Dahl stated that PRR should be posted by February if possible. Mr. Adamson responded that he had some comments and concerns regarding NYISO's response. He coordinated with Mr. Yeomans to meet sometime during the next EC meeting to discuss further. One of Mr. Adamson's concerns had to do with term "Responsible Interface Party" that Ms. Pratt mentioned came from tariff definition. The other concern was that PRR should not refer to actual procedures. The rule should only indicate the requirements that the NYISO has to meet. Mr. Adamson stated that after his meeting with Mr. Yeomans, he will circulate a revised rule for comments. (AI 131-8) Mr. Younger would like the NYISO to mention the existing procedure that would satisfy the rule, but not in the PRR. Mr. Boyle stated that if the NYISO has the procedures, we should review them and see if they satisfy the need. If the procedures are not adequate, we would require them to modify/create procedures to comply.

14. NYISO LCR Study Status

Mr. Drake mentioned that the LCR study is ongoing and is expected to be completed by January 12th. The LCR will deviate from the IRM study values due to a lower load forecast. Mr. Younger asked about the upstate/downstate changes and it would appear that the upstate/downstate ratio went up. NYCA load forecast has decreased by 41 MW with NYC accounting for a decrease of 107 MW and an increase of 5 MW on Long Island.

Mr. Drake mentioned that the study is not complete due to some disagreement on the assumptions. Mr. Younger inquired about the disagreement since there were no major changes. Mr. Drake responded that a lower load forecast, coupled with retirement of poor performing generations, and a lack of new wind projects becoming available (also poor performing units) LCR would be lowered. However, a decrease in IRM (from 16.1 to 16%) should lead to a higher LCR. Chairman Dahl inquired about the validity of the concept that a lower IRM would equate to a higher LCR. Mr. Drake stated that the existing IRM/LCR curve would

support this concept. Both Mr. Dahl and Mr. Adamson expressed significant concerns about the NYISO method of obtaining the LCR using the existing curve, without regards to the new EC approved IRM, since there would be a new curve with a new IRM based on certain assumption(s). The NYISO and Mr. Younger believed that the EC needs to provide the driver(s) for the new curve from the eventually approved IRM for the modification of the base case. The NYISO has agreed to work with the ICS to ensure the resolution of this issue at a subsequent meeting.

Secretary: Gregory Chu

(Con Edison)

Next meetings:

Meeting 132, Wednesday, February 1st at NYISO HQ
Meeting 133, Tuesday, February 28th at NYISO HQ
Meeting 134, Wednesday, April 4th at NYISO HQ
Meeting 135, Wednesday, May 2nd at NYISO HQ
Meeting 136, Tuesday, May 29th at NYISO HQ
Meeting 137, Wednesday, June 27th at NYISO HQ
Meeting 138, Wednesday, August 1st at NYISO HQ
Meeting 139, Wednesday, September 5th at NYISO HQ
Meeting 140, Wednesday, October 3rd at NYISO HQ
Meeting 141, Tuesday, October 30th at NYISO HQ
Meeting 142, Tuesday, November 27th at NYISO HQ
