

NYSRC Installed Capacity Subcommittee

Meeting #132

February 1st, 2012

9:30 a.m. – 3:00 p.m.

Meeting Minutes

Attendees

	Present	Tel
Members / Alternates:		
Mr. Curt Dahl (LIPA), Chairman	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>
Mr. Gregory Chu (Con Edison), Secretary	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Andrea Fossa (NYPA)	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Mr. Peter Carney (NYISO).....	<input type="checkbox"/>	<input type="checkbox"/>

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

Guests Present:

- Mr. Charlie Shafer (AES)
- Mr. Dean Ellis (Dynergy).....
- Mr. Jim D'andrea (Transcanada)
- Mr. Alan Ackerman (Customized Energy Solutions).....
- Dr. Roy Shanker
- Mr. Phil Fedora (NPCC).....
- Mr. Arvind Jaggi (NYISO)
- Mr. Frank Francis (Brookfield).....
- Mr. Tom Patrit (EPS)
- Mr. Ruben Brown (The E Cubed Co.)
- Mr. John Dalwin.....
- Mr. Richard Quimby.....

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

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

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

1. Policy 5 Updates

Al Adamson (NYSRC) stated that the reliability rule for SCR performance data collection referred to Policy 5 for details on the data collection methodology. Mr. Adamson mentioned that the PRR cannot be implemented without a Policy 5 modification first, which is needed as a basis for the NYISO data collection requirements. The PRR must be ready by the June meeting.

For the issue on the outside world data delay, Frank Ciani (NYISO) mentioned that at the next NPCC Coordination Planning Group (CP8) meeting (2/16/2012) they will discuss their study schedule and available information. Mr. Ciani also spoke with a PJM representative and the representative will look into speeding up the process to ensure data will be available on time. Mr. Ciani will provide, after the CP8 meeting, a short write-up to be included in Policy 5.

Mr. Adamson stated that the IRM reliability adequacy affirmation is really an Executive Committee (EC) issue since they determine the final IRM. The EC may need a resolution for the selection of the final IRM that they've affirmed that the base case satisfy the 0.1 day/year LOLE criteria. This affirmation is needed for the LCR determination. Mr. Younger believed that the issue is slightly more complicated since the NYISO change/update assumptions after the IRM has been set. The ICS won't know if the updates that affect the case are the same ones the EC considered during the IRM determination. Chairman Dahl suggested that the IRM and LCR process may need to be separately considered. Mr. Drake mentioned that there's an existing reliability requirement that the NYISO must show the case used to determine the LCR still satisfy 0.1. Mr. Boyle stated that the EC did not state which assumption provided the support of 16% IRM. Chairman Dahl reiterated that the EC's decision was that 16% equals 0.1, not 16.1%, therefore the NYISO needed to modify the case to reflect 16%=0.1. Mr. Boyle supported that the NYISO update the base case with updated information.

Mr. Adamson recalled at the EC meeting, some committee members mentioned that the load shape was conservative and that may led to a higher IRM. Mr. Drake stated that the EC must provide the changes needed for the database that will derive the 16% IRM. Dana Walters (NYISO) mentioned that the NYISO has no authority to choose which assumptions to incorporate into the database. The NYISO can adjust the facts, but not the assumptions.

Mr. Leuthauser questioned what the NYISO would do if after implementing the updates, the database ended up with an LOLE greater than 0.1. Mr. Boyle also questioned what if the NYISO ran out of MW in the LCR areas. Chairman Dahl stated that the EC would be notified of this violation of the 0.1 criteria.

Erin Hogan (NYSERDA) reminded that there is a timing issue since the EC will need to tell the NYISO right at the vote which assumption to incorporate, or else the NYISO will not have enough time to modify the database for their LCR determination.

In the end, a separate conference call will be set up to discuss the LCR issue in more detail. (AI 132-1)

Mr. Drake mentioned that he will draft a write-up that formalizes the treatment of layup/mothball retirement in Policy 5. (AI 132-2)

2. Load Shape Methodology Review

Mark Younger (Slater Consulting) mentioned that he and Ruben Brown (The E Cubed Co.) met with Arthur Maniaci (NYISO) on the composite load shape issue for action item 131-1. At the meeting the parties agreed that matching up all the neighboring pools load with the composite load shape was extremely difficult to accomplish. The agreement was that Mr. Maniaci would pick a couple of representative years and perform some runs to identify the impact of the different shapes on the model, instead of doing the composite shape right away. Frank Vitale (NYSRC) asked if the outside pool would be adjusted for these runs and Mr. Younger confirmed that they will be. Chairman Curt Dahl (LIPA) was under

the impression that the peaks lined up for the sensitivity study performed for last year's study, but Gregory Drake (NYISO) confirmed that only the top 3 peaks lined up.

Bob Boyle (NYPA) agreed with this proposed approach, but he would like Mr. Maniaci to discuss the basis for the years chosen for this study.

Mr. Maniaci stated that the composite shape will take a significant amount of effort to not only apply an appropriate composite load shape to NYCA, but also provide adjustments with the neighboring pools as well since they may not line up. Instead, the NYISO would take the last 5-10 years and choose a hot, medium, and cold year for the individual year study first. By doing a study of how the different year specific load shape affect the IRM in the case, one can get a better understanding of how the different load shapes affect the IRM/LOLE. Mr. Younger was concerned about the program normalizing/unitizing the shape but Mr. Maniaci said that would not happen if a specific year was chosen. Mr. Drake mentioned that by not using a more conservative shape, we need to figure out what characteristic(s) we are looking for in a representative load shape.

Mr. Vitale mentioned if the coincident peak of all areas would be lined up for the study, which Mr. Maniaci stated that it would then be a bit too conservative once again. We have some diversity among the different areas and that helps with the reliability when other areas aren't peaking at the same time. Mr. Vitale said that while that's true most of the time, during the heat wave all areas' peak will line up. He recommended that we should look at both possibilities. Mr. Maniaci agreed that can be done.

Syed Ahmed (National Grid) wondered if this study was performed before, which Mr. Maniaci stated that a study at this detail level has not been done before.

Ms. Hogan and Chairman Dahl both wondered if Load Forecast Uncertainty (LFU) in the MARS model makes the shape overly conservative, and thus a typical shape would be more appropriate to use in the model. Mr. Drake said that ideally you would use a different load profile for different LFU load levels, but the NYISO has been working with GE to implement that. Mr. Maniaci recommended

that we should look at the primary effect on the model by raising the load shape first.

Mr. Boyle wondered if LFU should even be applied to a historical shape. With the LFU in place it is harder for us to see what would be the best load shape to use. Mr. Vitale stated that both with and without LFU can be seen by MARS output, but Mr. Drake said due to Con Edison's 1-in-3 criteria this would not be clear.

Mr. Maniaci believed the load shape study would be completed by May, but wondered if the ICS need to see something ahead of time. Mr. Drake believed that we need to focus on the selection criteria first, before the study can be conducted. Mr. Maniaci said that a scope can be drafted that states the criteria and he would like to see inter area diversity. He further commented that the weather information for the neighboring pool may not be available. This would be an enhanced version of the load profile report. The NYISO will discuss how quickly the analysis can be completed. Mr. Maniaci will provide the scope at the next meeting (AI 131-1)

3. Special Case Resources – ISO Study status

Wes Yeomans (NYISO) stated that the NYISO reached out to a vendor to accomplish the Effective Load Carrying Capability (ELCC) part of the study on time. He further noted that the performance/persistence part of the study will have draft results to be presented at the next meeting.

Mr. Boyle relayed the concern from NYPA about how persistence will be measured. If more data is needed to provide the study results, the NYISO need to let people know. If more time is needed to collect the necessary data, then it should be granted to ensure the results are accurate. Mr. Yeomans said they will provide results to the best of their ability. He also believed that the study will not be done by March 31st. Mr. Yeomans will provide a new expected completion date by Friday (February 3rd). He also stated that the NYISO will not provide a

conclusion/recommendation for program changes, but only provide the results/data from the study and the ICS would draw its own conclusion.

4. 2011 Demand Response Event Performance Presentation

Donna Pratt (NYISO) presented on the actual SCR performance results that were filed with FERC. Mr. Yeomans reiterated that the NYISO just reported the obligated MWs without any estimation. Mr. Maniaci's method may end up being used for the post-event estimate in the future. Mr. Yeomans also cautioned that there's no right answer for the calculation whether one uses ACL or CBL. They are just estimation.

Mr. Younger asked if the NYISO know why the 1.7% of SCR did not report response data (page 6 of the presentation) and Ms. Pratt responded that they are still looking into that. Ms. Pratt also said that they are treating the 1.7% as performing at 0%.

Ms. Pratt in the presentation cautioned that using CBL to estimate the baseline may understate SCR capacity since it is only used to determine energy payment. Mr. Younger wondered why she stated "understate" and would like Ms. Pratt to provide some support information that led her to believe that CBL understate SCR capacity.

Mr. Younger wondered for the group of the SCRs whose response was shown on page 13-July 21, 2011, what was their ACL. By having both CBL and ACL, the comparison can show us the appropriate amount of adjustment if it is needed.

5. Top-Down Estimation of Demand Response Report

Mr. Maniaci stated that the report will be completed in February. The NYISO was asked to pick a couple of days to perform the estimation. Mr. Maniaci requested

additional days to be selected to apply this methodology. These additional days included days DR events were not called. Mr. Younger was still concerned with the large error presented at a previous presentation and Mr. Maniaci will address that in the write-up.

6. SCR Programs From Neighboring Pools

Mr. Ahmed reported that ISO-NE has an Active Demand Response presentation last week on summer 2011. Mr. Ahmed will email the presentation to the committee. Chairman Dahl suggested a joint summary document between Mr. Ahmed and Mr. Jeremko on the neighboring pool SCR performance and modeling discovery.

Ms. Pratt mentioned there is an existing "DR matrix" document about wholesale DR program comparison from everyone that is available on the internet. She would send the link to everyone. (AI 132-3)

Mr. Ahmed mentioned that from their presentation July 22nd was the peak for New England and the resources were "over-performing". They respond quickly to calls but do not return to normal quickly after an event.

Mr. Boyle thought New England has a penalty for resources that declare a MW drop that they can't achieve. Mr. Ahmed said there's supply obligation as a demand response resource.

Steve Jeremko (NYSEG-RGE) spoke about his discovery of PJM special case resources (SCR) program(s) for action item 131-2. PJM had a program called Active Load Management (ALM) that is now called Load Management (LM) that included Interruptible Load Resources (ILR). All special case resources are now classified under Demand Resources (DR). Demand Response is just modeled as a source of supply in their studies. PJM currently has 3 types of DR products. Limited DR product has an obligation of 10 calls per year with a duration of 6 hours (10x6). They also have two other products called Extended Summer DR

and Annual DR with their own limitations. These are not modeled the same way as the NYISO SCRs. Mr. Jeremko will provide a short summary write-up. (AI 131-2)

Scott Leuthauser (HQUS) wondered if PJM has modeled number of calls and call duration in their model and Mr. Jeremko said no.

7. New Reliability Rule on SCR Data Requirement - PRR 109

Mr. Adamson said that the redline version was provided by Mr. Yeomans/NYISO. They met at the EC meeting and discussed this version. Mr. Adamson hoped that the ICS would finalize this today for the RSS meeting tomorrow.

Mr. Yeomans was wondering about the purpose of this rule. Mr. Younger responded that the objective is to solve the problem of determining what would be the actual MW reduction at the time of the call. The rule is designed to require the NYISO to gather data to determine the performance. Mr. Yeomans asked about the information the NYISO needs to provide according to the rule. Mr. Younger believes that CBL may be the better method that could tell us what the original load would have been since ACL is based on last year's load

Mr. Boyle hoped that the study will provide supporting evidence to determine which method would be best for the load drop estimation. The rule ensures that data required for this determination is available for the NYISO to perform the baseline study.

The NYISO's concern is that the rule will require the NYISO to collect data, but then does not specify what specific data is necessary, which may lead to unintended non-compliance. Mr. Adamson reiterated that the rule does not describe the specifics because Policy 5 would cover that instead. Furthermore, compliance will not be imposed this year. All parties agreed to work together to determine the specifics to be included in Policy 5.

8. Associated Power Analysts (APA) Method Update

Mr. Drake provided via WebEx the document showing the necessary steps for method approval. The NYISO will provide non-confidential generator data for verification. He also expects results from MARS runs by the next meeting for discussion. (AI 131-7)

9. Milestone Schedule and Assumption Matrix

ICS members briefly reviewed the milestone schedule and the assumption matrix.

The milestone schedule had several changes from the previous version which were highlighted in red in the 1/10/12 draft document.

Mr. Drake asked about Con Edison's 1-in-3/1-in-2 criteria status during the assumption matrix review. Greg Chu (Con Edison) stated that at current time Con Edison will continue to use the 1-in-3 criteria.

Mr. Leuthauser mentioned that mothball is still an issue. Mr. Boyle doesn't believe that mothballed generator should be included in the study. Mr. Jeremko stated that he will send out the definition for everyone's information.

Secretary: Gregory Chu

(Con Edison)

Next meetings:

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
