

NYSRC Installed Capacity Subcommittee

Meeting #62

March 1, 2006

9:00 a.m. – 12:50 p.m.

NYSNA: 11 Cornell Rd., Latham, NY 12110

Meeting Minutes

Attendees

Members/Alternates Present:

Mr. Curt Dahl (LIPA), Chairman
Mr. Carlos Villalba (Con Edison), Secretary
Mr. Bart Franey (National Grid)
Mr. Steve Jeremko (NYSEG-RGE)
Mr. King Look (Con Edison) - telephone
Mr. Rich Wright (CH)
Mr. Steve Whalen (NYSEG-RGE) – telephone
Mr. Glenn Haake (IPPNY)
Mr. Madison Milhous (KeySpan Ravenswood)

Advisers / Non-Voting Participants Present:

Mr. Greg Drake (NYISO)
Mr. Frank Vitale (Consultant)
Mr. John Pade (NYISO)
Mr. Ed Schrom (NYS DPS)
Mr. Steve Keller (NYS DPS)

Guests Present:

Mr. Tim Foxen (NRG Energy)
Mr. Harry Joscher (PSEG)

1 Review and Approval of Meeting Minutes

1.1 January 4, 2006 ICS Meeting (#60)

The group reviewed and commented on the draft meeting minutes from meeting #60. The draft was approved as final.

1.2 January 16, 2006 ICS Conference Call (#25)

The group reviewed and commented on the draft meeting minutes from conference call #25. The draft was approved as final.

1.3 January 30, 2006 ICS Conference Call (#61)

The group reviewed and commented on the draft meeting minutes from meeting #61. The draft was approved as final.

1.4 ICS Member Roster

The group reviewed, commented, and made some editorial comments to the spreadsheet that contains the member roster information. Carlos Villalba will reformat and update the table before publishing it on the NYSRC website.

2 Review of Previous Outstanding Assignments

2.1 Closed

None

2.2 New

62-1. ICS needs to write a white paper assessing the TAN 45 methodology performance and the relationship of the IRM and the LCR. ICS made all the members responsible for this task.

62-2. NYISO will contact GE to review and re-evaluate the SCRs and intermittent resources modeling techniques. This assignment includes a task to determine whether or not to model the SCRs as individual generators with their respective transition rate probabilities. Greg Drake was designated by the ICS to perform this task.

62-3. Post the 2006 database in the NYSCR web site. Greg Drake was designated by the ICS to perform this task.

62-4. GE, NYISO, and ICS to review the Athens nomogram. Carlos Villalba was designated by the ICS to perform this task.

2.3 Revised

56-1. The document describing the procedure of the unified methodology is in progress.

61-2. Curt Dahl the Neptune maybe with nomogram the need for the NYISO to follow up with PJM.

3 2006 IRM Lessons Learned / Roadmap for 2007

The ICS members reviewed a draft on Lessons Learned circulated by Steve Jeremko. This draft included Frank Vitale's document on Lessons Learned and comments from Mark Younger. Changes were made to this document as the group explored each topic; Greg Drake maintained these changes and will issue a revised draft before the next ICS meeting (03/29). Whenever possible, the group combined topics and organized general concepts. The following list enumerates the Lessons Learned reviewed by the group:

1. Locking Timeframe and Project
0. General Modeling Concerns
0. Defining "TAN 45 Anchor".

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4. **Factoring Performance and Uncertainty of EDRP and SCRs**
5. **Modeling UDRs**
6. **Modeling Firm Purchases** — item also discussed UDR modeling and therefore, was incorporated into UDR issue.
7. **Explaining Basic Sensitivity Cases and IRM Drivers**
8. **Modeling the Uncertainty of Intermittent Resources**
9. **Determining the Free-Flowing Equivalent IRM**
10. **Improving the Athens Nomogram** —The ICS and GE will study this problem separately and was moved to the action items list..
11. **Defining Southeast New York (SENY) as a Locality-** — increased load levels south of the UPNY/SENY interface (Zones G through K) causes binding as often as Dunwoodie South (Zone J) and Y49Y50 (Zone K). Will be evaluated in the upcoming Upstate-Downstate Superzone study.
12. **Confirming Interface Transfer Limits**

Added Item:

13. **Load Forecast Schedule Acceleration** — moving up the load forecast would also mean that current year information could be integrated into the IRM Study — but also push the IRM one month later for approval.

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Several issues discussed, received particular attention, including:

Study Lock-Down Dates — Concerns over violating IRM Study lock-down dates prompted discussion of how certain decisions can impact our schedule. For example, Glenn Haake reminded the group that the UDR elections can be done every year — such flexibility makes it somewhat difficult to lock down a schedule. The ICS members therefore proposed to introduce less rigid wording in Policy 5 by saying that all study assumptions “*should*” be finalized by August 1st.

Load Forecasts — Discussing load forecast, Bart Franey expressed concerns about using different load forecasts to calculate the IRM and the LCR. John Pade explained the logistics of NYISO’s load forecast and their options to accelerate the forecast. Pade indicated the NYISO will try to complete the load forecast by December 28th, including a period for TO review. To meet this deadline, NYISO is aiming to have the final undisputed load forecast by mid November and the semi-annual “Economic Outlook” report (typically compiled by economy.com), published by the end of October.

It was inconclusive as to whether the IRM study could apply the same load forecast for the LCR calculations. However, Madison Milhous also proposed using the LCR load forecast as sensitivity case within in the IRM study.

NYISO Staffing Concerns — Steve Jeremko brought special attention to resolving the burden placed on the NYISO staff dedicated to reliability / capacity modeling. With a full slate of upcoming ICS projects, it is impossible for the existing NYISO staff to complete this work during 2006. It was pointed out that the NYSRC may need to exert pressure upon the NYISO to relieve this concern.

Anchoring Method — Bart Franey questioned the physical meaning of the TAN 45 in percentages; he referred to the ISO-NE procedures in which the TAN 45 is used on the MW per MW basis. Mr. Franey supports ISO-NE’s TAN 45 where 1MW of import capacity is exactly equivalent to 1MW of constrained capacity in terms of LOLE benefit.

IRM Curve Methodology — Mr. Franey and King Look expressed their concern regarding the process used in the 2006-2007 IRM study to perform the sensitivity analyses. Mr. Franey stated that changing the LCR values during each of the IRM sensitivities was not appropriate. Mr. Look indicated that as an alternative to redoing the entire LCR vs. IRM curve for each sensitivity, run one case where the LCR is held constant to assess the maximum impact on IRM and then run another case where the IRM is held constant to assess the maximum impact on LCR. Mr. Look acknowledged given the schedule to complete the 2006-2007 IRM study, the method adopted by the Splinter Group to perform the sensitivity analyses was appropriate. Mr. Dahl stated that under the unified methodology the resource adequacy involves the recalculation of the IRM and LCR curve and the anchoring at TAN 45.

4 ISO-NE / NYSRC / NYISO Tie Benefits Study

Greg Drake and Frank Vitale briefed the ICS group on the February 23 joint kick off meeting with NEPOOL. Mr. Drake and Mr. Vitale discussed with NEPOOL the work scope, the assumptions, and the timeline among other issues. Mr. Vitale said that NEPOOL proposed to build a 8 to 10 years database from the NPCC database which is only one year forward. Building such a forward database is not now a priority for the ICS members, as there is greater interest in 2007. Mr. Drake and Mr. Vitale also reported that the ISO-NE endorsed the approach on how the NYISO modeled the Long Island CSC cable UDRs.

Curt Dahl talked about the NW Connecticut and SW Connecticut load pockets and their emergency operating procedures and the possibility that in the near future this GE-MARS database will be used for the ISO-NE LICAP litigation.

5 Upstate / Downstate Superzone Study - Scope of Work

Due to the time limitation this agenda item could not be covered. The scope of work for this study should be further discussed with GE. As the need arises, further discussion can also be facilitated in future conference calls.

6 Review Action Items

See attached action item list.

7 Next Meeting

March 29, 2006 Meeting # 63

Secretary: Carlos Villalba