

# **NYSRC Installed Capacity Subcommittee**

Meeting #64

**May 3, 2006**

9:30 a.m. – 04:00 p.m.

NYSERDA: 17 Columbia Circle Board Room

## **Meeting Minutes**

### **Attendees**

#### Members/Alternates Present:

Mr. Curt Dahl (LIPA), Chairman  
Mr. Carlos Villalba (Con Edison), Secretary  
Mr. Bart Franey (National Grid)  
Mr. Steve Whalen (NYSEG-RGE)  
Mr. King Look (Con Edison) – limited participation

#### Advisers / Non-Voting Participants Present:

Mr. Al Adamson (Consultant)  
Mr. Greg Drake (NYISO)  
Mr. Frank Vitale (Consultant)  
Mr. John Pade (NYISO)  
Mr. Ed Schrom (NYSDPS)  
Mr. Steve Keller (NYSDPS)  
Mr. Bill Lamanna (NYISO)

#### Guests Present:

Ms. Jane Shin (Con Edison) – telephone  
Mr. Glenn Haringa (Consultant GE) – limited participation  
Mr. Arthur Pearson (The E Cubed Company, LLC)  
Mr. Tim Bush (NRG)

## **1 Review and Approval of Meeting Minutes**

### **1.1 March 3, 2006 ICS Meeting (#62)**

The group reviewed and commented on the draft meeting minutes from meeting #62. The draft was approved as final.

### **1.2 March 29, 2006 ICS Meeting (#63)**

Mr. Villalba will resend the minutes for this meeting.

### **1.3 March 17, 2006 ICS Conference Call (#26)**

The group reviewed, commented, and made some changes to the minutes to define how the shifting of operating reserve affected the installed capacity in Area K. Carlos Villalba made these changes directly to the computer and the draft was approved as final. John Adams also reviewed the minutes of the conference call.

## **2 Review of Previous Outstanding Assignments**

### **2.1 Closed**

54-1 and 56-1. Draft a procedure for the unified method. This task was redundant and is now under Lessons Learned of the 2006 IRM study.

59-3. Prepare schedule of ICS activities for 2006 and present them to the EC. Completed on 5/2/2006.

63-1. Prepare a summary page for the 2006 Lessons Learned.

### **2.2 New**

64-1. Update load forecast probability distribution for Areas J and K. Curt Dahl and Carlos Villalba were assigned by the ICS to this task.

64-2. Update retirement dates for Russell Generating units and send NYCA wind generation data. Ed Schrom volunteered to send this information to Greg Drake.

64-3. Update Area J and K Force Outage Rates or Transition Rate Tables. Curt Dahl and Carlos Villalba were assigned by the ICS to this task.

### **2.3 Update of Previous Assignments**

61-2. Discuss with Bob Waldele the deliverability of Neptune's 660 MW from PJM to LI. Mr. Dahl stressed the importance of finding the total amount of resources available in PJM to accurately calculate Neptune's impact on reliability. This action item will be work under the assumptions matrix.

62-4. GE, NYISO, and ICS to review Athens nomogram. This item will be added to the assumptions matrix.

All other tasks are a work in progress.

## **3 FERC response 90 day report**

Mr. Dahl reported that the response was filed with FERC on April 28<sup>th</sup> by the NYISO.

## **4 Lessons Learned from 2006-07 IRM Study**

The ICS members started with the draft created by Al Adamson, which included all of Steve Jeremko's editorial comments.

All modifications made by group were typed directly on the document. The following are some of the key issues discussed during the review:

Item 1 (Schedule): . Al Adamson reminded the ICS members that the assigned task force would need to review NYSRC Policy 5 since this is a communication issue. Mr. Adamson added that Policy 5 "recommends" certain dates, but in general the policy encourage to follow a schedule. Mr. Dahl and Mr. Villalba were assigned by the ICS members to review the schedule and report the next meeting its compliance to the Policy.

Item 2 (Sensitivity cases): GE, Mr. Franey, and Mr. Look were assigned to this task to investigate and answer the following:

1. What sensitivity cases may need an explanation of an IRM change?
2. What would be the criteria to lock the LCRs and on what number?
3. Work with GE to reduce the time of running MARS to calculate the IRM sensitivities. During the meeting GE and the ICS members discussed reducing the MARS LOLE calculation to couple of months during the year. GE also suggested that the LOLE calculation could be reduced to once for the entire state peak load instead of five or six times a day per zone.
4. Mr. Dahl proposed to GE whether the confidential data can be saved in a binary protected file that the TOs can use to run the sensitivities, without revealing the confidential information. This proposal will use the computer power available to other ICS members to complete the sensitivities faster.

Item 3 (Defining TAN 45 anchor point): The solution must be mathematically defined based on the EC recommendation. The ICS members are working on the Anchoring White Paper that will address this lesson learned item by the use of a polynomial approximation.

Item 6 (NYISO staff manpower and computer run time): This task was assigned to the NYISO and GE by the ICS members.

Item 7(Improve modeling of intermittent resources): Moved together with item 4.

Item 8 (Free Flow Equivalent IRM): Bart Franey clarified that the Free Flowing Equivalent or FFE is the NYISO's terminology used in the 2005 LCR study. Mr. Franey added that adding more capacity to J and K may allow the ROS to better approximate the Free Flowing IRM (FFI). GE was assigned by the ICS members to this item. This task force will also investigate why the Free Flowing IRM is not part of the IRM curve.

Item 9 (Providing transfer limits): Bill Lamanna will recommend the summer 2007 transmission limits for the TOs by June 7<sup>th</sup> and after a review by the TOs the ICS would be able to update the model.

Item 10 (Database accuracy): The ICS members assigned the NYISO to this task. This is also an EC proposed action item. Mr. Dahl proposed that selected ICS members review the data under a confidentiality agreement.

## **5 Anchoring White Paper**

Bart Franey presented "An Approach to Investigate the Relationship Between Locational Capacity and Rest of State (ROS) Capacity Based on Simulated Test Data" to the ICS members asking for any critical comments from the group. Mr. Dahl proposed to Mr. Franey to include the points of view from this paper in the ICS's "TAN 45 Procedure" (Anchoring White Paper) and/or the TAN 45 white paper.

Mr. Franey expressed a concern on all the polynomial approaches and suggested that before choosing a method the ICS members should first analyze further the nature of the curve. Mr. Franey added that the polynomial approximation are derived from synthetic data from MARS and not actual data from an observation.

## **6 Other Business**

Bill Lamanna updated the ICS members on the latest developments of the RNA from the ESPWG and the deliverability calculations from the IITF. Mr. Lamanna answered some questions regarding deliverability of the Oswego generating units and the import capabilities of Area B.

## **7 Pros-and Cons of the TAN 45**

All modifications were made directly to the document by Al Adamson. The ICS members agreed to remove all market incentive related sentences and ideas from the paper.

## **8 Upstate-Downstate Study**

Glenn Haringa reported to the ICS members the status of the study and highlighted couple of modeling assumptions. One of the most important assumptions was the division of Upstate and Downstate areas in two pools instead of two different areas. Mr. Haringa explained why and how the division was made and answered questions regarding this assumption from the ICS members. Mr. Haringa also explained the assumptions made to model the contracts, for example, ConEd's capacity contracts on the remaining 38% of capacity obligations that can be purchased in the Upstate area have priority over the Upstate's load. Since the initial condition for the study the total NYCA capacity resources are 118% The contracts were limited to this reserve margin and not to the actual purchases in the NYISO capacity market, which is approximately 127%.

GE expects to have results from the Upstate/Downstate study for the next meeting.

## **9 2007-08 IRM Study Assumptions Matrix**

Carlos Villalba will work on a proposal to enhance the modeling of the Athens generation nomogram and will discuss the options with GE and the NYISO before presenting it to the ICS members.

The NYISO reported that they will review the load uncertainty for Areas A through H this year since the NYISO has some more accurate data to simulate the weather variability. The NYISO will use Con Edison's load uncertainty for Areas I and J and LIPA's load uncertainty for Area K.

Mr. Dahl suggested August 1<sup>st</sup> as the last date to include new units into the model.

Ed Schrom clarify that the Mirant's Lovett generating units would be able to continue operation if the company at least commit to take one unit out of service to invest and install in emissions reduction equipment, however Mirant is in bankruptcy proceedings and may be difficult for this company to invest on this type of equipment.

Mr. Drake reported that wind units will be model as DSM type units unless GE concludes different after analyzing all intermittent resources. Mr. Drake also added that NYISO will recalculate the DMNC derate, because after the NYISO mitigation measures were established the derates are nearing zero.

Mr. Villalba asked if GE could investigate if the resource sharing logic is partially preventing Long Island from receiving all the Cross Sound Cable benefits with the current modeling technique.

## **10 Next Meeting**

June 7, 2006 Meeting # 65

Secretary: Carlos Villalba