

NYSRC Installed Capacity Subcommittee

Meeting #78

June 27, 2007

9:30 a.m. – 3:00 p.m.

NYSERDA: 17 Columbia Circle, New York City Conference Room

Meeting Minutes

Attendees

Members/Alternates Present:

Mr. Curt Dahl (LIPA), Chairman
Mr. Carlos Villalba (Con Edison), Secretary
Mr. Steve Jeremko (NYSEG-RGE) – Telephone
Mr. Timothy Bush (Municipal Power Agency) - Telephone
Mr. Han Huang (NYPA)
Mr. Mark Younger (Generation Owners)
Mr. Madison Milhous (Generation Owners)

Advisers/Non-member Participants Present:

Mr. John Adams (NYISO)
Mr. Greg Drake (NYISO)
Mr. Ed Schrom (NYPSC)
Mr. Frank Vitale (Consultant)

Guests Present:

Mr. Bill Lamanna (NYISO) - Telephone
Ms. Erin Hogan (NYSERDA)
Mr. Harry Joscher (PSE&G)
Mr. John Charlton (NYISO)
Mr. Jim Mauhwg (NRG)
Mr. Kelvin Chu (Con Edison)

1. Action Items

1.1 Closed

1.2 New

1.3 Revised

2. Review of Meeting Minutes

No meeting minutes were review during this meeting.

3. Upstate/Downstate Filing Status

Mr. Curt Dahl updated the group on the filing status of the Upstate/Downstate Study. The NYISO and the NYSRC lawyers have reviewed the study and will send it to the EC members for comments.

4. 2008 IRM Assumptions Matrix

The group reviewed each item on the assumptions matrix. The following are the highlight of the discussions:

4.1. SCRs and EDRPs performance

Mr. John Charlton explained to the group how and when SCR's data is collected by the NYISO. Mr. Charlton expanded with details on the type of data and the time intervals. Mr. Charlton also clarified to the group that there was a difference between the SCRs performance during the 4 hour period and the contribution to reduce the peak. For instance, there were SCRs that did not run for the entire 4-hour-period called for by the NYISO, but ran only during the system peak hours. Thus, the SCR was assigned zero performance even though it contributed to peak reduction. Mr. Charlton added that the NYISO only received SCR's performance data for a four hour period and not for the period the NYISO originally had called the SCRs for.

Mr. Mark Younger presented and explained the 2006 Demand Response Evaluation released by the NYISO's PRLWG. According to Mr. Younger the data demonstrates that NYC has an approximately 70%, which is much lower than the used by the MARS model of 98%. Mr. Younger suggested that the SCRs performance for the IRM Studies should be based on the amount of hours the NYISO asked the SCRs to perform and not the minimum of 4 hours. Mr. Younger added that the average duration of a call has been 6 hours since the SCR program began.

Mr. Villalba asked Mr. Charlton if the NYISO could calculate the performance of the SCRs 3 hours around the peak load hours, since MARS calculates the LOLE based on the daily peak. Mr. Younger agreed that using the SCRs performance during this time would be supported by the current calculations.

The group could not draw any conclusions from the data presented by Mr. Younger and Mr. Charlton, therefore Mr. Dahl asked to the NYISO to analyze the data and present the results for the next ICS meeting.

4.2. Topology

4.2.1. Nomogram to Capture Transfer limitations from K to J.

Mr. Dahl suggested adding a nomogram to the MARS model to recognize the total transfer limitations from K to J and I when the Glennwood or the Barret generating units are out of service.

The group agreed to the suggestion and Mr. Bill Lamanna will work on creating the nomogram.

4.2.2. Con Edison Cable Interface.

Mr. Lamanna reported to the group the new I to J interface transfer limit. The new limit of 3,925 MW is an increase of 225 MW from the last year's limit of 3,700 MW. Mr. Lamanna attributed the increase mainly to:

- Better balance of the 345 kV feeders M51, M52, 71, and 72 that make up this interface.
- Changes in Phase Angle Regulators (PARs) ratings due to Mott Haven and use of MVA rating instead of MW ratings.
- Additional VAR support from the Millwood cap banks and the ability to bypass the Gowanus to Farragut reactors after the installation of new breakers.

Mr. Milhous asked Mr. Lamanna to produce a written document with an explanation and detailed description of the reasons for increasing the limit.

4.3. Run-Of River Hydro

Mr. Greg Drake indicated that the model uses a 45% derate on the run-of-river hydro units. This derate has been evaluated twice before. Originally, these hydro units derate were set at 25%, but during a drought of 19XX the hydro derate was evaluated and determined to be 65%. After the drought the hydro unit's derate was re-evaluated to take into consideration the probability of a drought and the historical availability of the units, yielding at 45% derate.

During the discussion, Mr. Younger questioned if the current 45% derate reflects their actual performance since years have passed without an evaluation.

Mr. Charlton then stated that the 45% derate is conservative and that the recent unit's availability data confirms it. Mr. Charlton indicated that the run-of-river units belong to the Limited Control Run-of-River category that also includes pondage units. Mr. Charlton gave an example of a pondage unit that runs out of water in August and yet the plant manages to have the full UCAP available during the peak days.

Mr. Dahl asked Mr. Charlton for a re-evaluation or confirmation that the 45% derate is still a conservative assumption.

4.4. Load Uncertainty using non-linear weather response

Mr. Drake presented a NYISO's analysis of the NYCA load suggesting that the load demand response to temperature during high temperature days is lower than the one assumed in the current linear model. This preliminary conclusion is that the load reaches a saturation point, at which the marginal increase in load is lower at high temperatures.

The NYISO's Load Forecasting group will further investigate the results of this analysis and will extend it to individual zonal loads. The NYISO will present their final results at the next LFTF meeting and ICS meeting.

The presentation also suggested that the Load Forecast Uncertainty is higher today than 10 years ago.

4.5. Generating Unit Capacity

4.5.1. New Units

The group identified several projects in Clinton County potentially adding up to 260 MW of new units to be in service before summer 2008. However the group questioned whether these units will have the necessary permits and interconnection agreements in place before the summer.

Mr. Ed Schrom noted that the issuance of the Certificate of Environmental Compatibility and Public Need (CECPN) is a lengthy process and that none of these units have applied yet for it. The NYISO will investigate the status of these projects and determine which projects are likely to be in service for next summer.

4.5.2. Retirements

Mr. Younger and Mr. Drake indicated that the remainder of the Lovett units and Russell Generating Station will be retired before summer of 2008.

4.6. Unit Maintenance

Mr. Frank Vitale reported that based on a quick glance of the data Mr. Drake sent to him, the unit maintenance average during the summer may not change. Mr. Vitale already identified several upstate units that were on maintenance outage during weekdays in the summer.

4.7. Ambient Derate

Mr. Drake reported to the group that the NYISO is analyzing the 2006 summer data and that the results will be ready for next ICS meeting. Mr. Drake expects that the ambient derate for the downstate units would not change based on the operational data. The current derate is 80 MW per degree.

Mr. Younger questioned last year's derate calculation for the NYC units because he believes that units that are located on barges in close proximity to each other should be further derated to reflect the temperature at the barge.

Mr. Dahl requested that the NYISO use the same ambient derate methodology to the upstate units as the one use to derate the downstate units.

4.8. SCRs

Mr. Dahl asked the NYISO to determine if the Holtsville and Wading river diesels generators were included in the SCRs numbers presented by Mr. Drake.

4.9. External Capacity

The group agreed that this year the Ceders generating unit located in the outskirts of Montreal will be included as external capacity. The previous studies have included this unit as part of the NYCA generation because it is connected via a dedicated tie. The unit will be recategorized as an external capacity, but model in MARS as a NYCA unit.

5. Next Meeting

Meeting #79: August 1st, 2007, 9:30am – 4:00pm.

Secretary: Carlos Villalba
