

Final Minutes
New York State Reliability Council
Installed Capacity Subcommittee
Meeting #183 – May 4, 2016
NYISO Corporate Center, Rensselaer NY

Attendees

Present Phone

Members / Alternates:

Rich Wright (CHG&E)	<input type="checkbox"/>	<input type="checkbox"/>
Ruby Chan (CHG&E)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dmitriy Kiselev (Con Edison)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Howard Kosel (Con Edison)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sanderson Chery (Con Edison)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Khatune Zannat (PSEG LI)	<input type="checkbox"/>	<input type="checkbox"/>
Mariann Wilczek(PSEG LI), ICS Vice Chair/Secretary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Syed Ahmed (National Grid)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bart Franey (National Grid)	<input type="checkbox"/>	<input type="checkbox"/>
Richard Brophy (NYSEG-RGE)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
John Tigue (NYSEG-RGE)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bob Boyle (NYPA), ICS Chair	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tim Lundin (NYPA)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mark Younger (Hudson Energy Economics, LLC – Wholesale Sellers)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mark Cordeiro (PLM, Inc – Municipals & Electric Coops)	<input type="checkbox"/>	<input type="checkbox"/>
Mike Mager (Couch White – Large Consumers)	<input type="checkbox"/>	<input type="checkbox"/>

Advisers/Non-member Participants:

Al Adamson (Consultant)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
John Adams (Consultant)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Ricardo Galarza (PSM Consulting)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Scott Leuthauser (HQUS)	<input type="checkbox"/>	<input type="checkbox"/>
Kelli Joseph (NRG)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
James Scheiderich (ECS).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gary Will (FERC)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ed Schrom (NYDPS)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Alan Ackerman (CES).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Richard Gell (Ontario Power Generation).....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Matt Schwall (IPPNY)	<input type="checkbox"/>	<input type="checkbox"/>
Greg Drake (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Frank Ciani (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dana Walters (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Josh Boles (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Steve Lemme (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Laura Popa (NYISO)	<input type="checkbox"/>	<input type="checkbox"/>
Kai Jiang (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carl Patka (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Brian Hodgdon (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vijaya Ganugula (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Wes Yeomans (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Henry Chao (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rana Mukerji (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tariq Niazi (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stephanie King (NYISO).....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Peter Carney (NYISO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Introduction and Request for Additional Agenda Items

Chairman Boyle called the NYSRC Installed Capacity Subcommittee meeting to order at 10:00 a.m. on May 4, 2016. There were no requests for additional items.

2. Approval of Minutes for Meeting #182

The meeting minutes were finalized with an edit proposed for item 4.1.1 by Mr. Adamson for clarification. Mr. Gell had a spelling correction to item 4.3.

3. Review of Action Items List

The ICS reviewed the action item list.

AI #170-8:

Mr. Adams completed his final review of the ELR/CLR data provided by the NYISO and concurred with the NYISO that the overall potential MW limitations for ELR and CLR units not being able to operate at the modeled ICAP MW value at the system peak hour except for a forced outage or derate is de minimis as stated by the NYISO.

AI #177-1:

The NYISO indicated they were still working through the topology changes. These are anticipated to be discussed at the May 25th TPAS/ESPWG meeting.

AI#180-1:

Mr. Kosel noted that the wheel has been canceled and they do not expect to do Phase II of the Staten Island unbottling project.

Other action items were discussed separately as part of the agenda.

4. Status of Studies, Scopes and White Papers for 2017 IRM Study

4.1. Emergency Assistance Model

Mr. Adamson provided a summary. Mr. Younger expressed concerns with the clarity of the scope and noted that any limit would need to work with the upgraded PJM topology that will be completed for 2018. He asked for the analysis to include both the Linden VFT and HTP. He continued that the conclusions should not be dependent on the internal limits within PJM and the white paper should be clear on how these internal limits were eliminated. Mr. Adamson asked how operations will develop reasonable levels for the interface. Mr. Chao replied that these were good observations and that all the transmission interfaces will be opened up as well as to look if there are enough resources for the region. He noted that the operations department needs to be comfortable with the amount and if the transmission systems and the neighboring control areas have it available. Mr. Yeomans added that they have had internal discussions and are looking at the assumptions that other control areas use. Ms. Joseph asked when the study would be completed. Mr. Chao expected the report to be completed in June using the 2016 IRM base case in conjunction with the last 5-10 years of data that was collected. The paper will be finalized using the 2017 base case as a sensitivity case. Mr. Adamson indicated per Policy 5 this will not be in the base case. The ICS approved the scope.

4.2. PJM LOLE - Minimum LOLE Value

Mr. Adams reviewed the basis of the target PJM LOLE of 0.14. PJM presented at the IEEE Power Engineering Society general meeting in July 2015. He noted that PJM conducts three key probabilistic adequacy studies. The end result is a total LOLE that encompasses both generation and transmission adequacy. The Installed Reserve Margin study is based on 0.1 LOLE criterion and the Capacity Emergency Transfer Objective (CETO) is based on a 0.04 LOLE criterion due to transmission. Mr. Adams recommended that the target LOLE for PJM be maintained at 0.14 for the 2017 IRM study given the number of residual uncertainties that remain in PJM and that PJM has stated there are potentially Locational Delivery Areas that have composite LOLEs of 0.14. The ICS approved this recommendation.

4.3. PJM Model – Evaluation of a 4 vs 5 Bubble Model

The NYISO did not have a white paper – which was scheduled to be completed by today’s meeting – to review. Mr. Adamson expressed concerns with the delay as a white paper needs to be approved by the June 1st ICS meeting in order for a proposed new PJM model to be included in the 2017 IRM base case. NYISO staff indicated that a white paper will be completed within two weeks. Chairman Boyle and Vice-Chair Wilczek will work with the NYISO to arrange a conference call during the week of May 16th to review the white paper. **(AI #183-1)**

4.4. SCR Model – Proposed Revised Method for Determining Reliability

Mr. Ganugula provided additional information requested at the March 29th ICS meeting. He displayed a table that summarized the impact of using all mandatory event hours, performance tests and removing effective capacity value. The NYISO recommended including the test performance along with event performance for use in the IRM study and no effective capacity value. The ICS discussed this at length but did not accept this. Ultimately, three options were presented to the ICS:

- Option 1 – Performance calculations include five years of event data as well as test data even in years when there were no events. When new event data is collected, the oldest event data will be removed. There will always be five years of event data, regardless of the age of the data.
- Option 2 – Performance calculations include five years of event data with no test data.
- Option 3 – Performance calculations include five years of event data as well as test data in those years that had events. Do not include years with only test data. Once a year has an event, add the new event and test data for that year and remove the oldest year of data.

The majority of ICS members along with Mr. Adamson were in favor of Option 1. Mr. Younger proposed Option 2 and was in favor of that along with Mr. Adams. Chairman Boyle proposed Option 3 and was in favor of that. Chairman Boyle noted there was general agreement and the ICS will use Option 1 for the 2017 IRM base case unless instructed otherwise from the Executive Committee.

4.5. Multiple Year Wind Shape Model – MARS Testing & Study Results

Mr. Ciani provided an overview of the testing performed on the GE MARS multiple wind shape functionality. The NYISO concluded that the new functionality introduce no anomalies into GE MARS analysis and performed as expected, smoothing out the large yearly variation that would result from using solely the prior year wind performance data in the reserve margin calculation. The analysis showed that random selection of wind shapes results in a more realistic IRM value than an average wind shape could produce. Comments on the white paper are due to the NYISO by Friday, May 13th to allow the NYISO to provide a revised white paper which can be finalized for the June 1st ICS meeting. The ICS group approved the recommendation to use the new GE MARS multiple wind shape functionality, using five previous years of wind data, for use in the 2017 IRM base case.

4.6. Special Sensitivity Case (Policy 5 Change)

Mr. Adamson reviewed the changes in Policy 5, Section 3.6, for the special sensitivity case. The ICS approved the changes. These changes will be brought to the Executive Committee at a later date with other Policy 5 changes still under review.

4.7. Retirements (Policy 5 Change)

The NYISO provided a preliminary draft of suggested generator outage state provisions to include in Appendix C. Chairman Boyle suggested that the language needed to be simpler than what was provided. Mr. Patka asked the ICS to review the material as it was consolidated as much as possible. Mr. Patka asked for comments prior to May 13th. Chairman Boyle noted that this document will be discussed at the June 1st ICS once the members have reviewed it.

5. PJM Wheel Balance Topology Change (AI#177-1)

(See AI#177-1 listed in Action Item list).

6. Staten Island Unbottling Project (AI#180-1)

Mr. Kosel noted that the wheel was canceled and they do not expect to do Phase II of the Staten Island Unbottling project.

7. Environmental Initiatives Update (AI#181-7)

Mr. Carney provided an update on the current environmental initiatives. He will be providing written text and tables in the future. He discussed the current eight regulations and any potential impacts to resources. Mr. Carney indicated the amount of megawatts that could be subject to the various rules. Approximately less than 1,000 MW are subject to MATS, less than 20,000 MW are subject to CSAPR, less than 23,000 MW are subject to RGGI and 10,000 – 18,000 MW are subject to BTA. There appears to be no impact to reliability for the 2017-2018 IRM Study.

8. Open Class year Projects Inclusion (AI#182-2)

9. Marble River Update (AI#182-3)

Mr. Drake asked for these items to be part of the assumptions matrix review.

10. 2017 IRM Study Assumptions Matrix – Update

Mr. Drake reviewed updates to the assumptions matrix. Attachment B included the new units that will be included in the study. Marble River will be included as well as a re-rate for Orangeville, provided the 2015 Class Year will be complete in 2016.

11. Status Reports:

11.1. External Control Area MOUs

No update was provided.

11.2. NYISO LCR Task Force

The NYISO is exploring new processes for determining the LCRs to optimize market efficiency. In April, the Executive Committee posed a question to the ICS. If a new methodology for determination of the LCRs is used that is not based on the Tan 45 method outline in Policy 5, would the NYISO be found to be in non-compliance? Mr. Mukerji noted that General Electric has been engaged to perform an analysis and provided a brief overview of the method. The IRM that the NYSRC approved will be fixed and the requirement that LOLE will equal the NYSRC 0.1 days/year criterion will be met. The LCRs will be allocated to reduce the cost of supplying capacity to overall NYCA. The NYISO does not believe that any NYSRC rules will be violated.

Mr. Adamson read from a rule(see below) in the Reliability Rules & Compliance Manual for Planning and Operating the New York State Power System, Version 36 March 1, 2016, section A.2: Establishing Load Serving Entity Installed Capacity Requirements and Deliverable External Area Installed Capacity.

C. Compliance

1. Measures M1. The NYISO conducted an annual analysis to establish LSE and locational installed capacity (ICAP) requirements for the next Capability Year. The analysis was based on NYCA ICAP requirements established by the NYSRC and utilizes models and assumptions consistent with those used by the NYSRC for its ICAP requirement study. A report was prepared in accordance with R3, which addresses the results of the study, models utilized, study procedures and assumptions, and other study considerations. The report demonstrates that the LSE and locational ICAP requirements established by the NYISO and the allowable amount of LSE ICAP that may be located externally to the NYCA meets NYSRC Reliability Rules, in accordance with R1 and R2, respectively.

Mr. Adamson noted that any variation by the NYISO to establish a locational requirement not in conformance with the above language is a violation of NYSRC rules. The NYISO noted they will not be changing the IRM process and that the LCR calculation is their responsibility. Mr. Mukerji added at this point they are only looking at data and studies are being developed. He did not believe this new methodology would be ready for the 2017 IRM study period. The NYISO committed to working with the ICS and NYSRC on the issues before any changes would be proposed to the marketplace. The NYISO plans to have further discussions at the LCR Task Force in June.

12. Additional Agenda Items

No additional items were added.

13. New Business

No new business was noted.

Secretary: Mariann Wilczek (PSEG LI)

Upcoming meetings:

Meeting 184, Wednesday, June 1st at NYISO Corporate Center

Meeting 185, Wednesday, June 29th at NYISO Corporate Center

Meeting 186, Wednesday, August 3rd at NYISO Corporate Center

Meeting 187, Tuesday, August 30th at NYISO Corporate Center

Meeting 188, Wednesday, October 5th at NYISO Corporate Center

Meeting 189, Wednesday, November 2nd at NYISO Corporate Center

Meeting 190, Monday, November 28th at NYISO Corporate Center