

Agenda Item 4.1: ICS Report to NYSRC Executive Committee (EC)
April 29, 2025, ICS Meeting #303
Prepared for: May 9, 2025, EC Meeting #313
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4.1.1 BTM Solar and ELM Whitepaper – Approval Item

This whitepaper focused on modeling BTM solar as a supply side resource and capturing winter peaks and annual energy in load shape modeling. The document was reviewed at the prior ICS and EC meetings and no edits were received in the intervening month. ICS approved the whitepaper and is seeking EC approval at this meeting.

4.1.2 Champlain Hudson Power Express (CHPE)

NYISO presented CHPE modeling assumptions and results from the 2024 Tan 45 whitepaper. The study assumed CHPE can carry 1,250 MW in the summer with a 5% EFORD and 0 MW for all 6 months in the winter. In practice, CHPE is free to flow during the winter and may be the most economic route for HQ imports into NY. The line is associated with a 1,250 MW UDR in the summer with a 4.54% NERC average hydro EFORD. If treated as a control area system resource, the additional hydro EFORD may not apply. With CHPE, the 2024 Tan 45 study suggested a small (0.1%) increase to the IRM with significant upward impacts on the J LCR and downward impacts on the K LCR. Actual LCR impacts would depend on NYISO's LCR optimizer and the TSL floors. M. Younger pointed out that these runs were completed prior to winter fuel constraints introducing winter risk and should be viewed cautiously.

Closely associated with CHPE are retirement assumptions around the Gowanus 2 & 3 and Narrows 1 & 2 barges. NYISO STAR studies have indicated the need to retain the barges until CHPE appears and demonstrates dependable performance in the summer. M. Younger suggested the STAR study retaining the GTs is overly pessimistic. Retirement of the barges is also dependent on completion of a Gowanus-Greenwood 345/138kV phase angle regulator (PAR) controlled feeder scheduled for completion in May 2026.

Within the IRM study, new resource inclusion is based on publicly available information and standardized screening criteria, including an in-service date prior to June 1, 2026. Public information suggests CHPE developers are targeting an in-service date of May 2026, and the line is assumed to be on schedule in the most recent STAR study. However, NYISO indicated that "there are a myriad of risks/considerations that could result in potential project delays." NYISO recommended not adopting CHPE in the 2026-2027 PBC at this time and in parallel conducting a sensitivity with CHPE included, allowing more time for information to come out prior to the FBC. As CHPE is only required to provide capacity in the summer and would become the largest system contingency, inclusion will have far reaching consequences on CAFs and TSLs. Reversing these changes if CHPE is ultimately delayed could be challenging.

M. Younger strongly disagreed with NYISO's recommendations and indicated CHPE without barges should be in the PBC given established inclusion criteria, with the no-CHPE with barges case as a high priority sensitivity. M. Mager agreed with M. Younger without opining on how quickly the barges should come out after CHPE comes online. C. Wentlent concurred with including CHPE and indicated we would get the most info if it is in the base case. M. Younger stated it is critical that cases with CHPE remove the barges to prevent low-capacity prices and generator retirement notices. He indicated NYISO should communicate if the barges are needed for other reliability reasons. D. Zhang understands M. Younger's concern about market alignment and highlighted the alternative risk of inclusion of CHPE in the study. The potential of CHPE being delayed could lead to significant cost implications in NYC due to the implications on NYC capacity requirements. R. Bolbrock generally supported including CHPE in the PBC without the barges and G. Jordan also supported including CHPE. W. Gunther indicated that both cases need to be run and expressed support for NYISO's proposal to proceed cautiously. ICS plans to finalize the CHPE modeling assumption in the PBC at the June meeting along with IRM study sensitivities.

There was discussion on the PBC, CAF, and TSL timelines in relation to a NYISO stakeholder discussion on moving the Aug

1 generator firm fuel election deadline. Draft CAFs could be completed a month after the PBC.

4.1.3 SCR Preliminary Values IRM 2026-2027

NYISO presented preliminary SCR response rates and max modeled capacity for incorporation in the PBC. Values exhibited small changes due to the inclusion of additional test and event data. ICS discussion focused on the assumption of zero response beyond the longest historically observed call for each zone in the NYISO market. For example, zones A-E have a 5 h duration limit vs 7 h for zone F. M. Mager indicated it is not unreasonable to assume some zone E response in hours 6 and 7 given the similarities in SCR composition between zones E and F. While there is no precedence, such longer duration needs may occur within MARS replications. Like bin 1 gas availability in firm fuel modeling, choosing a number midway between zero and the preceding hour may be appropriate. As one complication, spreading SCR participation over more hours may reduce response rates in earlier hours. G. Jordan asked about the need to use SCR performance data dating back to 2012 and what more recent responses suggest. The data goes back to 2012 to provide enough real events and next year 2012 will roll off.

4.1.4 IRM 2026-2027 PBC Parametric Results and Assumptions Matrix

NYISO updated generator deactivations including unavailability of the Gowanus and Narrows IIFO units, leading to a 0.11% decrease to the IRM. Updated SCR values and solar shapes each reduced the IRM by 0.05%. Other resource shape updates had a non-material impact.

There was discussion on when firm fuel will be incorporated in the PBC parametric analysis. NYISO is prioritizing the Gold Book updates first; completing firm fuel plus CHPE variants by next meeting may be ambitious. M. Younger suggested incorporating firm fuel prior to CHPE due to the winter risk connection and that the CHPE cases should be done as full Tan 45 analyses.

4.1.5 Policy 5 Updates

ICS discussed the attached draft Policy 5 updates with no objections. These include conforming changes to capture new DER resource types, reflect winter fuel constraints, and incorporate a previously approved voting procedure change. The document also includes A. De Vito Trinsey's legal counsel edits. ICS requests any edits from the EC in the next three weeks and the final version will be up for approval at the next EC meeting.

ICS also discussed other aspects with no direct change to the document, including external area adjustments given tight neighboring region resource margins and the potential need for adding controls around firm fuel assumptions in a future Policy 5 revision. G. Jordan also proposed a new 10 day/year reliability criteria on margin state 1 to avoid situations that meet the existing 0.1 LOLE criteria through excessive use of EOP steps. ICS expressed interest in hearing more about this proposal in the future and T. Primrose suggested instead implementing annual caps on individual EOP steps like changes to public appeals and voluntary industrial curtailments last year.