Agenda Item 4.1: ICS Report to NYSRC Executive Committee (EC)
August 6, 2025, ICS Meeting #306
Prepared for: August 15, 2025, EC Meeting #316
Prepared by: William Gunther (Con Edison)

4.1.1 IRM PBC 2026-2027 Tan45 Results

NYISO presented 2026-2027 IRM PBC Tan 45 results as shown below. See attached documents for more detail.

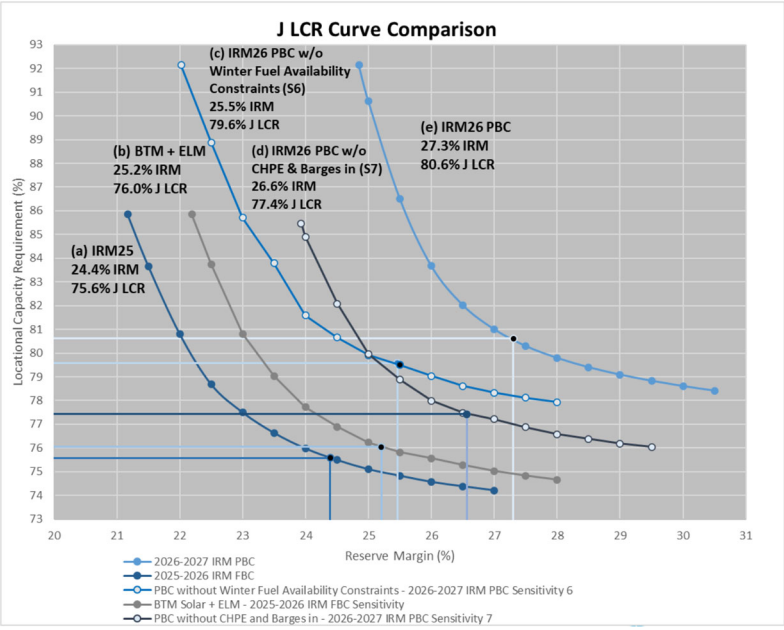
Results	2025-2026 IRM FBC	2026-2027 IRM PBC	Delta
IRM	24.4%	**27.3%**	**2.9%**
Load Zone J	75.6%	**80.6%**	**5.0%**
Load Zone K	107.3%	**106.9%**	**-0.4%**
G-J Locality	86.9%	**89.7%**	**2.8%**

The three main contributing factors to the large IRM and LCR increases are:

- Behind-the-meter (BTM) solar and enhanced load modeling (ELM) improvements
- Champlain Hudson Power Express (CHPE) modeling
- Implementation of the winter fuel availability constraints model

M. Mager was surprised by the IRM increase, which is significantly above the impact suggested in prior studies/parametric analysis. He questioned how much value parametric analysis adds vs completing full Tan 45 analyses. The larger than expected impact results from the emergence of winter risk (13.8% of total LOLE) and interaction between the three factors listed above. CHPE is a summer only resource and associated with retirement of the dual fuel Gowanus and Narrows barges. Enhanced load modeling adjusts the hourly profile to match the growing winter peak and annual energy. M. Mager suggested the EC would have looked closer at some of the assumption changes if they knew the IRM impact was significant and might need to revisit some assumptions prior to the FBC. R. Bolbrock indicated we should not focus on the IRM impact when assessing modeling changes.

R. Gonzales and M. Mager expressed appreciation for the following figure showing how major assumption changes shifted the Tan 45 curves.



As seen above, the alternate scenario with CHPE out and barges in has a 26.6% IRM and 77.4% J LCR.

C. Wentlent asked for confirmation that the model is using historical firm fuel availability rather than generator elections. That is correct for this year and firm fuel elections are not due until Nov 1.

W. Gunther mentioned that at ICS earlier this spring M. Younger alluded to the interaction between CHPE and firm fuel assumptions and asked for a Tan 45 analysis on the combination in advance of Aug 1. Two factors not in the model that could have further increased winter risk are winter maintenance and generator firm fuel elections.

G. Jordan suggested fuel availability constraints may be addressed through new gas infrastructure. While potentially true in the long term, this will not help in the short term. NYISO has a winter fuel constraints study ongoing that may provide insight.

R. Gonzalez asked if the winter risk attributed to CHPE results from the associated retirement of the firm fuel Gowanus and Narrows barges. The winter risk comes from both – as CHPE improves summer performance, the model will remove more capacity from the system. The parametric analysis described later separates the CHPE and barge changes.

G. Jordan suggested adding a with CHPE and barges sensitivity. W. Gunther indicated the Gowanus and Narrows barges filed their deactivation notices recently and will be studied in the Q3 STAR. If the barges are needed for reliability, they can be offered an RMR contract to remain in the capacity market.

W. Gunther asked how the 27.3% IRM compares against expected resources given installed capacity in 2024 was only about 30% higher than peak requirements per 2025-2026 IRM Report Figure 8-1. NYISO indicated the system is tight and CHPE helps.

M. Mager asked why the Tan 45 point was not at the kink in the Zone K curve. T. Primrose indicated the visual confusion is due to the different axis scaling and M. Cadwalader indicated it would be helpful if the axes used 1:1 scaling.

NYISO presented the Tan 45 points and regression for external validation. See attached files for details.

4.1.2 IRM 2026-2027 PBC Parametric Results

NYISO presented the remaining parametric results for the PBC. CHPE inclusion, Gowanus & Narrows deactivation, and winter fuel constraints each had IRM or LCR impacts greater than 1%.

Number	Adjustment Type	Description	Impact on Margins			
			NYCA	NYC	LI	LHV
15	A-K	Champlain Hudson Power Express (CHPE) Inclusion	0.32%	8.47%	-3.40%	5.27%
16	G-K	Gowanus 1 & 2 and Narrows 2 & 3 Deactivations	-0.69%	-3.34%	1.53%	-2.03%
17	A-K	Winter Fuel Availability Constraints	1.37%	1.05%	1.32%	1.09%

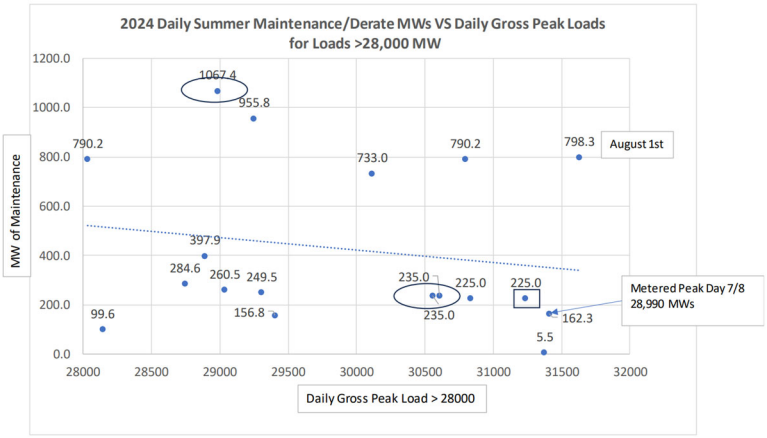
Material changes of lesser impact include LFU update and external & Policy 5 adjustment. Non-material changes include standard error analysis (2,000 replications). See attached file for specific numbers.

Collectively the parametric analysis steps suggest a 25.7% IRM (+1.3% vs 2025-2026 FBC), which is significantly different from the 27.3% (+2.9% vs 2025-2026 FBC) Tan 45 result. The notably higher Tan 45 value points to the limitations of the parametric approach.

W. Gunther suggested completing the analysis of significant modeling changes earlier in the process to provide the EC additional time to weigh changes. NYISO agreed in principal but indicted in this case the firm fuel constraints required the updated MARS version and the CHPE assumption was finalized last month.

4.1.3 2024 Summer Maintenance Analysis Presentation

J. Adams reviewed 2024 summer generator maintenance. His analysis points to ~363 MW of resources on maintenance when the gross load is above 28 GW. During certain high-load days ~800 MW of resources were on maintenance including significant nuclear, which was not observed in prior years.



ICS discussed updating the current 50 MW (25 MW J, 25 MW K) summer maintenance assumption for the FBC. Analysis in prior years did not warrant a change. One participant suggested raising the 28 GW load lower bound for study to something closer to peak system conditions and another asked about maintenance during the June 2025 heat wave. There was also interest in pacing the number of model changes made in a single year. ICS did not take a position on the assumption change beyond raising it to the EC's attention and recommending further study.

For the next IRM cycle, J. Adams recommended resuming modeling planned maintenance given several outages in the 2024 dataset extending from January or early spring through mid-late June. He also recommended incorporating maintenance outages and derates into an enhanced EFORd.

C. Wentlent suggested ICS conduct a similar study of winter maintenance given the emergence of winter risk. W. Gunther agreed and indicated the focus should be on firm fuel unit maintenance.

4.1.4 2026-2027 IRM PBC Proposed Sensitivity Cases – EC Approval Item
NYISO presented the sensitivity list from last month and indicated there were no changes suggested by ICS or the EC.

W. Gunther reiterated ICS action item 299-2 "Develop sensitivity case to monitor the impact of regional correlated outages from renewable resources." NYISO indicated they would complete the requested sensitivity separate from the IRM report sensitivities.

G. Jordan requested a with CHPE and barges sensitivity per earlier discussion and ICS agreed.

ICS approved the sensitivity list including the added with CHPE and barges sensitivity.

4.1.5 CHPE: Installed Capacity Market Integration Considerations - Updated Proposal
NYISO provided an update on their ICAP-WG proposal to use distinct sets of capacity market parameters before and after a triggering resource enters service within a capability year. One update addresses the situation in which a triggering resource is not included in the IRM FBC but subsequently begins ICAP market participation during the summer capability period. Another change allows a resource to initiate the capacity market integration process after demonstrating trial operation rather than commercial operation. A third change requires a triggering resource to begin ICAP market participation during the summer capability period.

G. Jordan mentioned the published CHPE in service date is May 2026. Advance notice requirements to commence ICAP market participation in May require completing trial operation and the required notice by March 1st, 2026.

M. Mager asked when the FBC assumption matrix is finalized – it is in October. G. Jordan suggested the FBC should represent the most likely outcome based on available information at that time.

G. Jordan asked if preliminary TSLs would be available in time for FBC decisions – yes.

4.1.6 2026-2027 PBC Assumption Matrix - Revised
There was a transcription error in the winter fuel constraints section in the assumption matrix approved by ICS/EC last month. NYISO used the correct values in the model and the corrected assumptions matrix is included here. ICS approved the revised version as a (likely unnecessary) formality.

4.1.7 Material Posting and Meeting Schedule
ICS discussed the late posting of PBC Tan 45 materials and R. Bolbrock requested an action item to identify schedule adjustments needed to avoid similar situations in the future. Options include deferring the discussion to the next ICS meeting to meet the 4-day posting guideline.

ICS elected to cancel their virtual Aug 26 meeting as all material was discussed at this meeting and the Aug 26 timeslot is followed 8 days later by the Sept 3 in-person ICS meeting.