

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 07-E-0088 - In the Matter of the Adoption of an Installed Reserve Margin for the New York Control Area.

CASE 05-E-1180 - In the Matter of the Reliability Rules of the New York State Reliability Council and the Criteria of the Northeast Power Coordinating Council.

NOTICE SOLICITING COMMENTS ON
ADOPTION OF INSTALLED RESERVE MARGIN

(Issued January 15, 2008)

In order to ensure the adequacy of electric facilities within New York State, the Commission is considering whether to adopt the Installed Reserve Margin (IRM) established by the New York State Reliability Council (NYSRC) for the New York Control Area during the upcoming capability year. The Commission intends to act promptly, so that market participants are informed of the new IRM prior to the Installed Capacity auction scheduled to be conducted by the New York Independent System Operator, Inc., on March 28, 2008.

The Commission previously adopted the Reliability Rules of the NYSRC in order to ensure the reliability of New York's electric system.¹ In accordance with its Reliability Rules, the Executive Committee of the NYSRC, on December 14, 2007, adopted an IRM of 15.0% for the New York Control Area for the capability year beginning on May 1, 2008 and ending on April 30, 2009. The NYSRC's decision was based primarily on a

¹ Case 05-E-1180, supra, Order Adopting New York State Reliability Rules (issued February 9, 2006).

study issued by the NYSRC's ICAP Subcommittee, entitled New York Control Area Installed Capacity Requirements For the Period May 2008 through April 2009, Technical Study Report (December 14, 2007).²

Comments are solicited on whether the Commission should adopt the NYSRC'S IRM of 15.0% for the New York Control Area, for the capability year beginning on May 1, 2008, and ending on April 30, 2009, first and foremost as a matter of system adequacy, and secondarily, as a matter of system reliability. Interested parties may submit an original and five copies of their comments by February 11, 2008, to Jaclyn A. Brillling, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. The Secretary may, in her sole discretion, extend the deadline.

(SIGNED)

JACLYN A. BRILLING
Secretary

² A copy of the NYSRC's study is available at http://www.nysrc.org/NYSRC_NYCA_ICR_Reports.asp