

2021-2025 ICAP Demand Curve Reset: Deliverability Analysis Results

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Agenda

- Background
- Peaking Plant Deliverability Analysis Results
- Next Steps

Background

Background

- **The ICAP Demand Curve reset (DCR) requires an assessment of the “current localized levelized embedded cost of a peaking plant” for each ICAP Demand Curve (commonly referred to as the gross cost of new entry or Gross CONE)**
 - Based on prior FERC determinations, Gross CONE values are required to include the cost of any System Deliverability Upgrades (SDUs) needed for each peaking plant
- **This presentation will discuss:**
 - Results for the deliverability analysis conducted with respect to the peaking plant options under consideration

Deliverability Analysis

Deliverability Analysis

- **As required by FERC, a deliverability assessment was conducted to determine whether the peaking plant options being considered may require any SDUs to obtain Capacity Resource Interconnection Service (CRIS) under the level of excess conditions required for the DCR**
- **The deliverability analysis was conducted by the NYISO utilizing a methodology that is consistent with the NYISO's Class Year deliverability study process (the methodology is further described in Attachment S of the NYISO OATT)**
 - The deliverability study uses the case developed for the 2019-2020 New Capacity Zone (NCZ) study
 - The assumptions for this study case were reviewed with stakeholders on September 19, 2019 and the results of the 2019-2020 NCZ study were reviewed with stakeholders on January 8, 2020
 - Consistent with FERC's directives, the deliverability analysis for the DCR is conducted under the level of excess conditions prescribed for use in the reset instead of using the "as found" summer peak system conditions used for the NCZ study
 - The informational combined cycle plant was not evaluated for deliverability

Deliverability Analysis

- Consistent with prior DCRs, candidate points of interconnection were identified for each location in order to assess deliverability of the peaking plant options under consideration
 - The points of interconnection examined for this DCR are largely the same as the last reset

Interconnection Substation Locations for DCR Deliverability Assessment

Zone	2016 DCR Locations	2020 DCR Locations
C	Sithe	Sithe
F	Rotterdam	Rotterdam
G	Ladentown, Shoemaker	Ladentown, Shoemaker
H	East Fishkill	East Fishkill
J	Rainey, Hudson Ave, East 179th St.	Rainey, East 179th St.
K	Ruland Road, Barrett	Ruland Road, Holbrook, Riverhead

Deliverability Analysis Results

- **The deliverability analysis indicated that all simple cycle gas turbine and battery energy storage peaking plant options under consideration were fully deliverable in all locations, except for the H-class frame unit on Long Island at the Ruland Road substation only**
 - The H-class frame unit (~350MW Summer DMNC Performance in zone K) was fully deliverable at both the Riverhead and Holbrook substation locations
- **Since the H-class frame unit was fully deliverable at multiple locations on Long Island, the NYISO does not propose to include any SDU costs in the Gross CONE estimate for the H-class frame unit on Long Island**
 - This treatment is consistent with the expectation that a developer would economically choose to construct a new facility on Long Island where additional SDU costs would not be incurred given the identified availability of multiple such locations

Next Steps

Next Steps

- Analysis Group and Burns & McDonnell will continue discussing the DCR at their next working group presentation on March 26, 2020

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- Providing factual information to policymakers, stakeholders and investors in the power system



Questions?