DRAFT – For Discussion Purposes ONLY

DMNC Testing of NYISO Resources
Measuring Installed Capacity Values

1) DMNC Testing establishes the Installed Capacity Value of Resources
   a) Propose to revise and expand Attachment D of the Installed Capacity Manual
   b) Adopt the best practices of the RAM parties (NYISO, PJM and ISO-NE) consistent with the NYISO Tariff and Operating Procedures and Practices and subject to NYISO and/or ICWG agreement where applicable.
   c) Recognize differences in resource types
      i) Nuclear, Fossil, Hydro, Intermittents, Demand, etc.
   d) Consider and reduce seams issues
   e) We need a more precise definition of Capacity - recognizing the ability of various resource types to maintain a predictable/probable output over a specified time period
   f) Recognize fuel availability, pondage, stream flow, mechanical limitations, station power, ambient conditions and system operating policies and practices
   g) Audience – Operations, NYSRC/ICS, Resource Reliability Staff, market Participants

   Issues to be addressed – not necessarily in order of importance

2) Determine Net Capability – then verify it each and every Capability Period – no free rides for resources that do not reach DMNC sold in the applicable Capability Period

3) Timely submission of test results with clear sanctions for failures to do so (i.e.$500 per day no more warnings)
4) Reduce Test periods (i.e. Summer – June/July/August and Winter – December/January/February)
    a) Reduce submissions from 30 days after the end of test periods to 60 days
    b) Add clear audit capability in test periods
5) Define DMNC to reflect the total net Plant Output delivered to the system without restrictions by the owner (without restriction means available for use at the request of the NYISO)
    a) Gross plant output less normal station power used for unit auxiliary equipment and other station use required for operation
    b) Combined Cycle plants – complete plant with all thermally dependent components operating simultaneously
    c) Stream Plants may recognize over pressure, boiler overrating, or cycle modifications NORMALLY used in operation.
    d) Hydro/pumped storage – must recognize available head for proper operation, storage practices, stream flow restrictions at probable time of NYCA system peak (Summer 1400-1800, Winter 1600-2000), etc.
    e) Nuclear must recognize fuel management practices and regulatory restrictions
    f) CoGens must reflect normal host loads on peak
    g) Planned units (future) can use Manufacturers guarantee or nameplate values

h) CC and CT must recognize elevations and fuel availability

i) Intermittents (future) to be based in some measure on capability during applicable NYCA peak load periods (Summer 1400-1800, Winter 1600-2000)

6) Define date of commercial operation as that declared by the supplier and approved by the NYISO for operation in the NYCA and for bidding in the NYISO markets

7) Permanent Changes in Capability must be reported and DMNC value reduced accordingly; i.e. shutdowns and retirements, partial or complete

8) Temporary changes are reported via GADS Data submissions

9) GADS derates for lack of Fuel

10) Use of operating data for DMNC audits and performance measurement. Extend capability tests over longer periods?

11) Revise forms to be more complete, precise, and to better reflect the quality of the data

12) Specs for DMNC tests should be improved or perfected; i.e. test at normal power factors, normalized weather conditions averaged over x years, condenser intake temps,

13) Verifications of sold Installed Capacity -

a) payment during tests and audits

b) Exceptions only given in writing

c) Capability must be demonstrated during all periods in which capacity has been sold…and is subject to retroactive deficiency charges for

shortfalls. Verification may be through actual operating data or by verifiable, auditable, and/or witnessed test.