

# NYISO Electric System Planning Working Group Meeting

**September 3, 2003**

9:00 a.m.

NYISO  
290 Washington Avenue Extension  
Albany, NY 12203

## Minutes

Of the sixth meeting of the New York Independent System Operator Electric System Planning Working Group held September 3, 2003 at the NYISO, 290 Washington Avenue Extension, Albany, NY.

### **PRESENT:**

Bill Palazzo, Chair  
Doreen Saia  
Mark Younger  
Howard Fromer  
Rich Felak  
A. Ralph Rufrano  
Bob Reed  
Larry DeWitt  
Larry Eng  
Laurie Oppel  
Ed Kremzier  
Tom Paynter  
Audrey Capers  
Patti Caletka  
Guy Zito  
Jim Parmelee  
Chris Hall  
Chris Wentlent  
James Mitsche  
Boris Gisiu  
Ernie Cardone  
John P. Buechler  
John Adams  
Valerie Caputo  
Leigh Bullock  
Aaron Breidenbaugh

New York Power Authority  
Mirant  
Slater Consulting  
PSEG  
Calpine Consulting  
New York Power Authority  
NYSEG  
Pace  
National Grid  
Navigant/LIPA  
National Grid  
PSC  
PSC  
NYSEG/RGE  
NPCC  
LIPA  
NYSERDA  
AES  
Power Gem  
Power Gem  
NYISO  
NYISO  
NYISO  
NYISO  
NYISO  
NYISO

William Lamanna

NYISO

Via Conference Call:

Ed Kichline

Stuart Nachmias

Con Edison

**Welcome and Introductions**

Mr. Bill Palazzo, Chairman of the Electric System Planning Working Group welcomed members of the group and stated the agenda for the day.

**Review of the Minutes of August 19 meeting**

The group agreed to review the minutes at the next meeting to allow members more time for review.

**PROBE Model**

Mr. James Mitsche presented "Congestion Analysis Using PROBE". Mr. Mitsche provided an overview of the PROBE model and how it will be used to analyze congestion. Mr. Mitsche provided a detailed analysis of July 15, 2003. A comparison of SCUC versus the PROBE simulation was provided. Mr. Mitsche discussed some of the limitations in the PROBE model which are being worked on. In particular, there was concern about the mismatch between PROBE and SCUC in Zones J and K. A "what if" analysis was done to show the congestion costs for July 15 with a comparison of the costs with and without a maintenance outage that had occurred that day that are under consideration to include automation of data collections, reports by constraints, improvements for the "what if" analysis, and some suggestions submitted by LIPA. Mr. Younger suggested that adjustments need to be made for grandfathered rights, not just TCC revenue. Mr. Rufrano asked what the NYISO would do with this information and if the NYISO would be reporting on where transmission should be built. Mr. Palazzo stated that this type of analysis has been developed because the group agreed that the reporting and analysis of historical congestion would provide value to market participants. Mr. Jim Parmelee suggested that the group define what will be measured, that a comparison against SCUC for congestion should be performed, and enhancements to PROBE are needed before it can be used to measure historic congestion. Mr. Buechler stated the group has discussed various aspects of congestion cost and agreed that there is a need for a comparison between SCUC and PROBE; in addition, other issues that have been raised by MPs need to be considered. Mr. Palazzo stated that historical congestion will be included in Phase I, but the group will continue to discuss how this information will be used during Phase II. Mr. Mitsche reviewed the work scheduled to be completed next. Mr. Mitsche asked if a benchmark with SCUC should still be done. Mr. Buechler stated the group has acknowledged they would like this benchmark completed and NYISO may have to identify another date for this comparison because of recent modifications to the SCUC model.

Mr. Mitsche was asked to pursue the SCUC/PROBE comparison case, draft a report on the analysis conducted to date, and to address the proposed future enhancements at the next meeting.

### **Initial Planning Process**

- Draft Procedures – Review of Comments
- Revised Timeline

Mr. John Buchler presented “NYISO Initial Planning Process, Summary of Comments”. The presentation provided a summary of comments received from Con Edison, LIPA, National Grid, and Charlie Pratt.

During review of the comments submitted by National Grid members discussed the projects included in the baseline, as detailed in section 4.2.4. Mr. Buechler indicated that criteria needs to be developed in order to establish a level to determine which projects are included in the baseline beyond the first five years. For the first 5 years, the ATRA will be used as the baseline; modifications to the baseline for years 6-10 and for the alternate scenarios will be developed with stakeholder input. Ms. Saia suggested including language that indicates the baseline used includes all the projects in the ATRA. There was a suggestion to include a matrix of what would be reported as elements of historical congestion costs and a statement that addresses the various elements of congestion costs. MPs also discussed additional National Grid comments.

Mr. Ed Kremzier stated “On behalf of National Grid, I’d like to thank the NYISO for initiating stakeholder discussions and finding common ground on reliability planning. We believe that there will continue to be heightened pressure on coordinated national power system operations from both reliability and market efficiency perspectives. We also recognize that it’s a tough mission to balance all the stake holder’s views and we look forward to NYISO’s proposal for Phase II, the Comprehensive Planning Process”.

The group discussed the comments submitted by LIPA. Mr. Buechler stated that while a definitions section might be appropriate in the report resulting from the Initial Planning Process, a definitions section was not needed for the scope document. Members agreed to comments that each of the reliability studies should be referenced to indicate the specific studies and to include a note to acknowledge the short circuit database uses the NYISO Short Circuit Methodology. Mr. Charlie Pratt asked if the consideration of neighboring control areas with different reliability standards should be noted in Section 3. Mr. Palazzo stated that this is a broader issue and it would involve the NYSRC. Mr. Buechler stated the NYISO intends is to utilize the existing reliability criteria for the Initial Planning Process.

Members reviewed the comments submitted by Mr. Pratt. Mr. Pratt summarized his comments and suggested that the scope should specify that there are two topics being addressed in Phase I, reliability and historical congestion.

The group decided to review the draft scope and edit it, on a page by page basis, as it was projected at the meeting and via Webex. It was agreed that the definition of the various aspects of historic congestion costs would be developed by the ESPWG during the implementation phase. Consensus was achieved among the ESPWG members on the Scope of the Initial Planning Process—as revised. A revised draft, including the agreed upon

changes, will be submitted to the Operating Committee for review and approval at their September 10<sup>th</sup> meeting.

### **Next Meeting**

The next meeting is scheduled for September 19 in NYC at the NYPA offices.

### **Action Items**

- NYISO Staff to prepare a scope for the Phase II discussions on the Comprehensive Planning Process
- NYISO Staff to address the definition of the elements of historic congestion cost
- NYISO Staff to develop proposals for alternate scenarios
- Power Gem to pursue SCUS/PROBE comparison case
- Power Gem to pursue model enhancements to address Zones J & K
- Power Gem to consider requirements for future enhancements to PROBE