

Generator Deactivation Assessment Steuben County LF

A Report by the New York Independent System Operator

August 1, 2019



Purpose

On May 10, 2019 the New York Independent System Operator, Inc. ("NYISO") determined that Steuben Rural Electric Cooperative, Inc. ("SREC") had submitted a complete Generator Deactivation Notice for the proposed retirement of the Steuben County LF generator ("Steuben"). SREC reported that it intends to deactivate the 3.2 MW (nameplate) generator on or about May 1, 2019.

Pursuant to Section 38.3.5 of the NYISO Open Access Transmission Tariff ("OATT"), the NYISO performed resource adequacy and, in coordination with New York State Electric & Gas Corporation ("NYSEG"), transmission security analyses of the New York Control Area ("NYCA") system to determine whether a Generator Deactivation Reliability Need (a "Need") would result from the deactivation of Steuben. The NYISO and NYSEG timely completed this analysis within the 90-day period starting from May 10, 2019, which is the Generator Deactivation Assessment Start Date (by August 8, 2019). The Generator Deactivation Process ends if the assessment does not identify a Need or if the Need can be timely addressed during the next Reliability Needs Assessment in the NYISO's biennial reliability planning process. If the NYISO finds a Need, then the NYISO follows the process for soliciting and selecting a solution stated in Sections 38.3.6 – 38.10.5 of the OATT.

Assumptions

The NYISO evaluated the period five years from the conclusion of the 365-day notice period (May 10, 2020 – May 10, 2025) (the "Study Period") using the most recent reliability planning process base case. In accordance with the Reliability Planning Process base case inclusion rules¹, generation and transmission projects are added to the base case if they have met significant milestones such that there is a reasonable expectation of completion of the project. Significant changes to the proposed assessment assumptions, as compared to the those used for the 2019-2028 Comprehensive Reliability Plan (CRP) include: (i) the AC Transmission Segment A

¹ NYISO Reliability Planning Process Manual, July 5, 2018



Double Circuits, AC Transmission New York Energy Solution Segment B, which are expected to enter into service in December 2023, and (ii) all other New York Transmission Owner firm Local Transmission Plans listed in the 2019 Load and Capacity Data Report ("Gold Book") with the exception of the NYSEG Coopers Corners transformers. The NYISO used the load forecast consistent with the 2019 Load and Capacity Data Report ("Gold Book")².

The NYISO provided stakeholders with its shared governance process information on the modeling assumptions employed in conduction this assessment. Details of the study assumptions were originally reviewed with stakeholders at the June 10, 2019 joint Electric System Planning Working Group (ESPWG)/Transmission Planning Advisory Subcommittee (TPAS)/Interconnection Project Facilities Study Working Group (IPFSWG) meeting. The meeting materials are posted on the NYISO's public website³.

Findings

This assessment finds that reliability criteria would be met without Steuben throughout the Study Period under the assumed and forecasted base case system conditions. The NYISO assessed the resource adequacy of the overall NYCA system, per the one-day-in-ten-years (0.1 per year) Loss of Load Expectation ("LOLE") criterion, which measures the probability of disconnecting firm load due to a resource deficiency. This assessment finds that without Steuben the resource adequacy criterion is met throughout the Study Period.

Additionally, the NYISO performed a transmission security assessment for the Bulk Power Transmission Facilities ("BPTF") and NYSEG performed a transmission security assessment of its non-BPTFs. The NYISO reviewed and verified the analysis performed by NYSEG. Without Steuben, no transmission security-related Need was identified in the Study Period.

² This Steuben County LF Generator Deactivation Assessment utilizes the 2019 Gold Book baseline summer peak load forecast.

3

https://www.nyiso.com/documents/20142/6987817/03_2019GDA_Steuben_MonroeLvgnstn_AuburnSS_Hudson4_KeyAssumptions_vFi nal.pdf/1835c328-dcd1-aa68-e8b5-c6c37dabaa1e



Conclusions

This assessment does not identify a Generator Deactivation Reliability Need following the deactivation of Steuben for the Study Period.

SREC has satisfied the applicable requirements under the NYISO's Generator Deactivation Process to retire the Generators on or after August 9, 2019.⁴ This concludes the Generator Deactivation Process.

⁴ Steuben Rural Electric Cooperative, Inc. must complete all required NYISO administrative processes and procedures prior to deactivation. The NYISO's determination in this Generator Deactivation Process does not relieve Steuben Rural Electric Cooperative, Inc. of any obligations it has with respect to its participation in the NYISO's markets. If Steuben Rural Electric Cooperative, Inc. rescinds its Generator Deactivation Notice or does not deactivate Steuben County LF by May 9, 2021, then it will be required to submit a new Generator Deactivation Notice in order to deactivate the Generators, and will also be required to repay study costs in accordance with Section 38.14 of the OATT.