New Capacity Zones: NCZ Study Update; NCZ Schedule

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DRAFT – FOR DISCUSSION PURPOSES ONLY

Topics:

- **New Capacity Zone (NCZ) Study**
  - ***NCZ Inputs and Assumptions***
    - **Follow up on October 1, 2012 ICAPWG presentation**
- **NCZ Schedule**
- **Next Steps**

NCZ Inputs and Assumptions

- ***Follow up on Inputs and Assumptions Presented to Stakeholders on October 1, 2012:***
  - **Highway Deliverability Test**
    - Existing generation CRIS and CRIS in Class Year projects through 2010 will be modeled in the NCZ Study. Class Year 2011 and subsequent Class Year projects will not be modeled.
    - Highway Deliverability Test will be performed in accordance with Section 25.7.8 of Attachment S, OATT, except that the analysis will not include the so called "Highway no Harms Test" as described in Section 25.7.8.2.14 of Attachment S.
  - **1000 MW PJM wheel will be modeled**
    - The wheel is modeled as a 1000 MW transfer from ROS to PJM and from PJM to NYC. It is not modeled as a direct transfer from ROS to NYC.
  - **Linden VFT**
    - An additional 15 MW of CRIS will be modeled, for a total of 315 MW.
      - **FERC's October 1, 2012 Order (Doc. No.EL12-64-000) directed the NYISO to grant Linden VFT an additional 15 MW of CRIS. The UDR is now a total of 315 MW.**

Inputs and Assumptions *(continued)*

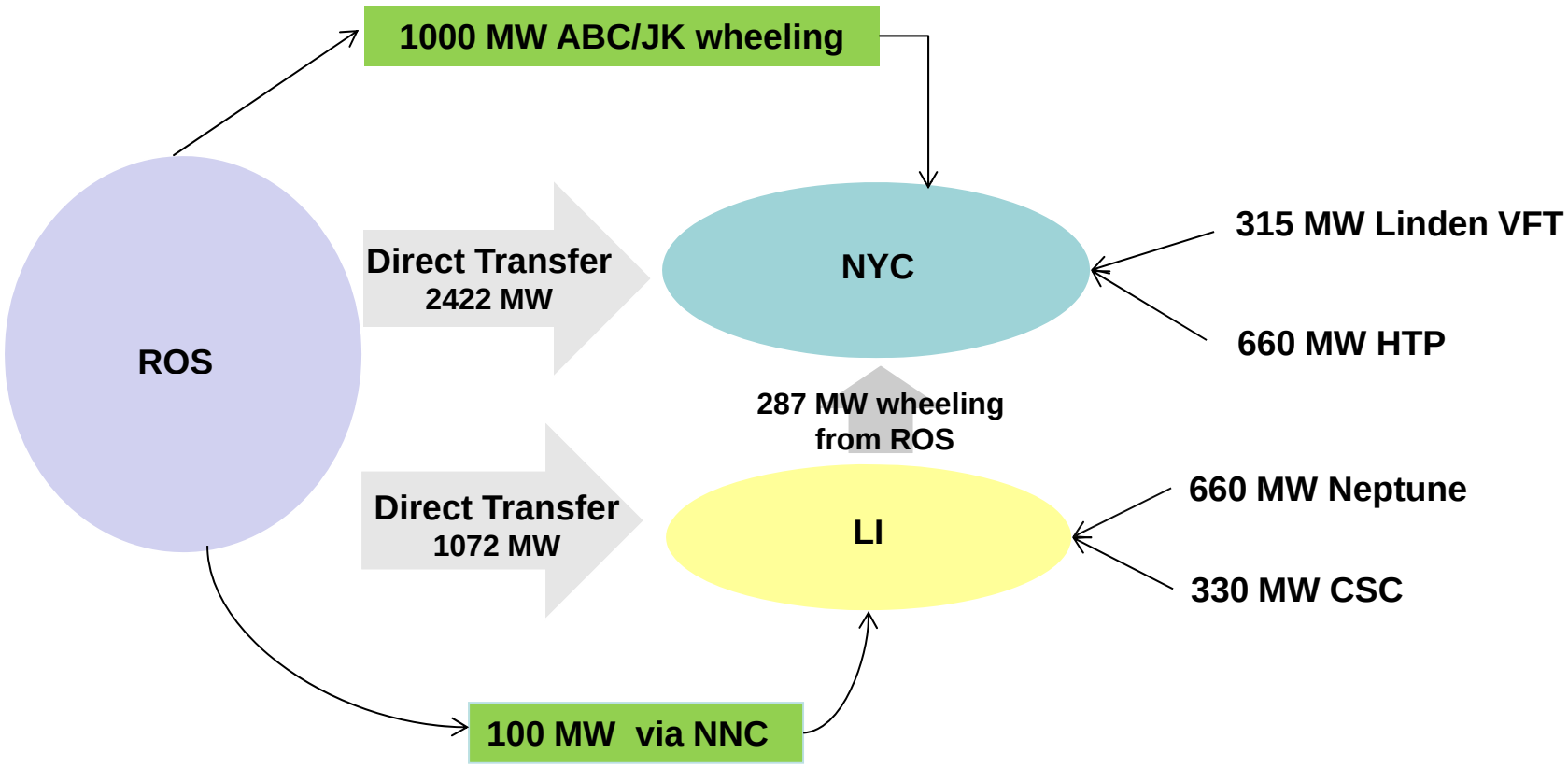
- **Direct Transfer from ROS to NYC and LI**
  - **Item #14 of the Inputs and Assumption Matrix :**
    - **Flow from ROS to NYC: the 2425 MW will be replaced with 2422 MW due to an additional 15 MW of CRIS awarded to Linden VFT**
    - **Flow from ROS to LI: the 785 MW will be replaced with 1072 MW to include 287 MW wheel from ROS to NYC via LI**

- **Branchburg-Ramapo PARs**
  - **PARs are modeled at 933 MW following the NYISO-PJM Joint Operating Agreement.**

Direct Transfer from ROS to NYC & LI

- **MPs requested that the NYISO explain how the direct transfer from ROS to NYC and LI is calculated:**
  - ***Direct Transfer ROS to NYC = NYC peak load * LFU – non ROS net import – NYC minimum UCAP***
  - ***Direct Transfer ROS to LI = LI peak load * LFU – non ROS net import – LI minimum UCAP***
  - ***Where:***
    - **Minimum UCAP = Minimum ICAP * derate**
    - **Minimum ICAP = Peak Load * Min. Locational Capacity Requirement – UDR**
- **Calculations for Direct Transfer from ROS to NYC and LI are presented on Slide #8 and Slide #9 respectively**

Direct Transfer from ROS to NYC & LI



Direct Transfer from ROS to NYC

- **NYC Data:**
  - ***2012 Gold Book baseline load forecast for NYC Summer 2017 = 12200 MW***
  - ***2012 Minimum Locational Capacity Requirement = 83%***
  - ***2012 NYC Generator EFORd = 12.13%***
  - ***2012 Load Forecast Uncertainty = 104.3%***
  - ***UDR = 315 MW Linden VFT + 660 MW Hudson Transmission Project = 975***
- **NYC minimum UCAP = (12200 MW*83.0% - 975) * (1-12.13%) = 9151 MW * 0.8787 = 8041 MW**
- **Direct Transfer ROS to NYC = 12200 MW* 104.3% - 1000 MW from ABC – 287 MW wheeling from LI – 975 MW UDR – 8041 MW minUCAP = <u>2422 MW</u>.**

Direct Transfer from ROS to LI

- **LI Data:**
  - ***2012 Gold Book baseline load forecast for LI Summer 2017 = 5666 MW***
  - ***2012 Minimum Locational Capacity Requirement = 99%***
  - ***2012 LI Generator EFORd = 11.44%***
  - ***2012 Load Forecast Uncertainty = 105.3%***
  - ***UDR = 330 MW Cross Sound Cable + 660 MW Neptune = 990 MW***
- **LI minimum UCAP = (5666 MW*99.0% - 990 MW) * (1-11.44%) = 4619 MW * 0.8856 = 4091 MW**
- **Direct Transfer ROS to LI = 5666 MW* 105.3% - 100 MW from ISO-NE – 990 MW UDR + 287 MW wheel to NYC – 4091 MW minUCAP = <u>1072 MW</u>.**

NCZ Schedule

Date	Description
9/1/2012	NCZ Study start date
10/1/2012	ICAPWG meeting: NYISO establishes Inputs and Assumptions for the NCZ Study
10/15/2012	Stakeholders' comments on NCZ Study Inputs and Assumptions
11/19/2012	ICAP WG meeting: Finalized NCZ Study Inputs and Assumptions
12/11/2012	ICAPWG meeting : Conceptual Methodology for determining NCZ LCR
1/14/2013	ICAPWG meeting: Report to Stakeholders on results of NCZ Study
1/22/2013	ICAPWG meeting: Proposed NCZ Indicative LCR and NCZ Boundaries NCZ Market Power Mitigation – Pivotal Supplier Threshold
2/14/2013	ICAPWG meeting: Proposed NCZ Indicative LCR w/Stakeholders input Proposed NCZ Boundaries w/Stakeholders input
3/1/2013	ICAPWG meeting: Determined Indicative LCR for NCZ NCZ Boundaries for 3/31 FERC Filing
3/31/2013	NYISO files proposed Tariff changes with FERC to establish NCZ (e.g., NCZ Study results, revised Locality definition to include NCZ Boundaries)

Next Steps:

- **Conceptual NCZ LCR Methodology will be presented on December 11, 2012**
- **NCZ Study results will be presented on January 14, 2013**

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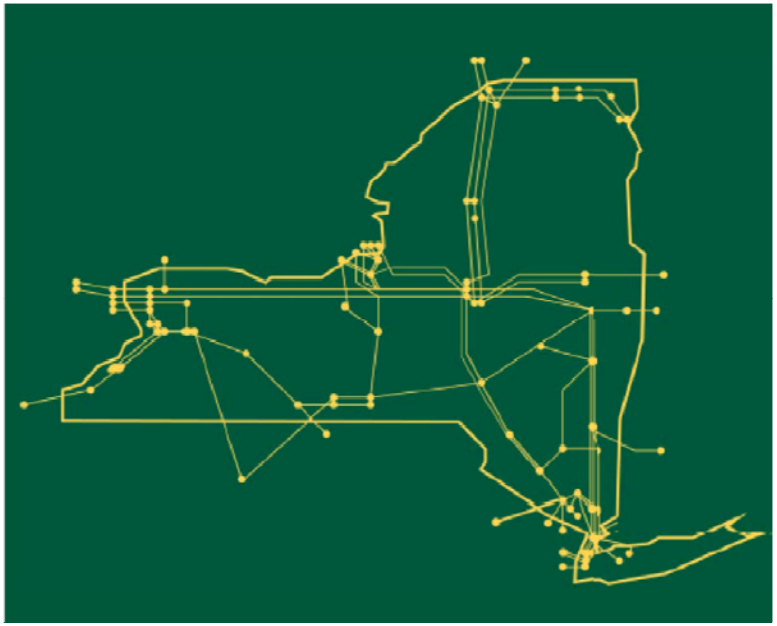

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