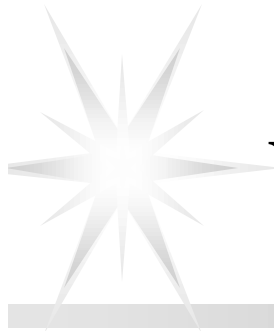


Convertible Static Compensator(CSC)

Presentation To The ISO Board



Bill Palazzo
New York Power Authority
Public Power Sector
April 18, 2000



What is the CSC Project?

Power Electronics Flexible Alternating
Current Transmission Systems(FACTS)

+

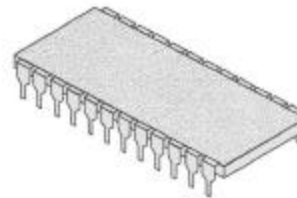
Conventional Technology
(Capacitor Banks)



FACTS

Flexible Alternating Current Transmission Systems

FACTS are a collection of power transmission control technologies based on very high power solid state electronic devices.

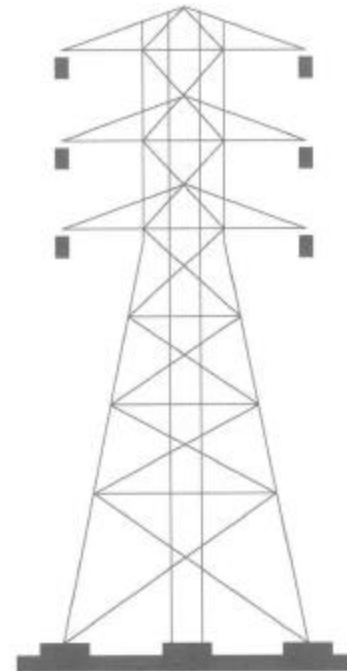


FACTS

Q: What are these systems used for?

A: Fast and continuous active control of the transmission network

- Control of power flow
- Control of network instabilities
- Control of voltage

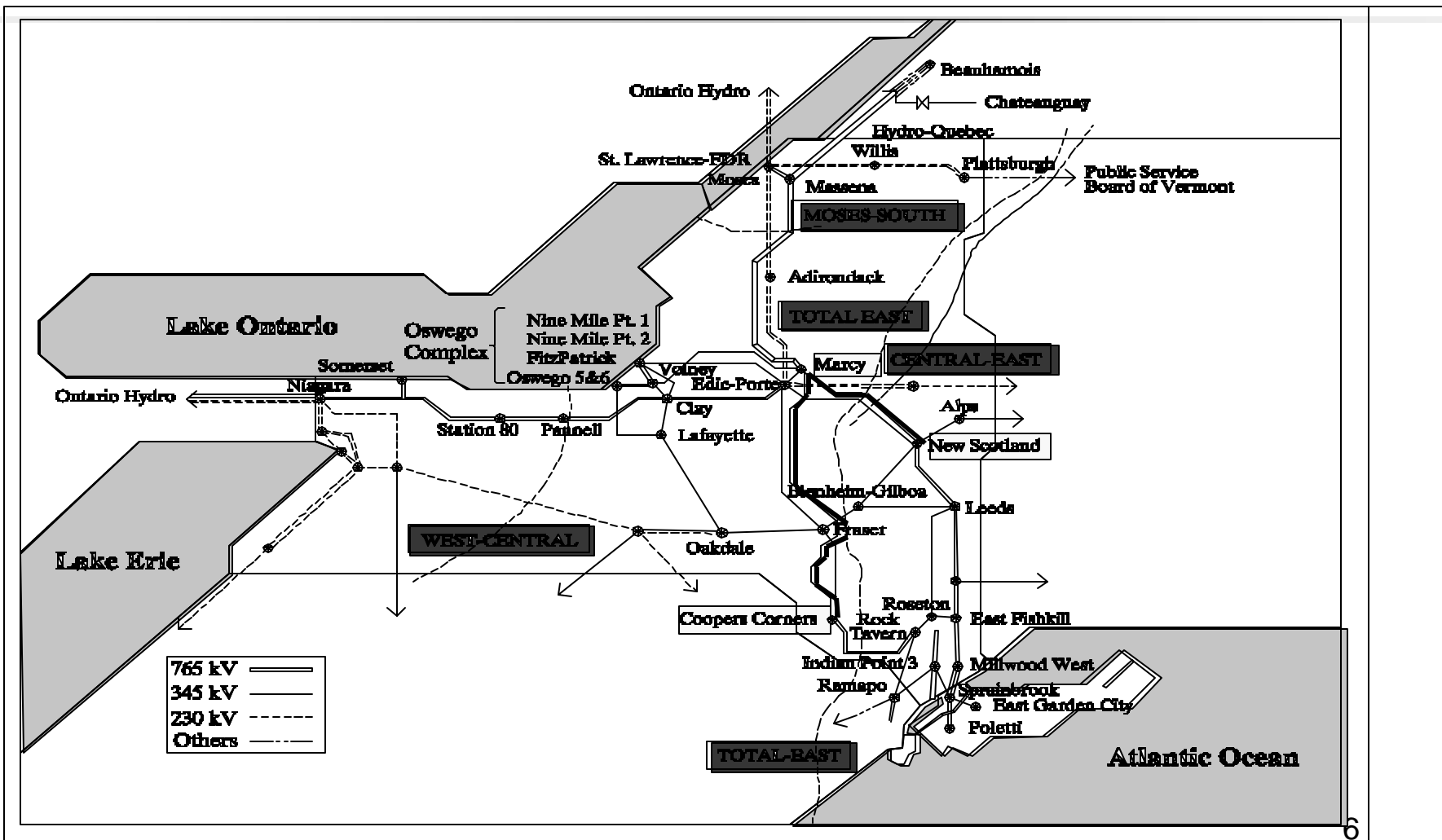


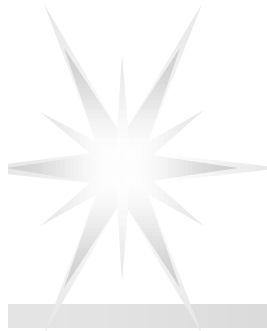


Background

- Currently, the Central-East (C-E) interface power transfers are voltage-limited to 2850 MW
- The limit is further reduced during system outage conditions
- Congestion of the C-E interface is anticipated to continue

One-Line Diagram of NYS EHV Transmission System





Solutions To Congestion

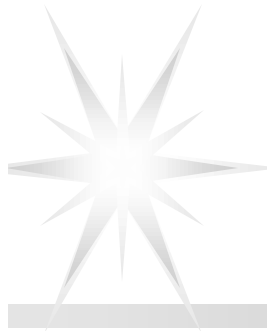
- New Generation closer to load
- New Transmission
- Utilize Existing Transmission More Efficiently Through the Use of FACTS Technology



NYPA's CSC Project

Implementation in Two Phases

- In the Short Term provides:
 - Voltage Support and Control
- In the Long-Term provides:
 - Power Flow and Voltage Control



CSC Project-Phase I

- Dynamic Voltage Support and Control at Marcy 345 kV Substation
- Capacitor Bank at Oakdale Substation
- Increase Total-East interface power transfer Capability by 120 MW and Central-East by 60 MW

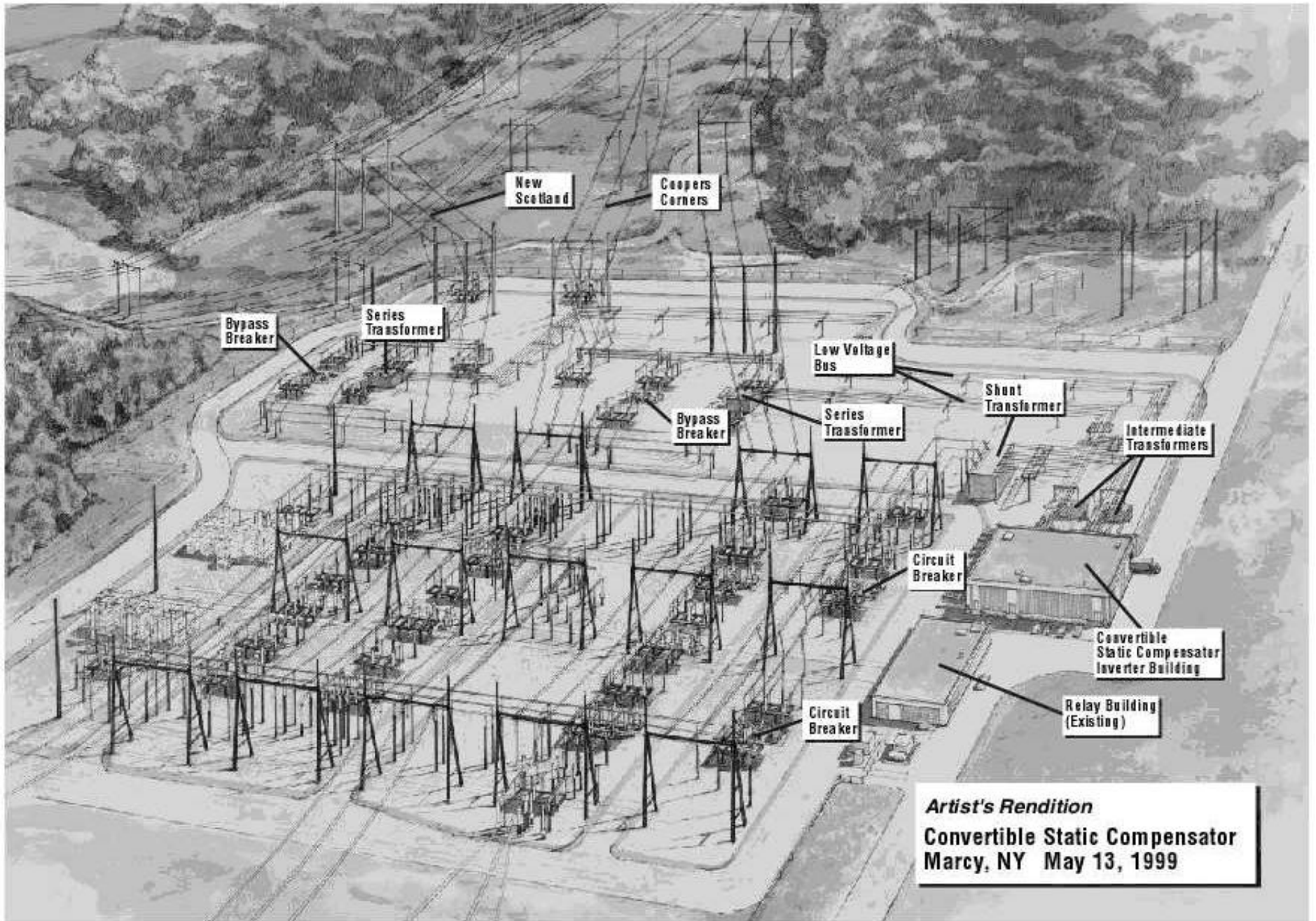
Phase I of the CSC Project will provide dynamic voltage support and control



CSC Project-Phase II

- Static Synchronous Series Compensator, Interline Power Flow Compensator, and Unified Power Flow Controller modes of operation
- Additional capacitor banks added
- Provides power flow control to achieve higher levels of power transfer
- Increase Total-East interface power transfer Capability by an additional 120 MW and Central-East by 60 MW

The CSC in its series configuration will provide power flow control capability on one or more lines



Artist's Rendition
Convertible Static Compensator
Marcy, NY May 13, 1999

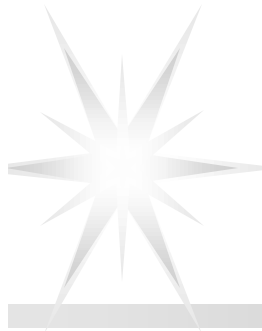




NYPA CSC Project

Summary

- Increase Total-East interface power transfer Capability by 240 MW and Central-East by 120 MW
- Increase system dynamic resiliency
- Improve voltage control
- Reduce transmission congestion
- Provide flexibility for system operation, and maintenance
- Reduce system losses



Project Cost & Schedule

- Estimated total project cost \$48 Million
- Industry contribution \$13 Million

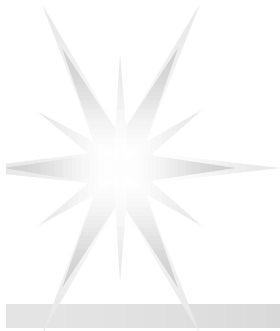
- Phase I Dec., 2000
- Phase II July, 2002



Why Are we Building the CSC?

- As a State-Owned Utility We Are Pushing the Envelope of Technology
 - Something we believe is an appropriate role for NYPA.

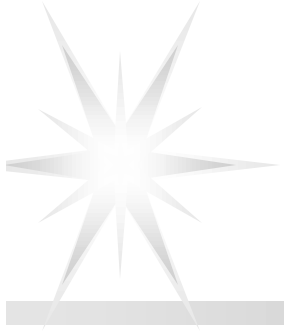
- The CSC is not a Traditional Transmission Expansion
 - It will test the ISO Procedures for Awarding TCC's to Transmission Expanders



**MARCY
CONVERTIBLE
STATIC
COMPENSATOR**

Industry Participation

- Allegheny Power System
- Alliant
- American Electric Power
- Baltimore Gas and Electric
- BC Hydro
- Bonneville Power Administration
- Central Hudson Gas & Electric
- Central and Southwest
- Duke Energy
- First Energy Corp.
- Georgia Transmission Corp.
- GPU Energy Corp.
- Great River Energy
- Illinois Power
- Montana Power
- Ontario Hydro
- Public Service Electric & Gas
- Salt River Project
- Southern California Edison
- Tennessee Valley Authority
- Tri-State G&T Association
- United Illuminating



The End