

Hydro Quebec - NYISO 765kV Interconnection

Update to Proposed Operation for Transfers above 1500MW

Market Structures Working Group March 13, 2006

NYISO Energy Market Operations Draft – For Discussion Only

Current Operation

- Total Transfer Capability (TTC) is limited to 1500MW South to NYISO, 1000MW North to HQTE
- 1500MW limit based on impact to NYISO voltage/reactive performance as observed in Real-Time operation
- Prior ISO Operating Studies have verified the reduction of NYISO Central-East interface transfer capability for levels of HQ interconnection operation above 1500MW limit

> Proposed Operation

- Allow transfers above 1500MW (up to 1800MW limit) for Real-Time Market (RTM) operation when system conditions permit
- RTM Interconnection limit will be based on actual and forecast ISO voltage/reactive performance as observed in operating day
- In addition, the RTM Interconnection limit will be based on the status of critical generation and transmission facilities, as well as defined system operating conditions (eg. severe weather operation, thunderstorm alert operation)
- Day-Ahead Market (DAM) Interconnection limit will remain at 1500MW limit

> Timeline / Operational Impacts

- Operating Procedures will require the implementation of automated monitoring and alarming associated with area voltage/reactive conditions, critical facility statuses, and defined special operating conditions
- Additional Operating Studies need to be performed to verify sensitivity of HQ Imports to ISO voltage/reactive conditions as well as to critical facility outage conditions
- Implementation of proposed RTM operation expected for Summer 2006 Capability period, subject to implementation of automated monitoring capabilities, operating procedures, and Operator training
- The increased HQ Interconnection limit will allow increased scheduling of HQTE wheel-through transactions to PJM, ISONE, and IESO but does <u>not</u> increase the 1200MW limit for imports to the NYCA based on the NYCA reserve requirement

Specific Operational Requirements

Area voltage/reactive conditions

- The following station voltages must be expected to be 352kV or higher prior to initiating HQ transfers in excess of 1500MW
- Marcy
- Edic
- New Scotland
- Leeds
- Rock Tavern
- Gilboa
- Ramapo

New York Independent System Operator

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Specific Operational Requirements

Area voltage/reactive conditions

- At least two (2) of the following station capacitors must be available prior to initiating HQ transfers in excess of 1500MW
- Marcy bank #1
- Marcy bank #2
- Edic bank
- Fraser bank #1
- Fraser bank #2
- New Scotland bank #1
- New Scotland bank #2
- New Scotland bank #3

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Specific Operational Requirements

- Area voltage/reactive conditions
 - The following reactive resources must be in operation in order to allow HQ transfers in excess of 1500MW
 - Marcy Statcom
 - Fraser SVC
 - Leeds SVC
 - 3 of the 5 Oswego Complex generating units

Specific Operational Requirements

Critical facility statuses

- The following 345kV transmission facilities must be in service in order to allow HQ transfers in excess of 1500MW
- Marcy/Edic 345kV transmission to Pleasant Valley 345kV
- Marcy/Edic 345kV transmission to Ramapo 500kV
- Marcy/Edic 345kV transmission to Watercure 345kV
- Marcy/Edic 345kV transmission to Clay 345kV
- Marcy/Edic 345kV transmission to the Oswego Complex 345kV

Specific Operational Requirements

- Defined special operating conditions
 - If the following ISO special operating conditions are active, then HQ transfers in excess of 1500MW are not permitted
 - Thunderstorm Alert
 - Adverse Operating Conditions
 - **Solar Magnetic Disturbance Alerts**

- Specific Operational Notifications
 - NYISO OASIS used for all notices that HQ transfers can be allowed in excess of 1500MW
 - Market Data / Power Grid Data / ATC-TTC webpage
 - HQ-NYISO HAM TTC will be modified when the specific operational requirements have been met
 - HQ-NYISO HAM TTC will be evaluated on a hour by hour basis
 - Advance notice for HAM TTC changes is 25 minutes prior to normal HAM transaction submission deadline