

Retiring Units Needed to Maintain Reliability

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Agenda

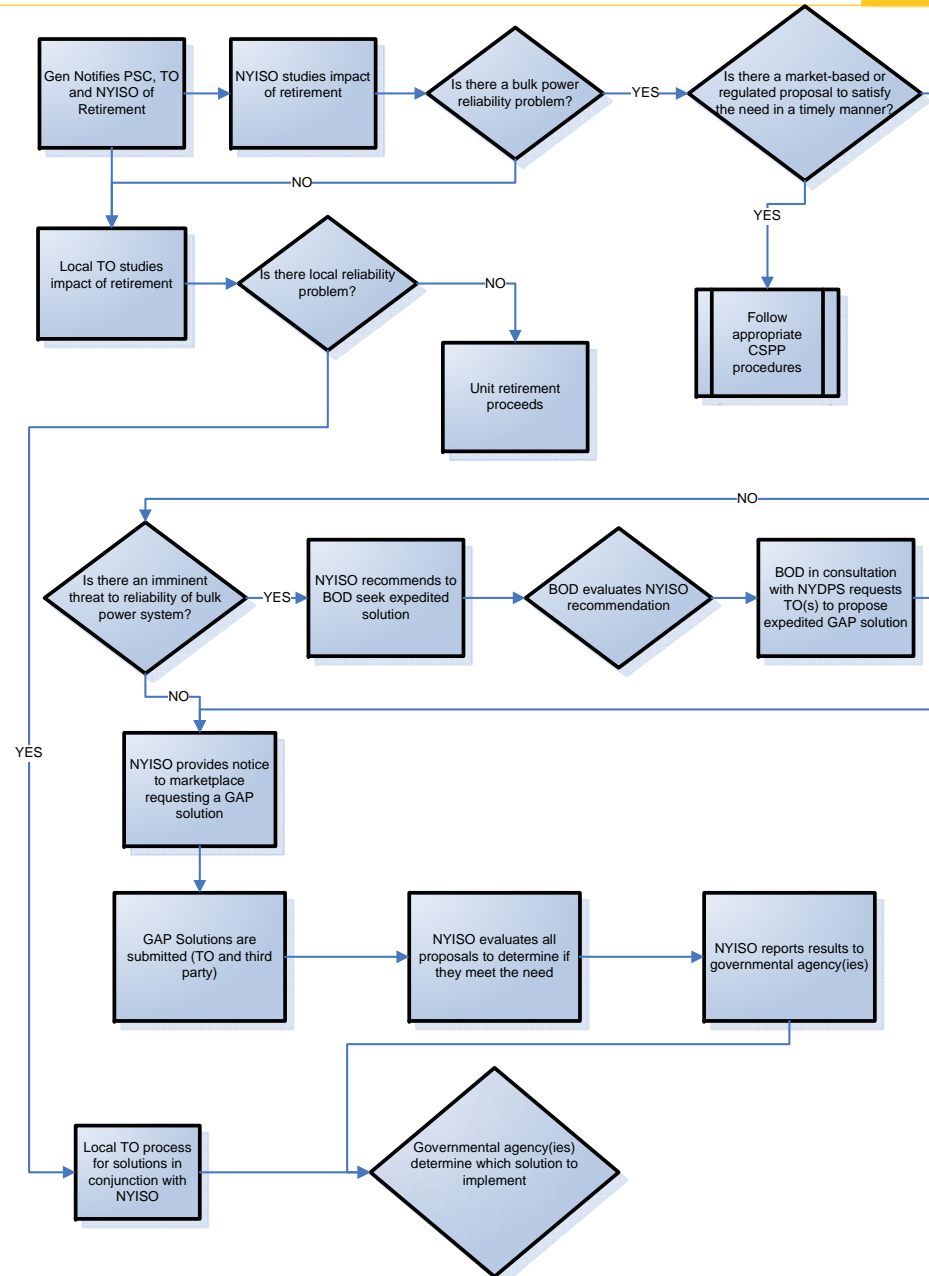
- ◆ What is a GAP solution?
- ◆ What is the current NYISO process to meet bulk power system reliability needs caused by a generator retirement?
- ◆ Feedback
- ◆ Next Steps

GAP Solution

- ◆ Covers a period between the expected start of a reliability need and the expected deployment of a permanent solution
- ◆ The need for a GAP solution may be identified in two ways.
 - *BY a residual requirement of the CRPP*
 - *By needs arising between CRP cycles such as a unit's announced retirement.*

Current Process

- ◆ In accordance with the NY PSC Case No. 05-E-0889 and NYISO Technical Bulletin 185 a generator greater than 2 MW must notify the NYISO of the unit's intention to retire and date of retirement.
- ◆ Once this notification has occurred, the following process is followed (see Retirement_Process_Flow attachment).



Additional relevant information

- ◆ Att. Y 31.2.5.9.1 states, “GAP solutions may include generation, transmission, or demand side resources.”
- ◆ Att. Y 31.2.5.9.6 states that “a permanent regulated solution, if appropriate, may proceed in parallel with a Gap Solution.”
- ◆ Att. Y 31.4.1.6 and 31.4.4.3 outlines cost recovery for non-transmission reliability projects

FERC's role

- ◆ Att. Y 31.5.1 states, “Disputes directly relating to the NYISO’s compliance with its tariffs that are not resolved in the internal NYISO collaborative governance appeals process or NYISO dispute resolution process, and all disputes relating to matters that fall within the exclusive jurisdiction of FERC, shall be reviewed at FERC pursuant to the Federal Power Act if such review is sought by any party to the dispute. The NYPSC or any party to a dispute regarding matters over which both the NYPSC and FERC have jurisdiction and responsibility for action may submit a request to FERC for a joint or concurrent hearing to resolve the dispute.”

Feedback Requested

- ◆ NYISO requests written feedback on the current process focusing on:
 - *Adequacy of the current procedure contained in Attachment Y*
 - *Recommended alternatives/additions/or deletions*
- ◆ Please send all feedback, by July 28th, to sjohnson@nyiso.com

Next Steps

- ◆ Where do we continue this discussion?
 - *Continued special joint meetings? MIWG? ESPWG?*
- ◆ Present and discuss all feedback received at next meeting in early August (date TBD).
- ◆ If needed, propose alternatives in future meetings.
- ◆ If process modifications necessary, work towards resolution by end of year.

The New York Independent System Operator (NYISO) is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and conducts comprehensive planning for the state's bulk electricity system.



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