

# **Update on New External Proxy Activity**

Prepared for the  
**Billing & Accounting Working Group**  
October 23, 2006

# Update on New External Proxy Activity

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- ◆ There are 3 new external proxy busses under development.
  - *Neptune (PJM – NYISO Zone K)*
  - *Cedars (HQT – NYISO Zone D)*
  - *1385 (ISO-NE – NYISO Zone K)*

# Neptune

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- ◆ Neptune is an HVDC tie between New Jersey and Long Island.
  - *60-660 MW normal operating range (will not operate at less than 60 MW). 750 MW emergency upper operating limit.*
  - *Will operate as a PJM Transmission Owner*
  - *Currently under construction*
- ◆ LIPA purchased the full capacity (import) rights to the Neptune Line.
  - Unused import capability will be subject to release requirements for qualified third party use consistent with FERC orders

# Neptune

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- ◆ Will be scheduled independent of the existing NYCA/PJM interface.
- ◆ LBMP computed at proxy will be independent of LBMP at existing NYCA/PJM interface.
- ◆ Will initially support only import (to NYCA) transactions (PJM Tariff limitations).
- ◆ Neptune is scheduled to commence live testing (within market constructs) in April 2007 and will become commercial in July 2007.

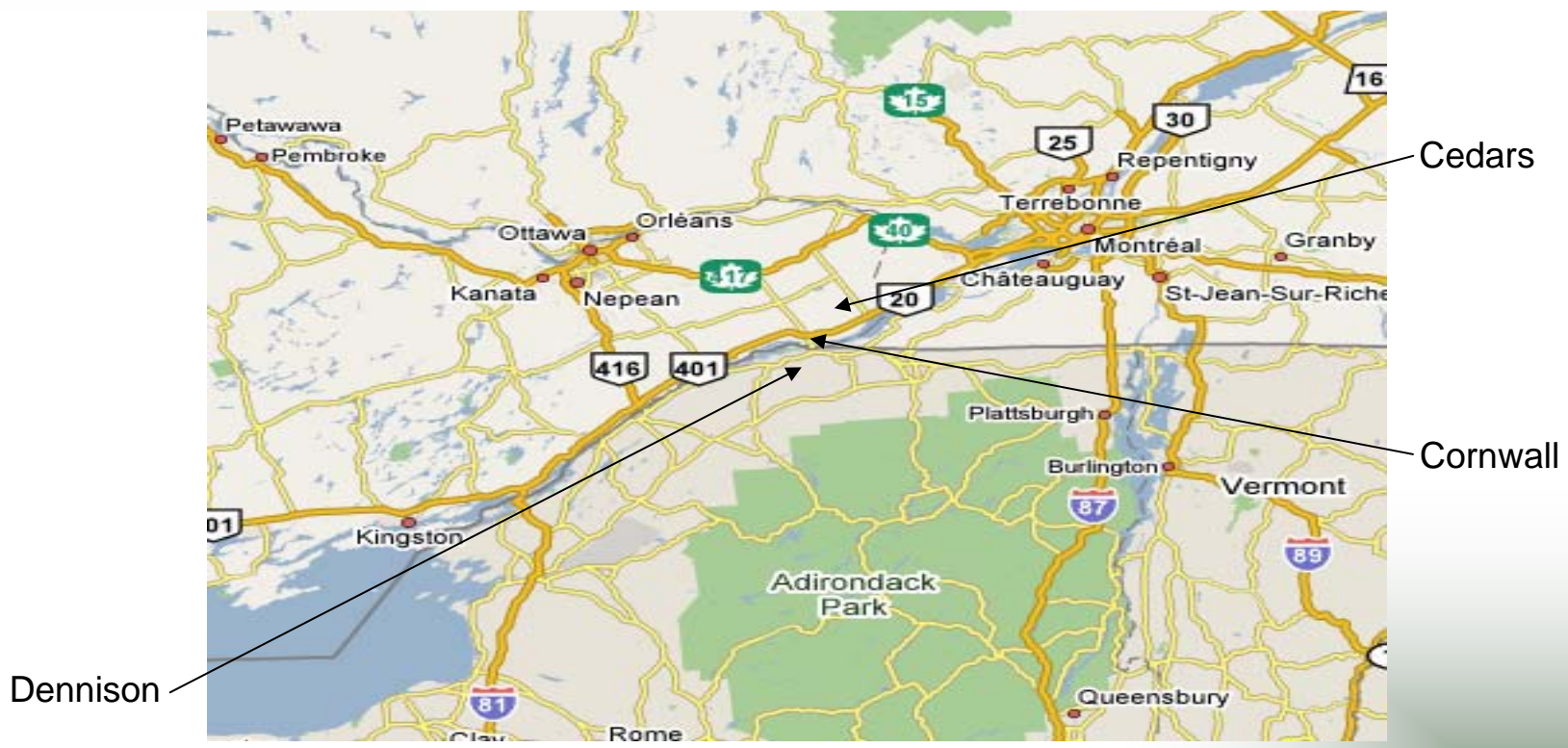
# Cedars

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- ◆ New Proxy Bus at Dennison based upon a Scheduled Line between Dennison (NYCA) and Les Cedres (HQT) - the “Cedars Interconnection.”
  - *Controlled via generation at Cedars and a Variable Frequency Transformer (VFT) at Langlois.*
  - *Discussed at S&P WG – July 2004*
  - *Discussed at MSWG – May 2005 & May 2006*
  - *System Impact Study discussed at Feb. 21, 2002 OC meeting.*

# Cedars

Where is Dennison?



# Cedars

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- ◆ Will be scheduled independent of the existing NYCA/HQT interface.
- ◆ LBMP computed at proxy will be independent of LBMP at existing NYCA/HQT interface.
- ◆ Will support import, export and wheel-through transactions.
  - *Cedars is currently modeled as a generator in NYISO systems.*
  - *Exports (from NY) are currently only permitted in an emergency situation.*

# Cedars

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- ◆ Import capacity will be in addition to the 1200 MW HQT to NYCA limit.
- ◆ Import capacity will be in addition to the current 2755 MW statewide ICAP import limit.
  - *Subject to review / modification in subsequent study periods*
- ◆ Ntl. Grid limits currently in place are 166 MW summer and 199 MW winter. Affected TOs are reviewing limits.
- ◆ Current DOE export regulations limit exports (NY to HQ) to 100 MW and 300,000 MWhr/yr. at the Cedars Interconnection.
- ◆ NYISO transactions will be bid/scheduled in the same manner as any external proxy other than the CSC (and Neptune).
- ◆ Implementation planned for late in Q1 2007
  - *Subject to satisfaction of related permit / agreement requirements*



# 1385

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- ◆ 1385 Proxy based upon a PAR controlled underwater cable between Norwalk CT. and Northport NY (Long Island)
  - *Currently modeled as part of the total NY/NE AC interface*
  - *Discussed at MSWG – June 2003*

# 1385

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- ◆ Will be scheduled independent of the existing NY/NE AC interface, the CSC (and Neptune).
- ◆ LBMP computed at proxy will be independent of LBMP at existing NY/NE AC interface, the CSC (and Neptune).
- ◆ Will support import, export, and wheel-through transactions.
- ◆ NYISO transactions will be bid/scheduled in the same manner as any external proxy other than the CSC (and Neptune).
- ◆ Planned for implementation in June 2007.

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- ◆ Ramp on controllable lines will be subject to NYCA wide ramp limits
- ◆ Model update to support the new controllable lines scheduled for October 2006.
  - *As part of the external proxy bus development process the new external proxy buses will become visible within the MIS prior to their implementation. During this period user fields will be “grayed out” and bidding will not be permitted until each proxy bus is activated.*