

For Immediate Release:

July 22, 2015

NYISO Issues Comprehensive Reliability Plan *Effective Market Signals Strengthen Reliability*

Rensselaer, N.Y.—The Board of Directors of the New York Independent System Operator (NYISO) has approved the [2014 Comprehensive Reliability Plan](#) (CRP) for New York’s bulk power system. The plan concludes that the system will meet all applicable reliability criteria under expected system conditions during the study period (2015-2024), and confirms that the reliability needs initially identified in the 2014 *Reliability Needs Assessment* (RNA) are being resolved.

The 2014 CRP is the product of the Comprehensive Reliability Planning Process conducted by the NYISO to provide a blueprint for meeting the reliability needs of the state’s bulk electricity grid over a 10-year planning horizon. The multi-phased process includes an assessment of reliability needs prior to the development of the reliability plan.

“The NYISO’s comprehensive planning process works in conjunction with our markets that are designed to send price signals for entry of resources that sustain and enhance reliability,” said NYISO President and CEO Stephen G. Whitley. “The new capacity zone in the Lower Hudson Valley played a critical role in motivating suppliers to maintain existing resources and install new resources needed for system reliability.”

In September 2014, the NYISO issued the 2014 *Reliability Needs Assessment* (RNA) which found that changes in supply and demand required investment in resources and infrastructure to maintain reliability over the next decade. Specifically, the RNA identified resource needs in Southeast New York (SENY) beginning in 2019 and transmission security needs starting in 2015.

Subsequent to the RNA’s approval and prior to the start of the CRP, New York’s transmission owners updated their transmission upgrade plans, and, in response to market signals, certain suppliers decided to return to operation generating units that had been out of service. With the returned capacity, especially in the critical SENY region, and the transmission upgrades in other regions, the 2014 CRP determination is that New York’s power system has adequate resources to reliably meet New York’s electric demand over the next 10 years under expected system conditions.

The CRP also made the following findings:

Transmission Security and Adequacy—The needs identified in the 2014 RNA for the Rochester and Syracuse areas are expected to be resolved in 2017 by the responsible Transmission Owners’ announced transmission upgrades. In the interim, responsible Transmission Owners in those regions will use operating procedures to address specified grid reliability needs under summer peak load conditions.

Resource Adequacy— Absent new resources, generation capacity margins will diminish as the demand for electricity grows over the next 10 years, resulting in a narrow capacity margin in 2024.

Risk Factors—While the CRP finds the system will meet reliability criteria, there are uncertainties and risk factors that could adversely affect system reliability over the 10-year planning horizon. These include:

- the need for transmission owners’ upgrades to proceed with siting and construction on schedule,

The New York Independent System Operator (NYISO) is a not-for-profit corporation responsible for operating the state’s bulk electricity grid, administering New York’s competitive wholesale electricity markets, conducting comprehensive long-term planning for the state’s electric power system, and advancing the technological infrastructure of the electric system serving the Empire State.

- the performance of aging generation infrastructure, and
- higher-than-forecasted load levels.

Further, substantial uncertainties exist in the next 10 years that will impact system resources, including, but not limited to:

- generator retirements and availability,
- the growing reliance on natural gas as the primary fuel for electric generation and the need for continued vigilance regarding the status of the natural gas system, and
- the impacts of federal and state environmental regulations on the operation of New York's generation fleet.

The NYISO will continue to monitor and evaluate the status of existing and expected generation facilities and the progress of the Transmission Owners' LTPs. The next RNA cycle will begin in 2016 and will provide an updated assessment of the New York bulk power system and review the status of identified risk factors and other reliability issues.

The [2014 Comprehensive Reliability Plan](#) is available on the NYISO website, www.nyiso.com.

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