New York ISO
Independent System Operator

Preliminary Locational Minimum Installed Capacity Requirement Results: 2025-2026 Capability Year

Bianca Prinsloo

NYISO

ICAPWG/MIWG

November 21, 2024

Agenda

- Background
- Preliminary Locational Minimum Installed Capacity Requirement (LCR) Study Inputs for the 2025-2026 Capability Year
- Preliminary LCR Results for the 2025-2026 Capability Year
- Next Steps

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Background

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Background

- An LCR study was performed to produce preliminary LCR results for the 2025-2026 Capability Year
- The 2025-2026 preliminary LCR study utilized the Installed Reserve Margin (IRM) Final Base Case (FBC) Tan45 results, 2025-2026 final transmission security limit (TSL) floor values, and 2025-2026 preliminary net cost of new entry (Net CONE) curves
- For the 2025-2026 final LCR study, the NYISO will utilize the 2025-2026 final IRM approved by the New York State Reliability Council Executive Committee (NYSRC EC) and the 2025-2026 final Net CONE curves
  - The 2025-2026 final IRM will be presented to the NYSRC EC for approval at its December 6, 2024 meeting

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2025-2026 Preliminary LCR Study Inputs

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2025-2026 IRM FBC Tan45 Results

- On November 6, 2024, the NYSRC Installed Capacity Subcommittee reviewed the following 2025-2026 IRM FBC Tan45 results:

2025-2026 IRM FBC Tan45 Results			
IRM	J LCR*	K LCR*	G-J*
24.4%	75.6%	107.3%	86.9%

*LCR results determined by the Tan45 process

- The 2025-2026 preliminary LCR study results are based on these 2025-2026 IRM FBC Tan45 results

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2025-2026 Final TSL Floors

- On November 4, 2024, the NYISO presented the 2025-2026 final TSL floor values to the ICAPWG

Available at: https://www.nyiso.com/documents/20142/47886327/Final%20TSL%20Floor%20Values_110424%20icap.pdf/e2bacfe6-7fdc-5dac-61a8-1d55508e3b13

Transmission Security Limit	Formula	G-J	NYC	LI	Notes
Non-Coincident Load Forecast (MW)	[A] = IRM Study Assumption	15,205	11,044	5,092	[1]
Coincident Load Forecast	[P] = IRM Study Assumption	14,962	10,802	5,016	[1]
Bulk Power Transmission Limit (MW)	[B] = Studied	4,500	2,875	275	[2]
Net Flow Adjustment (MW)	[N] = Study Assumption	275			[3]
Offshore Wind (MW)	[O] = Calculated	0	0	38.4	[4]
UCAP Requirement (MW)	[C] = [P]-[B]+[N]+[O]	10,737	7,927	4,779	
UCAP Requirement Floor	[D] = [C]/[A]	70.6%	71.8%	93.9%	
5-Year Derating Factor	[E] = Calculated	5.90%	3.26%	8.37%	[5]
Special Case Resources (MW)	[F] = IRM Study Assumption	569.3	478.7	30.6	[6]
ICAP Requirement (MW)	[G] = ([C]/(1-[E]))+[F]	11,980	8,673	5,247	
TSL Floor (%)	[H] = [G]/[A]	78.8%	78.5%	103.0%	

1. 2025 Fall Load Forecast
2. 2025 Locality Bulk Power Transmission Capability Report
3. LI Bulk Power Transmission Limit Adjustment
4. Difference in Resource Adequacy and Transmission Security UCAP Valuation
5. 5-Year Derating Factor reflecting generation mix in the 2025-2026 IRM FBC
6. The SCR MW value reflects the assumptions proposed for the 2025 – 2026 IRM Final Base Case

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2025-2026 Preliminary Net CONE Curves

- **Pursuant to MST section 5.11.4, NYISO uses the filed net CONE values applicable in the first Capability Year covered a quadrennial ICAP Demand Curve reset (DCR)**
  - The NYISO's filing for the 2025-2029 DCR is due to be filed by November 30, 2024
- **Therefore, the 2025-2026 preliminary Net CONE curves are based on the CONE of a 2-hour battery energy storage (BESS) in each capacity zone, as detailed in the NYISO Staff's Final Recommendations for the 2025-2029 DCR[1]**
  - The 2025-2026 Net CONE curves will be finalized following the filing of the NYISO Board-approved results of the 2025-2029 DCR

Location (Peaking Plant Size)	LCR (%)	2025 - 2026 Preliminary Net CONE Curves ($/kw-yr)
NYCA (200 MW)	110.0	44.63
	113.0	45.00
	116.0	44.81
	119.0	45.23
	125.0	46.25
	128.0	46.84
G - J (200 MW)	69.0	32.31
	72.0	36.64
	75.0	40.82
	78.0	43.78
	84.0	47.37
	87.0	49.11
Zone J (200 MW)	68.4	112.52
	71.4	117.64
	74.4	122.59
	77.4	126.72
	83.4	131.75
	86.4	133.53
Zone K (200 MW)	93.3	23.22
	96.3	28.89
	99.3	34.19
	102.3	38.53
	108.3	44.14
	111.3	46.14

1. https://www.nyiso.com/documents/20142/47366127/NYISO-Staff-DCR-Final-Report-Updated.pdf/513a05d5-800e-e022-f248-9406d65f6395

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2025-2026 Preliminary LCR Results

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2025-2026 Preliminary LCR Results

- As discussed above, the 2025-2026 preliminary LCRs are based on the 2025-2026 IRM FBC Tan45 results, 2025-2026 final TSL floors, and 2025-2026 preliminary Net CONE curves

Results Comparison	IRM	J LCR	K LCR	G-J	LOLE (Event-days/yr)
2025-2026 Preliminary LCRs	24.4%	78.5%	106.5%	78.8%	0.100

- Based on the 24.4% IRM value determined for the 2025-2026 IRM FBC, the preliminary results identified the TSL floor values as binding for Load Zone J and the G-J Locality, while maintaining the 0.100 LOLE

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Next Steps

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Next Steps

- **Conduct the 2025-2026 final LCR study when the following data is finalized:**
  - 2025-2026 final Net CONE curves from the NYISO's proposed results for the 2025-2029 DCR (expected to be filed by November 30, 2024)
  - 2025-2026 IRM (expected to be approved by the NYSRC EC on December 6, 2024)
- **Present the 2025-2026 final LCR results to the NYISO Operating Committee (OC) for approval in mid-January 2025**
  - The 2025-2026 final LCR results will also be presented to the ICAPWG for review prior to seeking OC approval
- **Post the 2025-2026 LCR report and Locality Bulk Power Transmission Capability report on the NYISO website following OC approval**

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Our Mission & Vision

Mission

Ensure power system reliability and competitive markets for New York in a clean energy future

Vision

Working together with stakeholders to build the cleanest, most reliable electric system in the nation

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Appendix

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Comparison of 2024-2025 Final LCR and 2025-2026 Preliminary LCR Results

Results Comparison	IRM	J LCR	K LCR	G-J	LOLE (Event-days/yr)
2025-2026 Preliminary LCRs	24.4%	78.5%	106.5%	78.8%	0.100
2025-2026 IRM FBC (Tan45)	24.4%	75.6%	107.3%	86.9%	0.100
2024-2025 Final LCRs	22.0%	80.4%	105.3%	81.0%	0.089

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