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Independent System Operator

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

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*Revised

Agenda

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

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Background

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Background

- **Preliminary LCR results for the 2025-2026 Capability Year were presented at the 11/21/2024 ICAPWG meeting**
- **Since then, the study has been updated with finalized inputs, including:**
  - The 2025-2026 Installed Reserve Margin (IRM) approved by the New York State Reliability Council (NYSRC)
  - Finalized Transmission Security Limit (TSL) floor values for 2025-2026
  - Final Net Cost of New Entry (CONE) curves for 2025-2026
- **These final inputs have been used to produce the 2025-2026 final LCR results**

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2025-2026 Final LCR Study Inputs

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2025-2026 IRM

- On December 6, 2024, the NYSRC Executive Committee (EC) approved the following results for the 2025-2026 IRM:

Final 2025-2026 IRM			
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 final LCR study results are based on these NYSRC-approved 2025-2026 IRM FBC Tan45 results
  - The target loss of load expectation (LOLE) for the LCR study is 0.100 event-days/year based on the NYSRC-approved 24.4% IRM

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2025-2026 Final TSL Floor Values

- 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 Final Net CONE Curves

- **Pursuant to MST section 5.11.4, NYISO uses the filed net CONE values applicable for the first Capability Year covered by a quadrennial ICAP Demand Curve reset (DCR)**
  - On November 29, 2024, the NYISO filed its proposal for the 2025-2029 DCR (FERC Docket No. ER25-596) [1]
- **Therefore, the 2025-2026 final net CONE curves are based on a 200 MW, 2-hour battery energy storage in each capacity region as proposed in the NYISO's 2025-2029 DCR filing**

Location (Peaking Plant Size)	LCR (%)	2025 - 2026 Final Net CONE Curves ($/kw-yr)
NYCA (200 MW)	110.0	49.52
	113.0	49.90
	116.0	49.71
	119.0	50.12
	125.0	51.15
	128.0	51.74
G - J (200 MW)	69.0	37.22
	72.0	41.55
	75.0	45.73
	78.0	48.68
	84.0	52.27
	87.0	54.02
Zone J (200 MW)	68.4	122.25
	71.4	127.37
	74.4	132.32
	77.4	136.45
	83.4	141.48
	86.4	143.26
Zone K (200 MW)	93.3	28.91
	96.3	34.58
	99.3	39.88
	102.3	44.22
	108.3	49.83
	111.3	51.83

1. https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20241129-5009&optimized=false

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2025-2026 Final LCR Results

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2025-2026 Final LCR Results

- As discussed above, the 2025-2026 final LCRs are based on the NYSRC approved 2025-2026 IRM, 2025-2026 final TSL floor values and 2025-2026 final net CONE curves

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

*LCR value for which the applicable TSL floor value is binding

- Based on the NYSRC-approved 24.4% IRM value for the 2025-2026 Capability Year, the results identified the 2025-2026 final TSL floor values as binding for Load Zone J and the G-J Locality, while maintaining the target LOLE of 0.100 event-days/year

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Next Steps

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Next Steps

- Present the 2025-2026 final LCR results to the NYISO Operating Committee (OC) for approval at the January 16, 2025 OC meeting
- 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 and 2025-2026 Final LCR Results

Results Comparison	IRM	J LCR	K LCR	G-J	LOLE (Event-days/yr)
2025-2026 Final 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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