

Short-Term Reliability Process Findings

Zach Smith

Senior Vice President, System & Resource Planning

Management Committee

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Agenda

- Purpose – On April 15, 2026, the NYISO issued:
 - Short-Term Reliability Process Report: 2026-2030 Generator Deactivation Reliability Needs (2025 Quarter 3 STAR)
 - 2026 Quarter 1 STAR
- Background
- Key Determinations
- Reliability Trends
- New York City
- Long Island
- Lower Hudson Valley
- Key Milestones

Background

2025 Q3 STAR Reliability Findings

- The NYISO posted the 2025 Q3 STAR on October 13, 2025 ([here](#)) and discussed these findings with stakeholders at the October 20, 2025 ESPWG/TPAS ([here](#)).
- **New York City (Zone J) Need:**
 - Consistent with 2023 Q2 STAR, the 2025 Q3 STAR continued to find that New York City locality (Zone J) would be deficient in the summer through the entire five-year horizon without the completion and energization of future planned projects.
 - A Lower Hudson Valley deficiency was also identified as an exacerbation of the Zone J need.
 - Until future planned projects in Zone J are completed and demonstrate their planned power capabilities to address the identified reliability needs, the previously identified BPTF and non-BPTF deficiencies would persist without the Gowanus and Narrows generators.
- **Long Island (Zone K) Needs:**
 - The 2025 Q3 STAR found that the BPTF in the Long Island locality (Zone K) would be deficient beginning in summer 2027 and continuing through the remaining five-year horizon, primarily driven by the deactivation of Pinelawn and Far Rockaway GTs.
 - On the non-BPTF, LIPA identified non-BPTF system deficiencies on the 69 kV system through the entire five-year horizon, primarily driven by the deactivation of the Far Rockaway GTs.

Solicitation for Solutions

- On November 10, 2025, the NYISO issued a solicitation ([here](#)) for solutions to the needs identified in the 2025 Q3 STAR. On January 9, 2026, the NYISO received the following proposals:

- ConEdison regulated transmission solution, Zone J
- AlphaGen Gowanus & Narrows existing generators, 608 MW, Zone J
- AlphaGen Gowanus Repowering, 819 MW, Zone J
- Daroga Power 40x5 MW fuel cells and linear generators, Zones J & K
- Hull St. Energy Far Rockaway GT1>2, 121 MW, Zone K
- Shoreham 1&2 water injection, 71.5 MW, Zone K
- Glenwood GT3 water injection, 55 MW, Zone K
- PSEG-LI/LIPA regulated transmission solution, Zone K

Key Determinations

Short-Term Report Key Determinations

- **Gowanus & Narrows continued operation is needed until sufficient supply is available to serve New York City and Lower Hudson Valley demand**
 - As provided by the DEC Peaker Rule, the NYISO now designates the Gowanus 2&3 and Narrows 1&2 generators as needed to address ongoing reliability needs until May 1, 2029.
 - On April 16, 2026, AlphaGen withdrew the deactivation notices for Gowanus 2&3 and Narrows 1&2 generators to continue operating in the market.
- **Far Rockaway, Glenwood, and Shoreham generation solutions address near-term Long Island deficiencies; however, the margin remains less than 100 MW prior to Propel NY public policy transmission.**
 - On March 30, 2026, Hull St. Energy provided notice of withdrawal of the deactivation notices for Far Rockaway GT1>2, effective HBO1:00 on May 1, 2026.
 - Pinelawn Power 1 status as an Interim Service Provider ends on May 15, 2026, after which the unit may deactivate.

2026 Quarter 1 STAR Key Determinations

- **Danskammer may not deactivate before Jan 15, 2027 absent sufficient in-service solutions to the identified reliability needs in the Lower Hudson Valley locality**
 - If qualifying solutions are in-service and demonstrate their planned power capabilities by Danskammer's requested deactivation date (Aug 1, 2026), Danskammer may deactivate at that time and would not be an Interim Service Provider
- **If planned projects fail to timely enter service or otherwise prove insufficient, and the NYISO determines it requires additional solutions to address Lower Hudson Valley needs arising in 2029 and 2030, then the NYISO will conduct a solicitation**
 - The NYISO would seek additional solutions to the unaddressed, incremental needs, and may execute an RMR Agreement with Danskammer to allow sufficient time to complete the solicitation process, and/or to address the 2029 and 2030 needs if the solicitation does not produce other viable and sufficient solutions.

Reliability Trends

Reliability Trends and Risks

Recent reliability assessments indicate continued supply deficiencies across the planning horizon, with a heavy reliance on the completion and energization of planned projects.

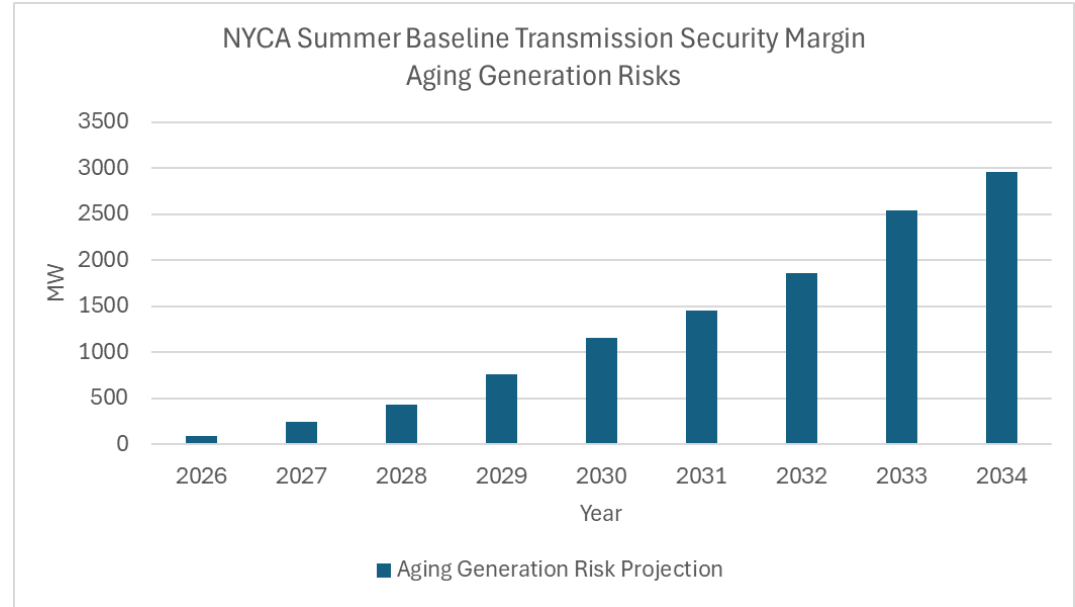
Key factors shaping near- and long-term reliability conditions in New York

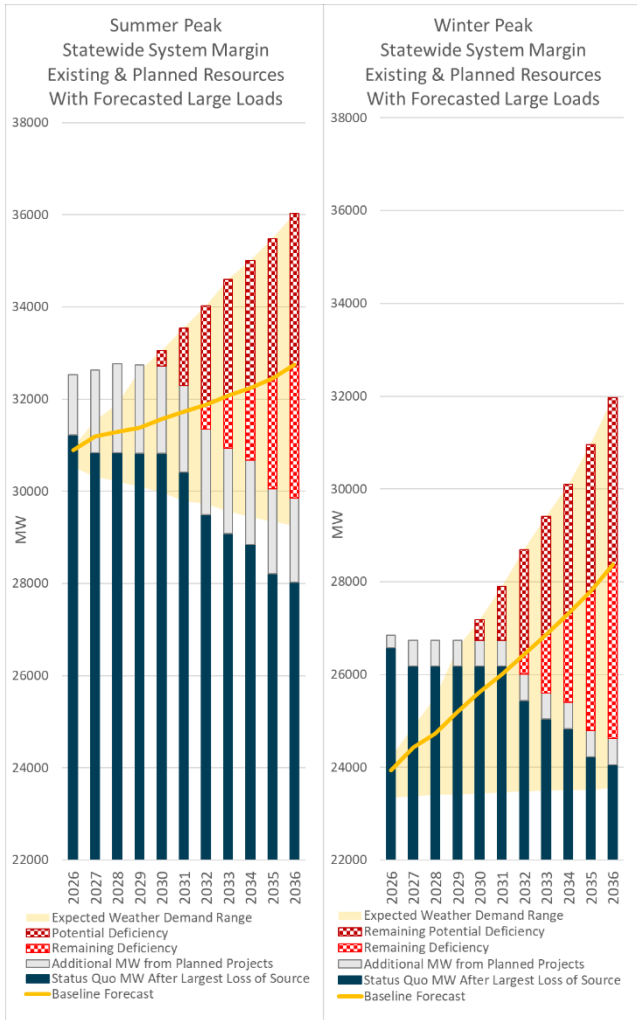
- **Aging generation fleet:** Greater retirement/outage risk.
- **Rising demand:** Electrification and large load growth increases needs.
- **Limited new dispatchable generation:** New-build challenges limit viable solutions.
- **Import dependence risk:** Imports may not be available during peak demand.
- **Extreme weather exposure:** More uncertainty and system stress.
- **Project timing uncertainty:** Delays increase risk.

Implication: Maintaining reliability increasingly depends on careful management of interim conditions while permanent solutions progress and come into service.

Risk of Aging Generation

- New York's generation fleet is among the oldest in the country
- Using a “statistical retirement risk model,” the 2025-2034 Comprehensive Reliability Plan projected up to ~3,000 MW of fossil generation could deactivate or suffer catastrophic failure by 2034





Statewide Adequacy Risks

- **Accelerating Generator Deactivations**

- A large share of the fossil fleet is beyond expected end-of-life, increasing the risk of retirements and extended outages absent replacement resources.

- **New Supply Not Keeping Pace**

- Without timely entry of new, reliable resources, additional deactivations materially increase the likelihood of statewide adequacy shortfalls.
- Development and permitting for new or repowered dispatchable resources lag the pace of expected deactivations.

- **Growing Reliance on Emergency Measures**

- Resource adequacy increasingly depends on emergency operating procedures rather than firm, in-service supply.
- Winter fuel availability limits reliable capacity during prolonged cold weather, increasing adequacy risk as winter peaks rise.

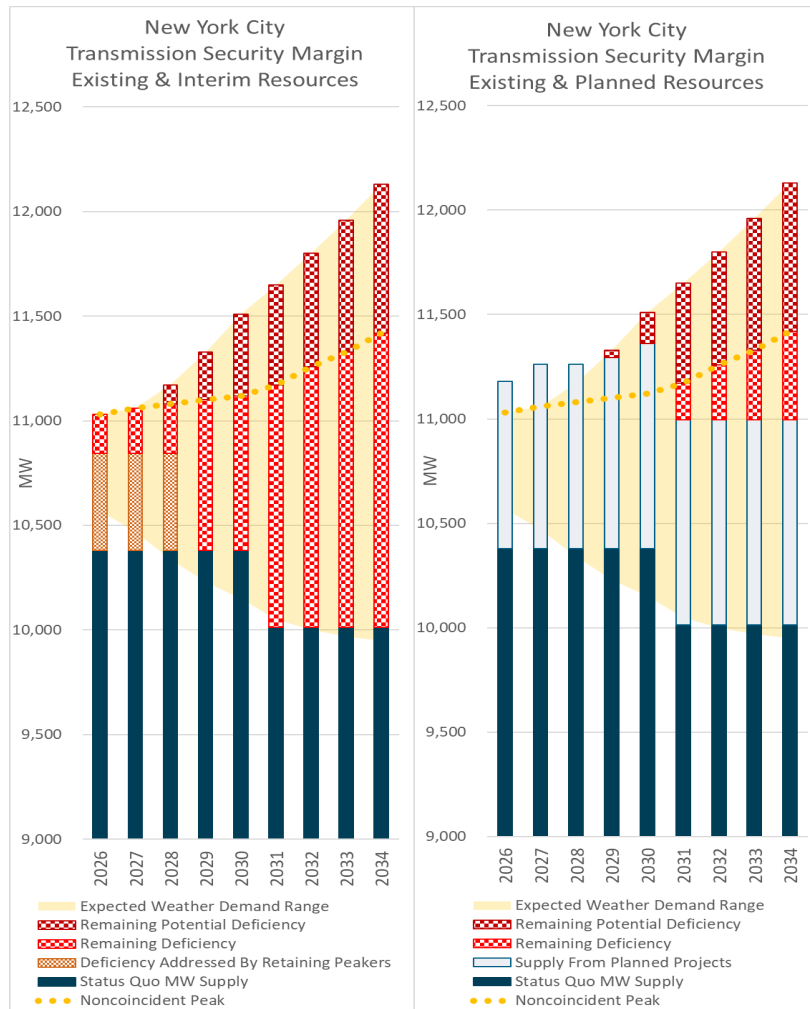
Upcoming Reliability Needs Assessment

- **The 2026 Reliability Needs Assessment will evaluate the reliability of the New York bulk electric grid over the ten-year planning horizon, with a focus on 2030-2036.**
 - The RNA is based on the 2026 Gold Book (to be issued by the end of April), including updated forecasts of grid demand, planned expansions and/or upgrades to the transmission system, and changes to the generation mix over the next ten years.
 - The NYISO is proposing to incorporate the statistical generation retirement risk model first presented in the 2025-2034 CRP for the purpose of identifying reliability needs in years 6-10 (2032-2036).
- **The Short-Term Reliability Process report includes preliminary information regarding these updates reflecting the impact of updated demand forecasts coupled with the recognition of aging generation statistical risks.**
 - Included in these slides as “Update”

New York City

Key Findings re: NYC

- Reliability Need Identified
 - BPTF: Begins Summer 2026
- Drivers
 - Gowanus and Narrows deactivation (608 MW)
- Planned Projects
 - Gowanus-Greenwood 345/138 kV feeder, May 2026
 - CHPE, 1,250 MW HVDC, May 2026
 - Arthur Kill Energy Storage, 15 MW, winter 2026
 - Astoria Energy Storage, 100 MW, winter 2026
 - Empire Wind, 816 MW offshore wind, winter 2027
 - Propel NY Public Policy Transmission Project, May 2030
- Key Observations
 - Until these future planned projects are completed and demonstrate their planned power capabilities to address the identified reliability needs, the previously identified BPTF and non-BPTF deficiencies would persist without the Gowanus and Narrows generators

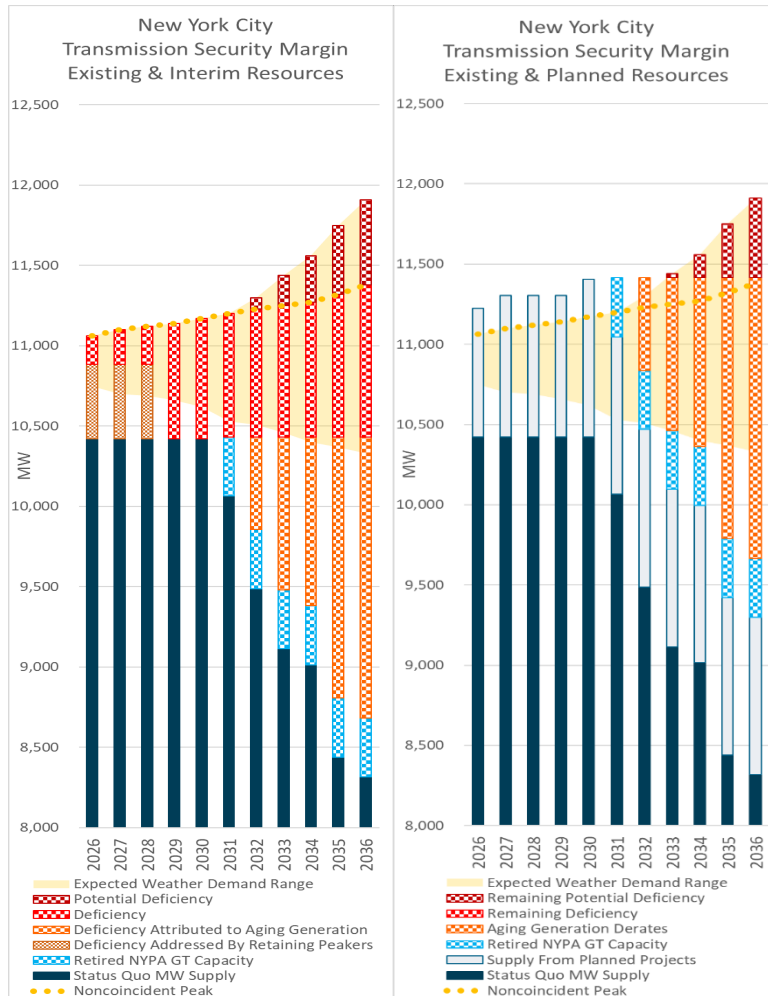


NYC (2025 forecast)

- **Gowanus & Narrows are needed to address immediate deficiencies in 2026 that could continue in the near-term.**
 - No viable regulated solution. Reliance on emergency operating procedures also necessary until CHPE.
- **Upon operation of CHPE, near-term reliability margins are only approximately 200 MW, and deficiencies reappear in 2031 with the planned unavailability of the NYPA Small Plants.**
- **Gowanus & Narrows continued operation is needed until sufficient supply is available to serve NYC demand**
 - DEC Peaker Rule extension until May 1, 2029
 - Deactivation notice withdrawn April 16, 2026; generators will operate in the market

New York City (Update)

- Reduced higher demand forecast results in reduced risk in 2029 and 2030, but near-term margins remain only approximately 200 MW.
- With the planned unavailability of the NYPA Small Plants (517 MW) beginning in 2031, coupled with the risk of aging generation retirements, New York City would be substantially deficient of reliable power as early as 2031.
- Without new or repowered supply, the projected deficiency grows to more than 2,000 MW by 2036, accounting for planned projects.



Long Island

Key Findings re: Long Island

■ Reliability Needs Identified

- Non-BPTF: Summer 2026
- BPTF: Summer 2027

■ Drivers

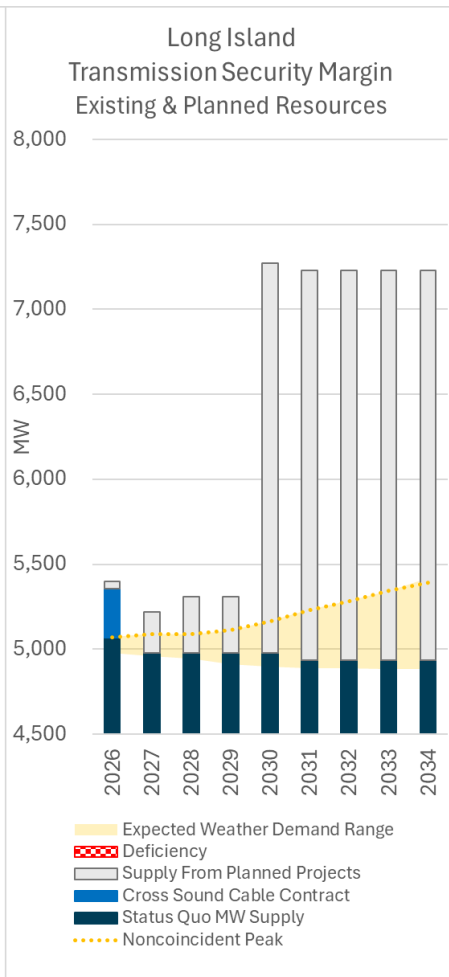
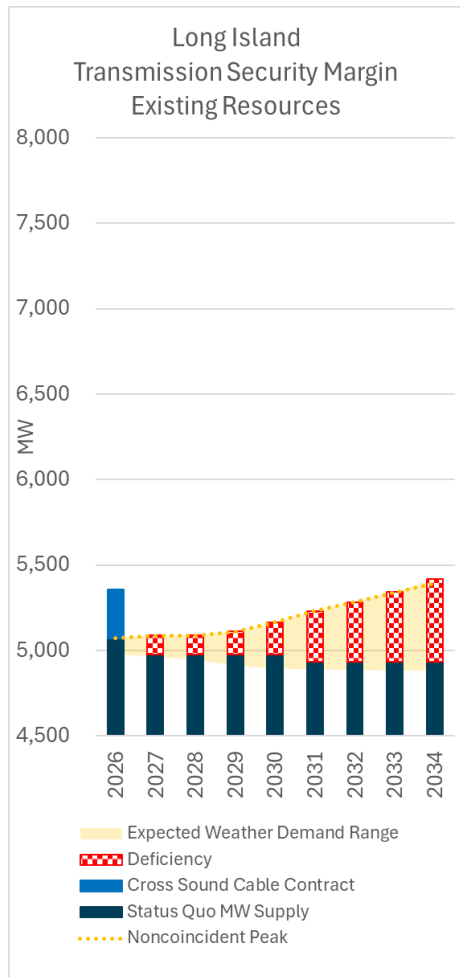
- Pinelawn deactivation (82 MW)
- Far Rockaway GTs deactivation (121 MW total)

■ Planned Projects

- Sunrise Wind (880 MW, July 2027): Improves BPTF margins beginning summer 2028
- Propel NY (May 2030): Significant BPTF margin improvement

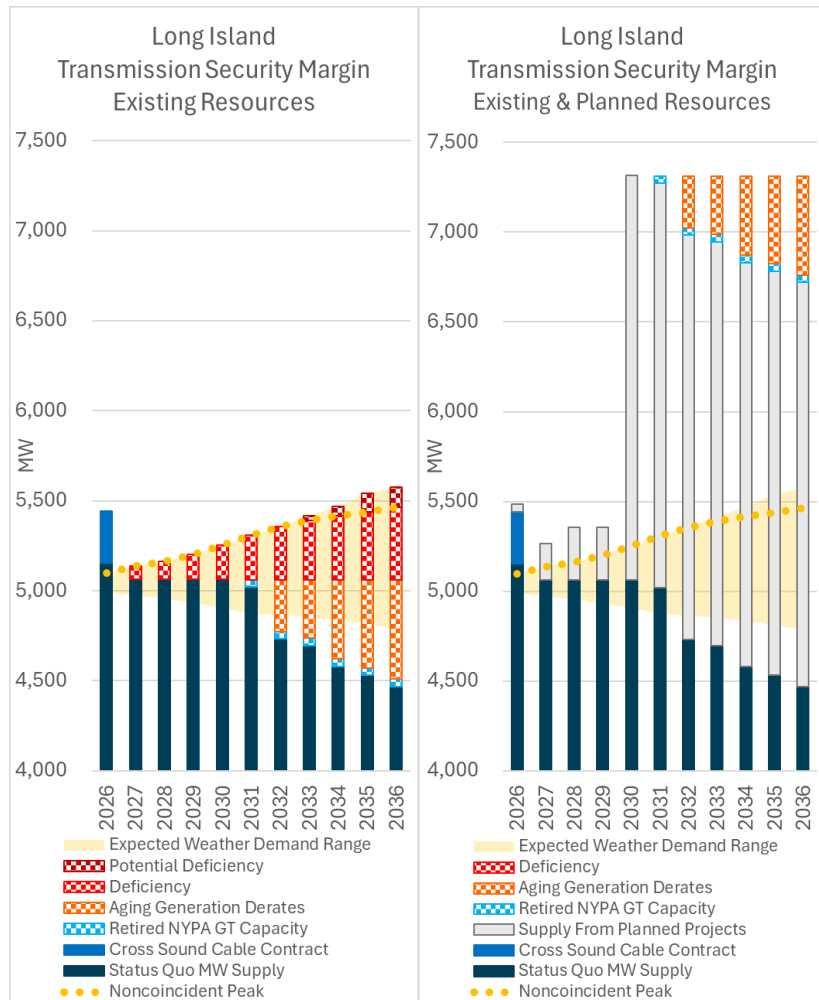
■ Key Observations

- BPTF need persists in summer 2027 even with Sunrise Wind
- Planned projects have minimal impact on Non-BPTF needs



Long Island (2025 forecast)

- Bulk deficiency beginning in 2027 without generation; local deficiency beginning in summer 2026 without Far Rockaway generators
- Far Rockaway contract approved; deactivation notice withdrawn effective May 1, 2026; addresses non-BPTF need with local transmission upgrades
- Shoreham & Glenwood water injection by May 1, 2027 to comply with DEC Peaker Rule
- Near-Term Reliability Need resolved; Pinelawn may deactivate
- LI PPTN planned in-service 2030



Long Island (Update)

- The demand forecast increased slightly; deficiency beginning in 2027 without generation
- Far Rockaway, Glenwood, Shoreham generation solutions address near-term deficiencies, however the margin remains less than 100 MW prior to Propel NY transmission.
- Considering the risk of aging generation, there is an increased reliance on the Propel NY public policy transmission project to maintain reliability.

Lower Hudson Valley

Key Findings re: LHV

■ Reliability Need Identified

- Generator Deactivation / Near-Term Need: Begins summer 2027
- Deficiency grows from ~20 MW (1-hour) in 2027 to ~200–640 MW (3–6 hours) by 2030

■ Drivers

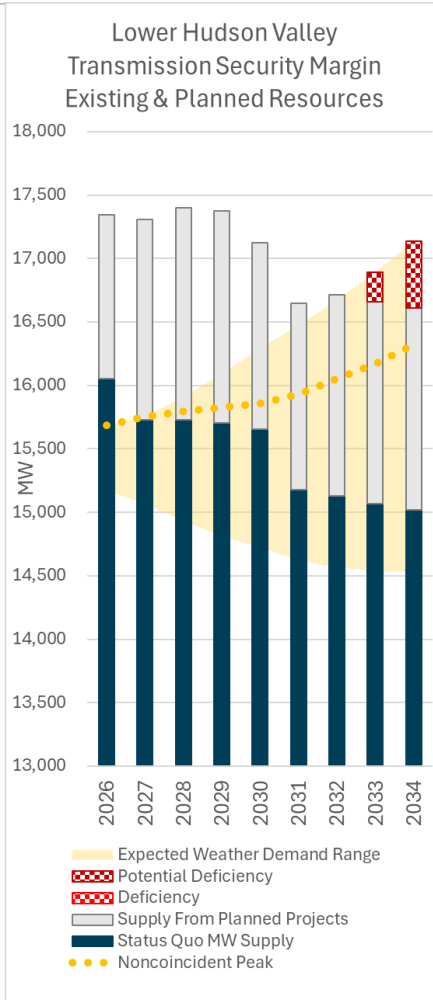
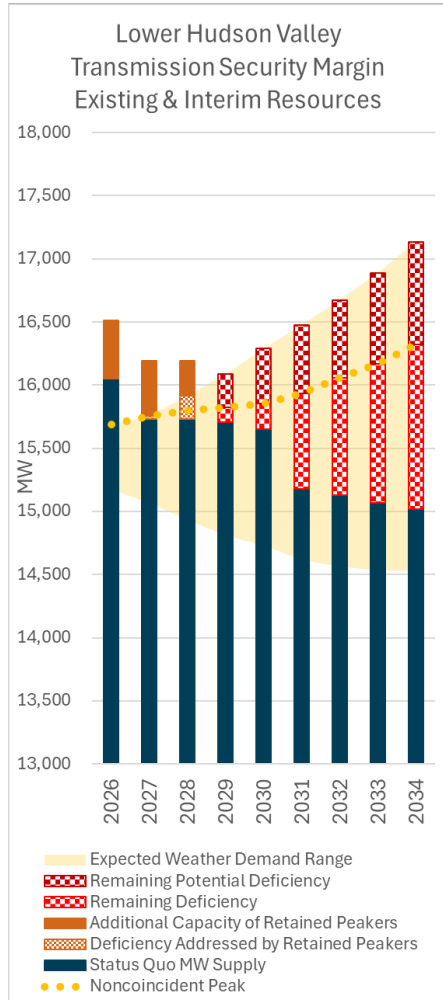
- Proposed retirement of Danskammer 1–4, 532 MW, 8/1/2026
- NYC deficiencies (Zone J is within Lower Hudson Valley locality)
- Interaction with Long Island deficiencies

■ Planned Projects

- Same as New York City and Long Island

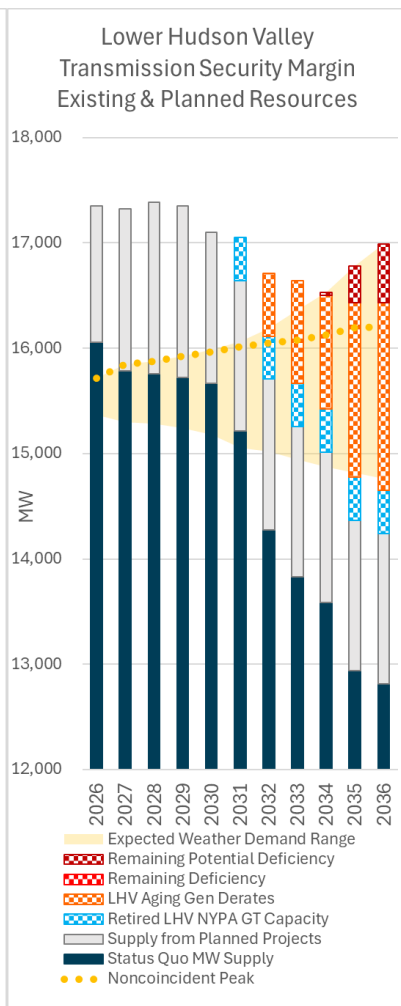
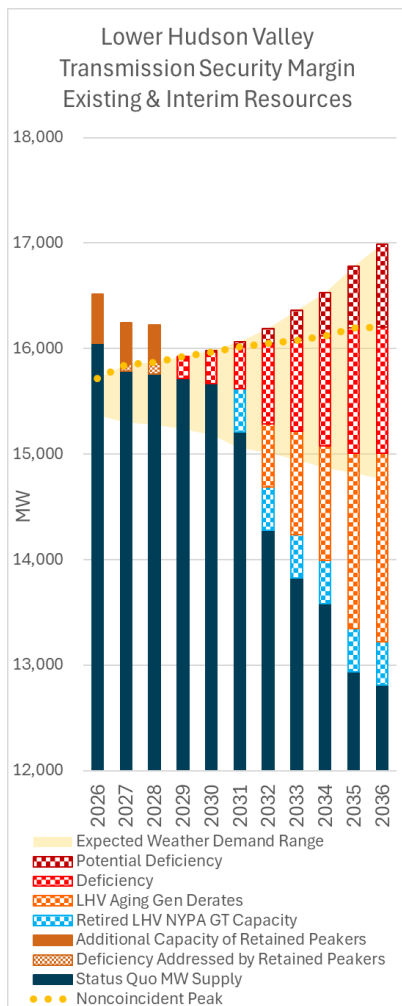
■ Key Observations

- Danskammer may not deactivate before Jan 15, 2027 absent sufficient in-service solutions to the identified reliability needs
- If qualifying solutions are in-service and demonstrated by Aug 1, 2026, Danskammer may deactivate at that time and would not be an Interim Service Provider



LHV (2025 forecast)

- Danskammer retirement August 1, 2026
- Generator Deactivation Reliability Need beginning 2027
 - Need was identified in 2025 Q3 STAR; need increased with Danskammer notice
- Short-term deficiency addressed by Gowanus & Narrows until planned solutions are in-service
 - Danskammer cannot deactivate until at least 8/1/2026
 - If there is a continued need, Danskammer would receive an ISP rate beginning 8/1/2026



LHV (Update)

- Although the higher demand forecast reduced somewhat, the baseline forecast has increased
- Similar to NYC, the combined effect from unavailability of NYPA Small Plants and aging generation risk significantly reduces the available supply in Lower Hudson Valley over the ten-year planning horizon
- This results in deficiencies starting in 2032 growing to more than 2,000 MW by 2036, accounting for planned projects

Next Steps

Key Milestones

- **April 15:** Issued Short-Term Reliability Process Report and 2026 Quarter 1 STAR
- **July:**
 - 2026 Quarter 2 STAR (April 15, 2026 – April 15, 2031)
 - Preliminary RNA results (study period 2030-2036)
- **October:**
 - Draft RNA report
 - 2026 Quarter 3 STAR (July 15, 2026 – July 15, 2031)
- **November:**
 - Final RNA report identifying reliability needs (if any) from 2030 through 2036
- **December:**
 - Consider updates that may affect the RNA findings
- **Q1 2027:**
 - If reliability needs identified in the RNA remain over the ten-year planning horizon, issue solicitation for solutions

Questions?

Our Mission and 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

