

# Stakeholder Comments on Northeast Coordinated System Plan

IPSAC WebEx

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# Northeast Coordinated System Plan (NCSP)

- The draft NCSP was posted on April 8
  - Written comments were due from stakeholders by April 23
  - Several comments were received
- Today's discussion will focus on the timely comments received
  - Additional comments will be discussed today as time permits
- Comments are shown in BLUE and the initial response is shown in RED by NCSP section

# Overview of Comments

- Most are targeted at specific issues
  - Effect of recession on load forecast
  - Transmission project need dates
  - Interregional planning studies
  - Renewable Portfolio Standards
  - Fuel diversity
  - Imports
  - Wind studies
  - Environmental regulations
  - Report based on 2009 plans and updated information requested
- Numerous clarifications and edits

# Comments on Executive Summary (pg 1-3)

- Add table of planning groups, studies and purposes discussed
  - Several groups are discussed in the NCSP. A comprehensive list of committees, task forces, and working groups is continually subject to change
- Environmental regulations can promote energy efficiency (EE) and demand response (DR) programs
  - This is true. Even RTEGs can affect unit commitment
- 2009 load forecasts do not fully capture the recent recession. Comment on its effects
  - NCSP froze assumptions and information based on the 2009 plans. The ISO/RTO forecasts reflected the economic information that was known at that time, including the recession

# Comments on Introduction (pg 4)

- Clarify if “other analyses” include updated load forecasts, impacts of EE and passive distributed generation
  - IPSAC had previously requested consistency in the timing of information provided in NCSP so that it is effectively a snapshot of interregional planning activities in time
  - NCSP is consistent with the assumptions made in the respective ISO/RTO 2009 plans and the assumptions and draft results discussed with IPSAC

# Comments on the Summary of the ISO/RTO System Plans – Section 3 (pg 5-12)

- Review PJM forecast in light of current demand and state statutory requirements: Empower Maryland, Ohio's RPS, and Delaware's required inclusion of externalities
  - See the PJM RTEP and other reference documents
  - Demand resources participate in the PJM markets
- Update the timing of need for the PATH project
  - The timing of NCSP is consistent and updates will be provided to the IPSAC as requested

# Comments on the Summary of the ISO/RTO System Plans – Section 3 (pg 5-12), *cont.*

- How have ISO-NE and PJM included EE/DR in their forecasts?
  - See the ISO-NE RSP and the PJM RTEP
  - EE/DR participates in the markets
  - Other historical EE/DR is captured in the forecast
- Are state goals included in the long-term forecast, similar to methods used by NYISO? If not, what are the plans for including the state goals? How is the economic recession is reflected in plans?
  - See previous response

# Comments on Summary of Interregional Studies – Section 4 (pg 13-23)

- Note the timing of the reliability need for PATH may have been updated
  - See previous
- Table 4-1: Correct ISO-NE project #174 to a combined cycle
  - OK
- Table 4-1: In many cases, MWs shown should be net capacity increase, not total plant capacity
  - OK
- Table 4-1: Is CT's Kleen Plant included?
  - Information is based on publicly posted information

# Comments on Summary of Interregional Studies – Section 4 (pg 13-23), *cont.*

- Clarify that the loss of source studies are not true operating limits
  - Operating limits are established through joint operating procedures and are subject to real-time system conditions
  - OK
- Explain on page 23 in Market Efficiency Analysis what “firm” means in “other firm plans for generation expansion” and how it might limit the studies
  - OK
- In light of the state EE goals, how would the load forecasts change from those indicated in NCSP?
  - This issue is discussed in the respective ISO/RTO stakeholder planning forums. The JIPC will update IPSAC

# Comments on Summary of Interregional Studies – Section 4 (pg 13-23), *cont.*

- “2<sup>nd</sup>” Table 4 -1 allowance prices in NYISO/PJM market efficiency analyses seem high for 2013. Suggest Synapse midrange for CO<sub>2</sub> (\$15 – July 2008 forecast)
  - We will correct the Table numbers in the final report. The allowance price assumptions used in the simulations were discussed with IPSAC. IPSAC will be consulted in future studies
- In NYISO/ISO-NE market efficiency analysis, were allowance prices in Table 4-1 used? See comment above
  - Yes, and addressed above

# Comments on Additional Planning Activities and Issues – Section 5 (pg 24-36)

- In EIPC, mention EISPC has DOE support and will provide policy guidance to studies of the Eastern Interconnection
  - OK
- Table 5-1 and text: If NE is highly dependent on gas, PJM is highly dependent on coal and how can this be diversity? Coal reliance is not fuel diversity
  - NCSP shows the fuel diversity over the broad footprint is better than for the individual ISO/RTOs
- Add that EE and renewables also reduce need to combust fossil fuels
  - OK

# Comments on Additional Planning Activities and Issues – Section 5 (pg 24-36), *cont.*

- EIPC provides opportunity for increased communication on analysis in the Northeast, e.g., New York and New England are one region
  - OK

# Comments on Environmental Issues with Potential Interregional Impacts Section 6 (pg 37-50)

- Edits that elaborate on mercury problem and coal ash regulations
  - OK
- Add new nuclear plants seem highly unlikely in NE
  - ISO-NE can state there aren't new nuclear plants in the Interconnection Queue at this time
- Edits on review of criteria pollutants, ozone and fine particulates problems and attainment requirements
  - OK

# Comments on Environmental Issues with Potential Interregional Impacts Section 6 (pg 37-50), *cont.*

- Comment on CAIR allowance prices used in coal plant price adder example being low
  - CAIR is currently under reevaluation and prices for allowances remain uncertain
- Figure 6-4 is misleading showing entire NY state. Ozone problem is in NYC. Suggest redoing graph for NYC only
  - This information is not readily available to the ISO/RTOs, but we will consider this for future presentations
- In addition to transportation contributing to ozone formation, also mention emissions transport from Ohio Valley coal plants
  - We can reference the transport from the coal plants in the Midwest

# Comments on Renewable Portfolio Standards – Section 7 (pg 51-54)

- Figure 7-1: Add footnote to explain “new” and state if any “new” resources are already in service
  - OK
- Showing only resources in the queues underestimates the picture for RPS compliance. Longer term resources not yet in the queue, smaller ones behind the meter, and imports can also comply within the 10-year horizon. LSEs can also pay the ACP
  - Compliance requirements differ by state. This is correct for New England and will be reflected for those states

# Comments on Renewable Portfolio Standards – Section 7 (pg 51-54), *cont.*

- Deepwater development of wind resources technology is rapidly advancing and could eventually increase the amount of these resources off the east coast
  - OK. Can you provide a reference?
- In the NEWIS study, explain more clearly how the study will show how smart grid could help integrate wind resources
  - OK

# Comments on Wind and Renewable Resource Studies – Section 8 (pg 55-66)

- Clarify that the EWITS study has limitations in its scope and its use is therefore limited without more analysis, and it should not be the input to an Eastern Interconnection study
  - Delete from the report “and the EWITS may be considered as an input to future national transmission planning efforts.”

# Comments on Wind and Renewable Resource Studies – Section 8 (pg 55-66), *cont.*

- Was NYISO's 8,000 MW wind report released 1st quarter of 2010? If so, provide some conclusions
  - The report has not been released yet
- Clarify “ramping” of what on page 58
  - OK
- What's the basis of PJM's 13% capacity factor for wind? (page 63)
  - This can be clarified in the NCSP

# Comments on Wind and Renewable Resource Studies – Section 8 (pg 55-66), *cont.*

- In Section 8.3, add reference to a joint Canadian New England resolution passed for cross border dialogue on energy contract terms and that New England has formed a group to develop a sample RFP
  - OK

# Comments on Demand Resource Development – Section 9 (pg 67-70)

- Emergency diesels are not demand-side resources (DSR)
  - RTEGs are acceptable Demand Resources in the ISO/RTO markets
  - RTEGs can reduce overall emissions by replacing spinning reserve with non-spinning reserve
- DSR benefits include reducing need to operate RMR, providing value to hydro, and integrated with air quality planning can avoid the need to install additional emission controls
  - DSR can provide air quality benefits
- Flip order of first two paragraphs of Section 9.2 to give overview first
  - JIPC will examine how to best do this

# Comments on Demand Resource Development – Section 9 (pg 67-70), *cont.*

- After the first paragraph in 9.3, clarify how demand resources are considered in the ISO-NE FCM
  - OK
- Section 9.4: Modify “full and fair consideration” along with other resources to avoid criticism that the three RTO/ISOs are so different they can’t be all “full and fair”
  - The ISO/RTO markets fully consider Demand Resources consistent with our respective FERC approved OATTs
  - The JIPC will review this language for acceptability

# Comments on Demand Resource Development – Section 9 (pg 67-70), *cont.*

- On pages 69 and 70, the FCA2 is discussed before FCA1 which seems backward. Suggest rearranging paragraphs
  - JIPC will consider this
- Table 9-1 is too detailed. Could show only cleared resources and summary of MW
  - JIPC will consider this

# Comments on Summary and Conclusions – Section 11 (pg 73-74)

- Add sentence about EE being part of solution to meet energy and environmental objectives
  - JIPC will consider this

# Next Steps to a Final NCSP

- Review stakeholder comments
- Improve, correct or clarify the report
- Issue the final report in May