



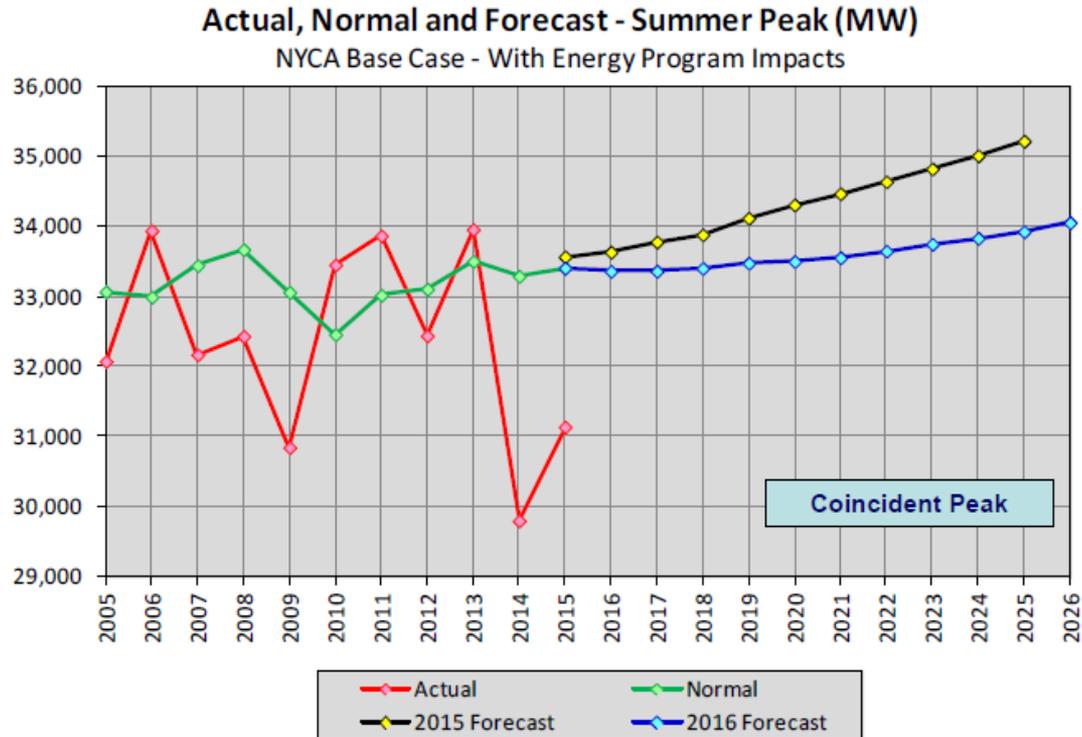
Department
of Public Service

2016 Summer Preparedness

May, 2016

2016 Summer Preparedness
New York State
**Electric System
Preparedness**

Historical Actual, Normal, & Forecast – Summer Peak(MW)



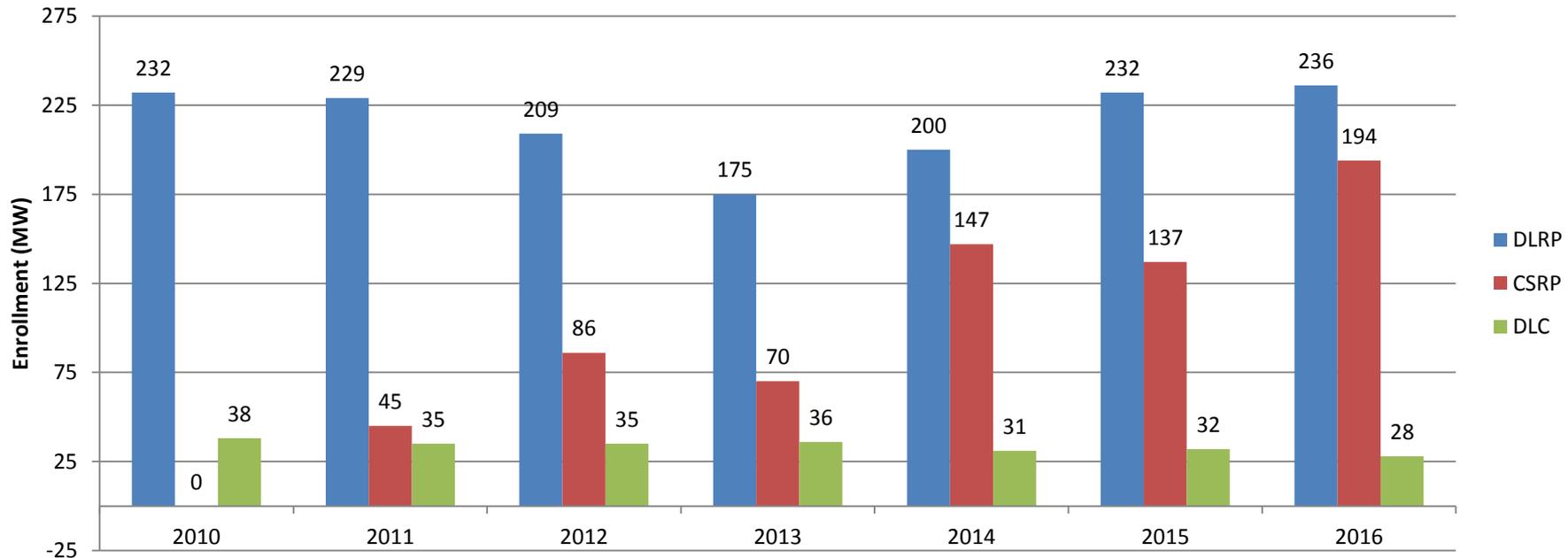
2016 Summer Capability

	2015	2016
Installed Generation Capacity	39,039	38,535
Demand Response – Special Case Resources (SCRs)	<u>1,124</u>	<u>1,248</u>
Total NY Control Area (NYCA) Internal Capability	40,163	39,783
Net Firm Purchase Imports	<u>1,446</u>	<u>1,769</u>
Total Capability	41,610	41,552

NYS Peak Demand and Installed Reserve Margin

	Forecast
Demand Forecast	33,360 MW
17.5% Required Installed Reserve Margin (IRM)	5,838 MW
Total Capability Requirement	39,198 MW
Total Capability This Summer	41,552 MW
Surplus (Capability Above Requirement)	2,354 MW
Capability Versus Demand Forecast (%)	124.6%

Con Edison: Load Relief Programs



DLRP – Distribution Load Relief Program
 CSRP – Commercial System Relief Program
 DLC – Direct Load Control Program

Utility Transmission and Distribution Systems Preparedness

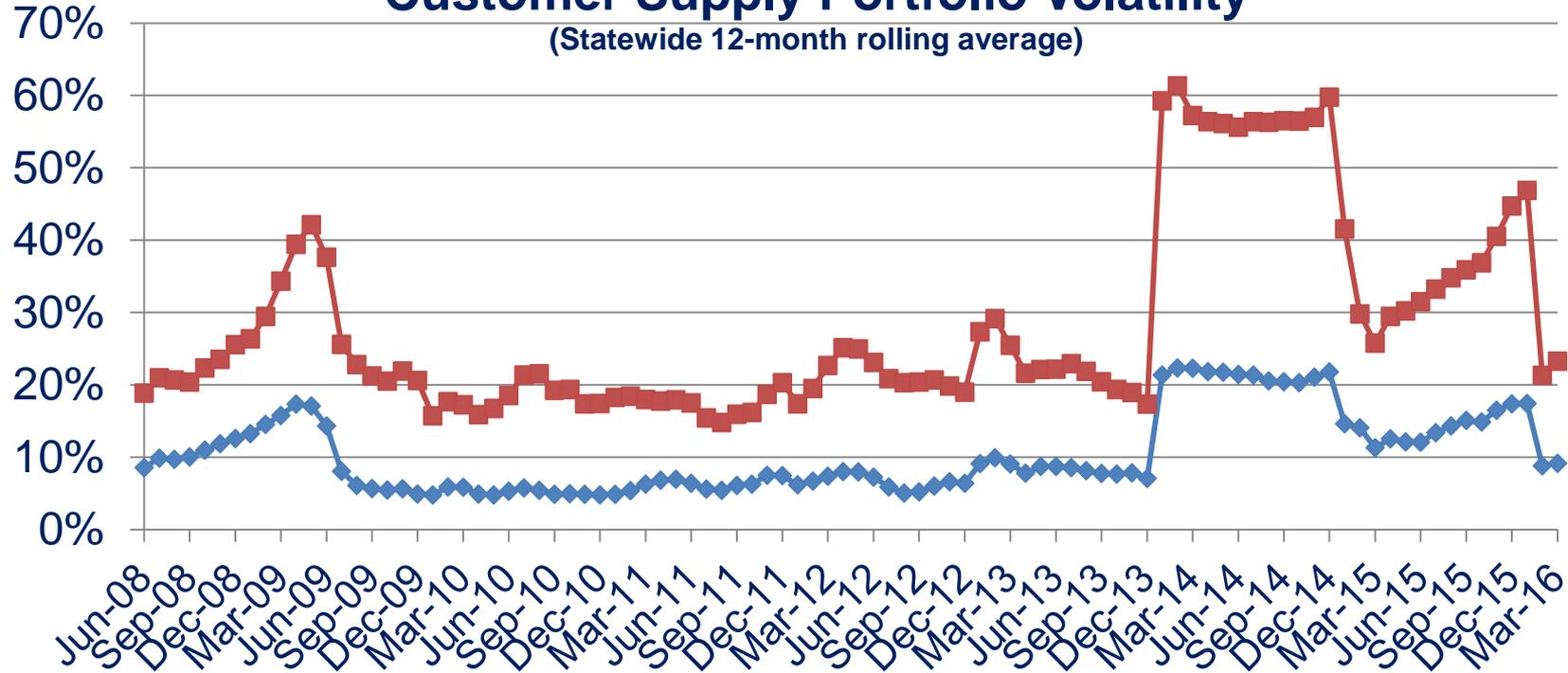
- **Surveys** - Discussed responses to preparedness survey with each utility
- **Work** - All planned reinforcements, inspections, and repairs are or will be completed
- **Spares** - Each utility has adequate spare equipment on hand
- **Planned Outages** - Major generator and transmission planned outages require NYISO approval, and are avoided during peak periods
- **Meeting Demand** - Each utility expects to meet peak demand with all lines and generators in service
- **Meeting Criteria** - Each meets NPCC and NYSRC operating criteria
- **Mitigation** – NYISO and each utility have operating procedures to mitigate reliability issues

**2016 Summer Preparedness
New York State
Electric Portfolio, Volatility,
and Supply Price Outlook**

NYISO Spot Market vs. Utility Full Service Residential Customer Supply Portfolio Volatility

(Statewide 12-month rolling average)

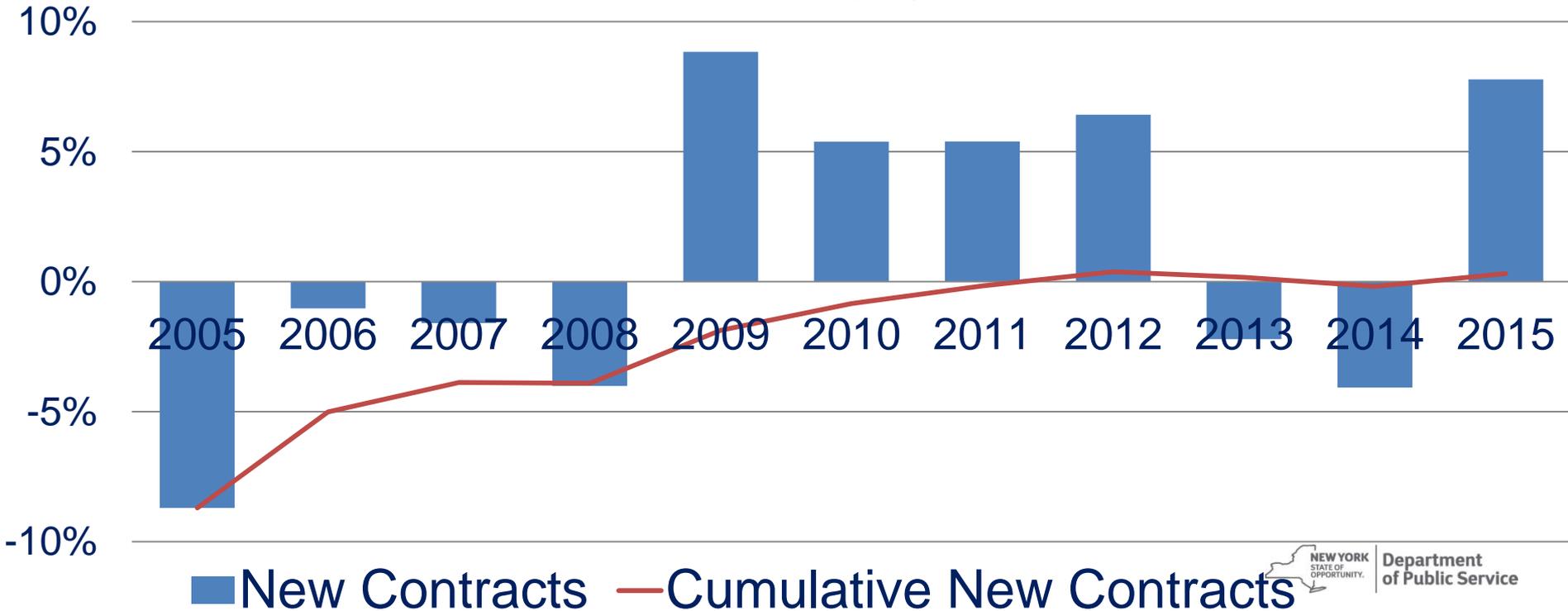
Coefficient of Variation



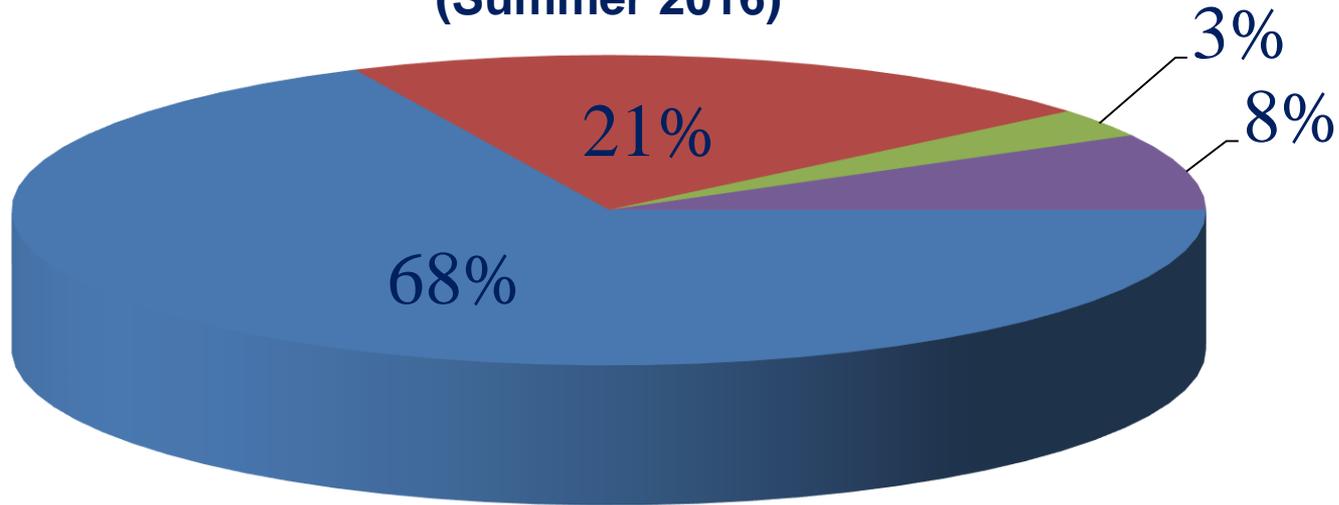
◆ Portfolio

■ Market

Statewide - Mark to Market New Contract History (% of Total Supply Costs)



New York State Electric Supply Portfolio Full Service Residential (Summer 2016)



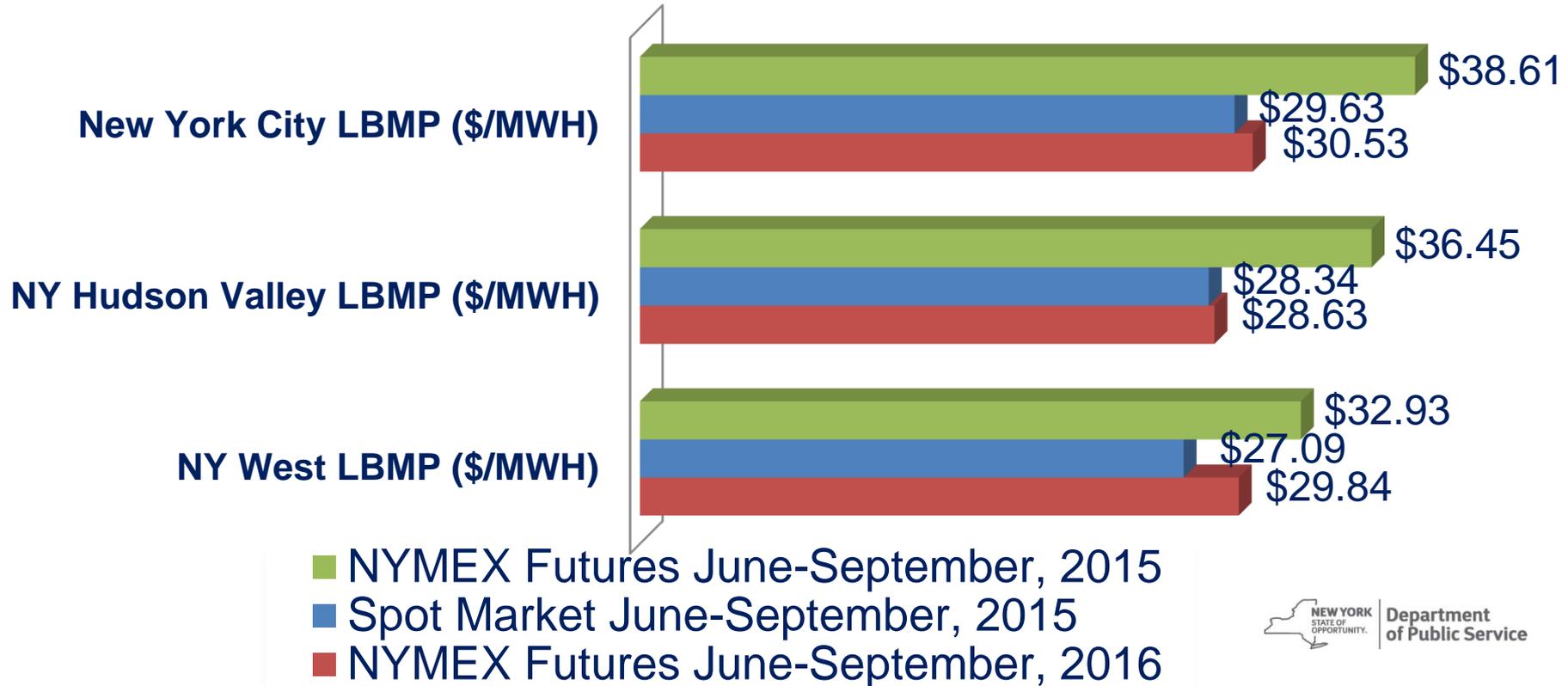
■ Fixed Price

■ Market Price

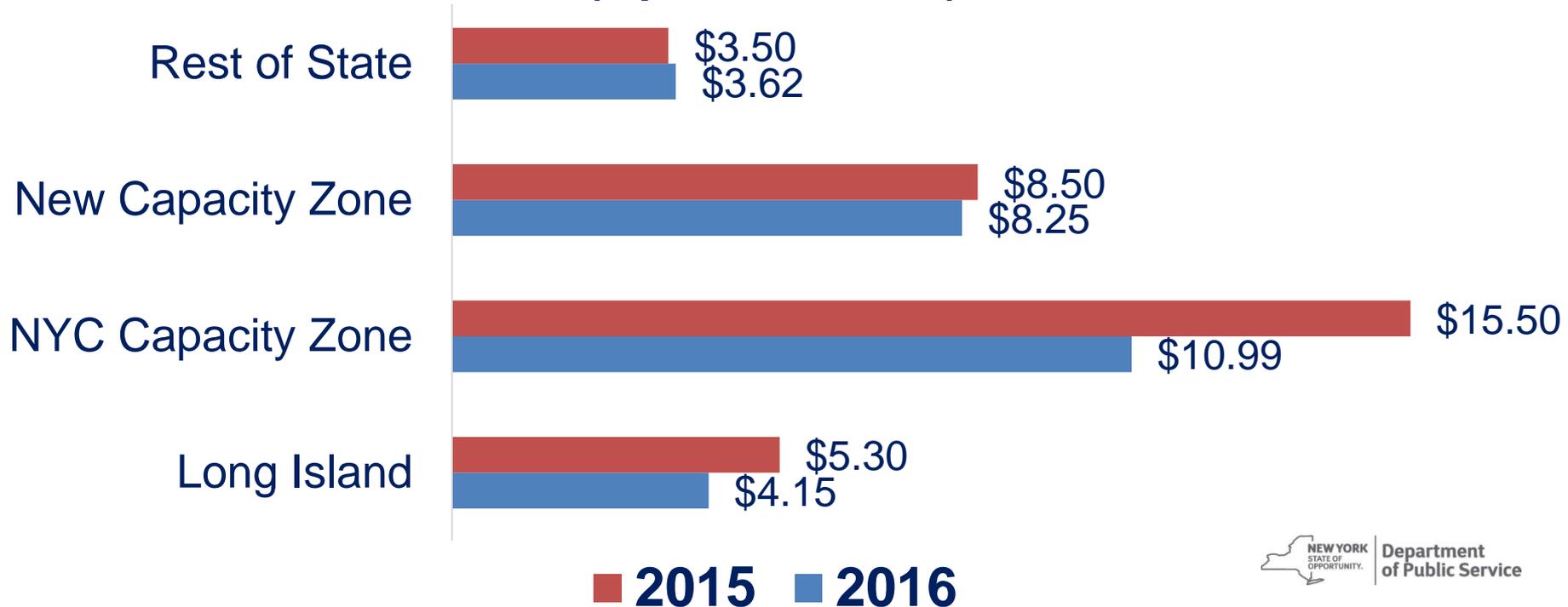
■ Unhedged Generation

■ Index Price

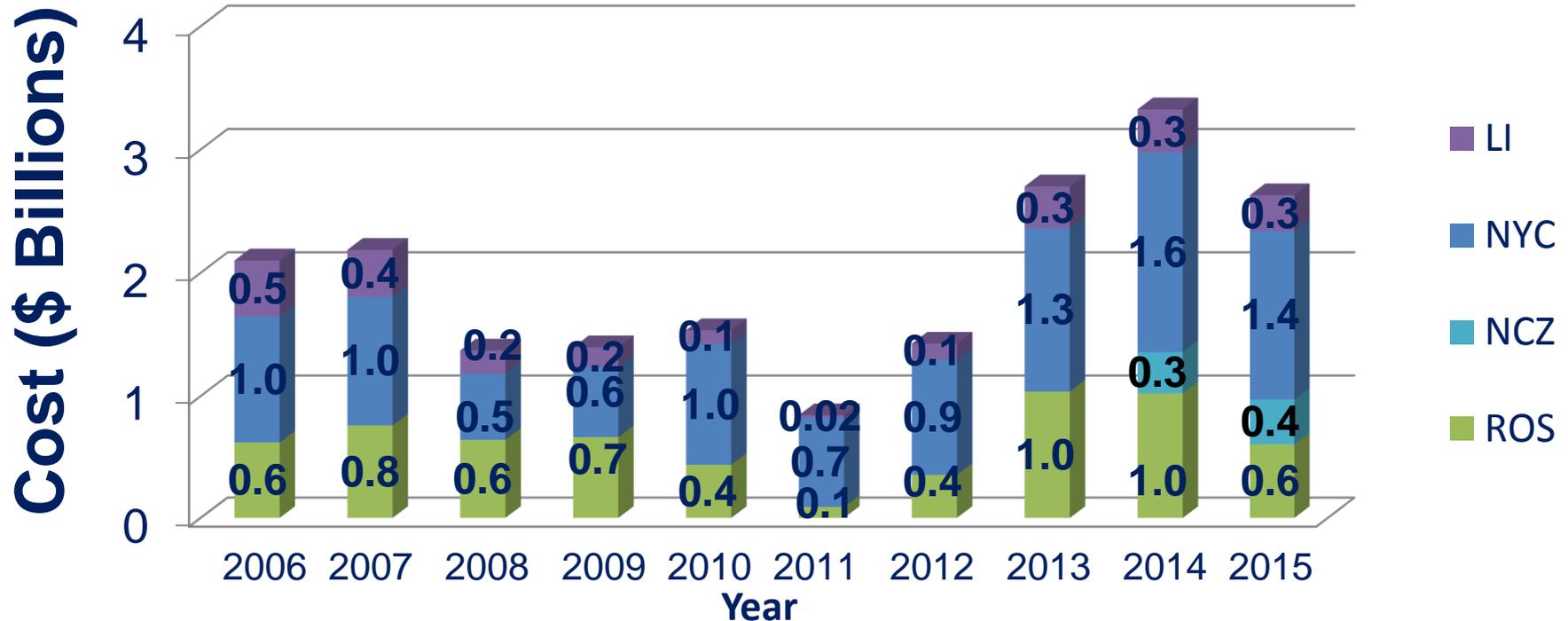
Average Energy Price Comparison Summer Season



Summer Strip Auction Capacity Prices (\$ per kW-month)

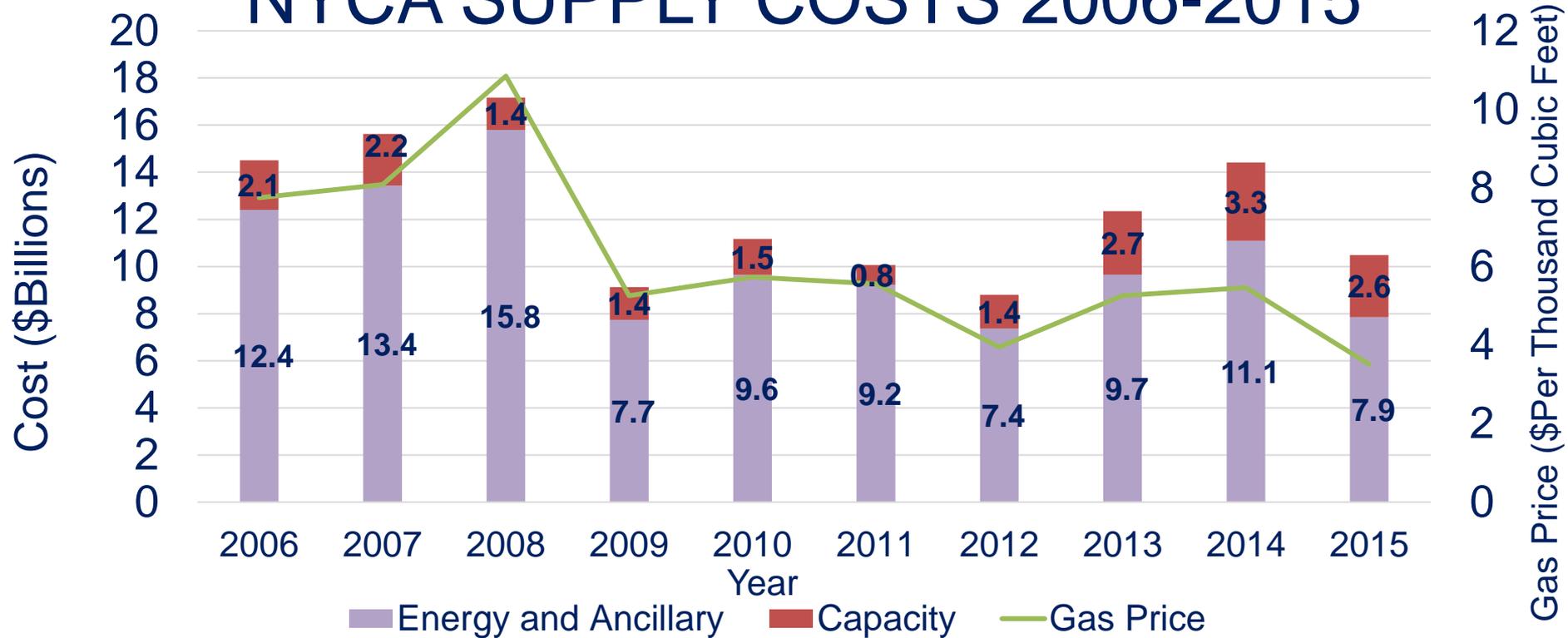


NYCA Capacity Costs 2006-2015



- *Capacity computations performed by DPS Staff using published NYISO Capacity Auction results
- ** All Capacity is priced at market prices; note that bilateral contract prices may differ from current market prices
- *** Costs jumped from 2012 through 2014 due to ~2,000MW in retirements and increases in peak load forecasts
- **** 2015 prices declined as there was nearly 1GW more supply vs the 2014 Gold Book.

NYCA SUPPLY COSTS 2006-2015



*Capacity computations performed by DPS Staff using published NYISO Capacity Auction results

**Energy and Ancillary computation performed by DPS Staff using NYISO Monthly reports and 2016 NYISO Gold Book

*** All Supply costs are priced at market; note that bilateral contract prices may differ from current market prices

****Gas Price is EIA Average Gas price For New York Power Consumer