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## **The New York Independent System Operator: A Ten-Year Review**

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### **Other Electric Supply Portfolio Objectives: Renewable Resources, Fuel Diversity, Lower Air Emissions, Greater Energy Efficiency**

As part of its electric industry restructuring objectives, New York hoped that various indirect outcomes would be achieved, including: reducing total air emissions from power production in order to assist New York in meeting state and federal air quality laws; diversifying the fuels used in New York State's electricity mix; continuing to provide funding support for the implementation of cost-effective energy efficiency measures by electricity customers; and introducing more renewable power resources into the state's electricity portfolio.

While these outcomes may be only indirectly related to actions of the NYISO, the overall process of restructuring the industry, combined with other public policies, has had positive impacts in these areas. For example, New York's relatively strong policies in support of renewable energy (driven in large part by the state's "Renewable Portfolio Standard") interacted with the state's (and NYISO's) open access transmission policies and market designs (i.e., LBMP with single clearing price energy markets) and contributed to the introduction of a significant amount of wind development in the state. Figure 28, below, shows the amount of wind generating capacity that has been added in New York State over the decade. (Note that estimates of wind generating capacity additions sometimes vary due to differences in whether they are reported as nameplate capacity, or seasonal capability.) According to the American Wind Energy Association ("AWEA"), which tracks wind projects and changes in wind capacity in states across the U.S., New York ranks sixth among the 50 states in terms of the amount of wind generating capacity added in the last year, and eighth in terms of total installed wind capacity as of the end of 2009.<sup>84</sup> Furthermore, AWEA and other analysts have assessed the ease of entry of wind capacity into electric systems around the country and have concluded that RTOs like New York's, with open access to transmission and single clearing price competitive markets, provide a relatively supportive environment for renewable project investment.<sup>85</sup>