NEW YORK INDEPENDENT SYSTEM OPERATOR

Reliability Summary 2009-2018

Introduction

"No reliability issues anticipated through 2018." This is the main message of the NYISO's *2009 Reliability Needs Assessment (RNA)*, the annual study that examines the future reliability of the bulk electric system in New York. However, the *2009 RNA* also identifies reliability risks – potential scenarios that might adversely impact the current assessment.

Overall, the resources needed to meet the electricity needs of New York State are expected to continue to exceed demand. New York has 42,077 megawatts (MW) of generation and demand-side resources for 2009, with a peak load forecast of 34,059 MW. After factoring in the required 16.5% Installed Reserve Margin (IRM), supply will still exceed demand by 2,398 MW.

The *2009 RNA* anticipates that peak load will grow to 35,658 MW by 2018, while supply will increase to 42,536 MW. Table 1 provides a comparison of supply and demand in 2009 and 2018.

Table 1: Demand and Supply - 2009 vs. 2018

	2009	**2018**
Demand *(Peak Load)*	34,059 MW	35,658 MW
Supply *(Generation & Demand Response)*	42,077 MW	42,536 MW

The outlook of the *2009 RNA* is an improvement from the findings of the *2008 RNA*. This is due to a combination of factors that include:

- **A large amount of additional proposed generation** — Over the past year, the NYISO's markets have provided the incentive for approximately 1,700 MW of proposed generating capacity. This includes approximately 800 MW of new wind capacity.

- **A reduction in peak load** — The implementation of New York State's "15 X 15" energy strategy *(which aims to lower energy consumption on the electric system by 15% of the 2007 forecasted levels for 2015)* is anticipated to reduce peak consumption by approximately 5% by 2015, if currently approved funding levels are maintained.

- **Increases in demand-side resources** — NYISO Demand Response programs, which enlist electricity customers to conserve power in response to system conditions, are effectively reducing the need for additional capacity. One of the NYISO Demand Response programs, called Special Case Resources, currently has registrations of 2,084 MW, an increase of 761 MW from last year.

- **Decreases in expected plant retirements** — There are fewer retirements of existing electricity-generating facilities than had previously been anticipated, with the net effect of providing 156 MW that had been expected to go out of service.

Each of these represents a change from the *2008 RNA*, and each contributes to an overall increase in reliability. Table 2 shows the differences in expectations between the forecasts in the 2008 RNA and the 2009 RNA.

Table 2: RNA Forecast Changes

	2017 Forecast (based on 2008 RNA)	**2018 Forecast** (based on 2009 RNA)	**Net Change**
Peak Load	37,631 MW	35,658 MW	-1,973 MW
Demand Response	1,323 MW	2,084 MW	761 MW
Generation Additions	455 MW	2,169 MW	1,714 MW
Generation Retirements	1,428 MW	1,272 MW	-156 MW