

News : NYISO expects sufficient power generation capacity this winter, sees declining margins

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Published on - Wed, 29 Nov 2023 16:33:54 EST

- Capacity margins 1,200 MW lower on year
- Capacity margins have declined 2,443 MW since 2019-2020

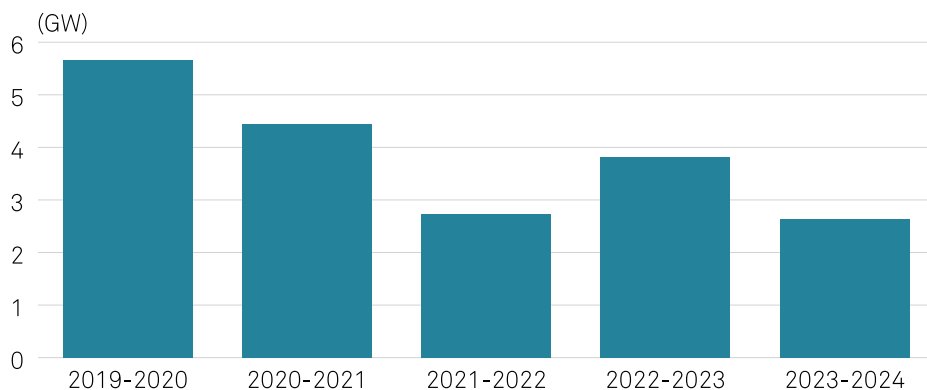
The New York Independent System Operator expects to have sufficient power capacity margins for average winter peak forecast conditions and could need to use emergency operating procedures in extreme weather conditions assuming only firm fuel generation is available, the grid operator said Nov. 29.

"From a baseline firm fuel perspective, we do see the margins continuing to decline and for this upcoming winter we are projecting an approximately 1,200-MW reduction as compared to last year," Aaron Markham, NYISO vice president of operations said during a NYISO Management Committee meeting that was held in person and remotely.

The reduction is primarily driven by the [retirement of peaking power plants](#) in and around New York City that shut down in compliance with a New York State Department of Environmental Conservation emissions rule, he said.

The capacity margin decline was also driven by a reduction in imports and a slight power demand forecast increase.

NYISO winter 2023-2024 capacity margins with average weather



Source: NYISO

The grid operator forecasts peakload under baseline conditions this winter to be about 24.2 GW, the 90th percentile forecast is about 25.2 GW and the 99th percentile forecast is around 27 GW. The 90th percentile forecast has a likelihood of occurring once every 10 years and the 99th percentile forecast has a likelihood of occurring once every 100 years. The NYISO added the 99th percentile forecast in recent years given the increasing frequency of extreme weather events.

Using an assessment where there is only firm natural gas-fired generation available, meaning the generators have acquired guaranteed gas delivery contracts, there would be a surplus capacity margin of 2,641 MW, according to a presentation given during the meeting.

Winter capacity margins assuming only firm fuel generation available have declined by 2,443 MW since winter 2019-2020. Non-firm fuel generation includes gas-only fired generation without firm gas transportation contract arrangements. All other generation types are considered firm, the grid operator said.

Under 90-10, or 90th percentile, peak forecast conditions the NYISO would have a capacity margin of 1,625 MW, and under 99-1 peak forecast conditions the grid operator would have a negative capacity margin of minus 161 MW.

"These numbers do not include any emergency actions the operators may take," Markham said.

"We continue to be mindful of operational challenges that may exist this winter and in the future as margins continue to decline and especially under fuel disruption events," he said.

Fuel supply levels

Gas storage levels in the east are at the high end of the five-year average and higher than at this point last year, while oil inventories regionally are at the low end of the five-year historic average but are higher than a year ago, according to the grid operator.

Dual fuel and oil-only generators have inventory levels "a bit higher" than a year ago but still not as high as they were at the peak of the storage fill that occurred last year in mid-December, Markham said.

A total of 639 MW of power generation capacity has retired since last year's winter assessment and 336 MW of wind and solar power resource capacity has been added. An additional 224 MW of solar power generation is expected to come into service by the end of winter 2024, NYISO said.

Additionally, the 345 kV Edic-Princeton transmission line is expected to be in service which will allow 1,000 MW to flow from northern New York to the eastern part of the state where the power system gets constrained in winter.

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