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Panel: How to Keep the Damn Lights ON

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IPPNY Conference
March 24, 2026

Resource mix changes leading to reliability risks

- Older generating units running harder in recent years
  - For 12 GW of 40+ yr-old fossil fuel units still operating in 2025:
    - Production: 14 TWh in 2025, up 84% from 2019
    - Run hours: wgt-avg of 2,525 hours in 2025, up 81% from 2019
- Time on outage is increasing for these units
    - Time on outage: wgt-avg of 2,285 hours in 2025, up 29% from 2019
- Winter reliability risks are reducing time available for outages
  - Nearly 2 GW of dual-fuel and oil-fired generation was on planned outages over the winter of 2024/25
- Nearly 2 GW of conventional generation in “harvest mode”:
  - Low capacity factors, limited maintenance, offers designed to avoid operation outside of peak load conditions

Future supply deficiency should attract investment

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- In summary:
  - Older units are running more
  - Maintenance is getting more expensive, time-consuming, and frequent
  - Available months for planned outages dropping from 9 to 6 months of the year for most units
  - Capacity in “harvest mode” does not inspire confidence
- Eventually these factors will lead to significant reliability issues if new supply does not enter the market.
- In a competitive market with low barriers to entry, we should see new entry.
  - We are not seeing significant new entry.

How to facilitate new entry to maintain reliability

- Siting and permitting reform:
  - Allow new conventional generation at least for reliability
  - Clarify new entrants have a long-term path under future regulations
- Renew commitment to competitive markets:
  - Non-discriminatory pricing for capacity, and
  - Capacity demand curve that reflects new supply costs
- Deliverability test reform:
  - Replace with more granular capacity pricing
- Load interconnection planning coordination is needed:
  - STAR should report BPS impacts *before* interconnection is granted
  - IAs clearly distinguish firm v non-firm loads