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# NYISO reports it can manage without Indian Point nuclear

December 14, 2017



NYISO yesterday released a report on the retirement of the Indian Point Energy Center, a major nuclear plant outside New York City, including findings the retirement could be managed reliably. That conclusion assumed enough replacement power resources will be added in the Lower Hudson Valley.

Entergy plans to close units two and three at the plant when their licenses expire in 2020 and 2021, respectively (PMT, [Jan-10](#)). The report, titled "Generator Deactivation Assessment," focused on the reliability impacts and whether any needs would arise out to 2023 from the retirements.

Three power plants are already far enough along in their permitting and construction processes that they will be available when the nuclear plant closes, the report said. They total 1,818 MW while Indian Point has a capacity of 2,311 MW.

Under the base case, with normal demand and expected construction, the region could meet the one-day-in-10-years loss-of-load expectation (LOLE) the New York Control Area requires for resource adequacy, the report said. The ISO and transmission owners also did a transmission security assessment around the retirement, which found no expected transmission security needs.

If the three power plants under construction do not start up in time, the retirements could cause some issues, the ISO said, and under that scenario, the LOLE target would not be met as soon as the first reactor retires. The situation would worsen through 2027, it added.

A generic addition of 200 MW by 2023 anywhere within the Lower Hudson Valley would resolve the deficiency through 2023. But by 2027, added resources ranging from 400-600 MW (depending on their location) would be needed to maintain the LOLE target, the ISO said.

If the plants under construction do not show up, transmission issues would also occur, but they are less of a concern than the resource adequacy issues, it added. The plants are far enough along to be included in the base case scenario, so the retirement should not trigger any issues.

NYISO's report was thus able to conclude the generator deactivation process for Indian Point.


The ISO has to do such planning, in coordination with local utilities, whenever a resource retires. Each study performed considers the current and expected state of the power system over a five-year period. The 2018 Reliability Needs Assessment will further evaluate the reliability of New York Control Area using the most up-to-date information at the time, the deactivation report noted.

The IPPs of New York welcomed the study's results, with CEO Gavin Donohue saying they came in as expected and showed the region could handle the retirement. "That is a credit to the in-state generators that repowered or decided to build in the Lower Hudson Valley as a result of proper market signals," Donohue said in prepared remarks.

"Since the Lower Hudson Valley zone was put in place, ratepayers have seen 1,000 MW of resources come back online in that area at a savings of \$400 million in capacity costs. That keeps the lights on and costs to consumers low," he added.

It also important to note the investment in new natural gas plants proved vital in maintaining reliability without Indian Point, Donohue said. "As New York moves toward a clean energy future, continued investment in natural gas and electricity transmission infrastructure will be needed.

"New York will need to transmit natural gas to locations where it is needed to maintain electric system reliability, and natural gas facilities help bridge the gap for the operation of more variable renewable energy resources," he added. The five-page [report](#) is available for free download (link downloads report in PDF format).



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