

# Current New York Issues in the Electric Industry

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# Topics

- Planning Initiatives
- Reliability Efforts
- Rate Cases
- Generic Cases
- Other Major Issues

# Long-Term State Energy Planning

- NY State Executive Order establishing a long-term planning process
- A Planning Board has been created with several State agency heads as members
- Draft Report due March 2009
- The Plan should contain long range energy policy objectives and strategies to increase supply and reduce demand considering various public policy criteria such as fuel diversity
- Various assessments need to be conducted as well as issue briefs need to be developed

# NY PSC Planning Case

- The case, initiated last year, is being conducted in three phases.
- In phase 1, the Commission decided in April, the cost allocation and cost recovery issues for regulated backstop solutions developed to meet reliability needs, when the market fails to provide sufficient merchant solutions in a timely fashion.
- In phase 2, the Commission is expected to act on criteria for selecting the regulated project (s) that should go forward to meet the reliability need
- Phase 3 is expected to consider integration of broader public policy issues in planning

# Reliability Initiatives

- Staff reported to the Commission at the May session on summer preparedness of utilities and NYISO – bulk power and distribution. Also, staff reported on historical prices and volatility of prices for mass market customers, and expected price trends.
- NYISO Reliability studies
- Con Ed Demand Reduction Tariff revised
- State peak load reduction program
- Revisions to Electric Safety Standards
- Utilities implementation of past Commission recommendations in various reliability related matters
- Monitoring Summer Reliability

# Rate Cases

- Con Edison electric litigated rate case was decided by the commission in March
- Parties entered into a joint proposal in Orange and Rockland utility rate case – to be presented to the Commission soon
- Con Ed steam rate case; initial positions filed by parties; settlement negotiations underway
- Iberdrola/NYSEG-RGE utility merger case is pending
- New Con Edison electric rate case filed early May

# Generic Cases

- Energy Efficiency Portfolio Standards case is being discussed by the Commission
- Advanced Metering Initiative is also under consideration
- Renewable Portfolio Standard implementation
- Smart Grid issues also are being explored

# Other Major Issues

- Review of capital expenditures of electric utilities
  - National Grid
  - Con Edison
- Wind power integration into the grid
  - Statewide study on reliability implications
  - Deliverability of wind
  - Cost implications to achieve more renewable resources
- Various wholesale market issues such as
  - New York City Installed Capacity Market