Eastern Interconnection Planning Collaborative

**SSC Webinar/Conference Call**
**April 11, 2011**
**Draft Summary**

**SSC Members in Attendance** (by sector)
**Chairs:** Roy Thilly, Kevin Gunn
**Canada:** Rob Sinclair (alt. for Jon Norman)
**End Users:** Garrett Bissell (alt. for Alice Jackson), Ryan Kind, Sonny Popowsky
**Generation Owners**: Steve Gaw, Michael Goggin
**NGOs**: Andy Oliver, Beth Soholt , Mark Brownstein
**Other Suppliers:** Herb Healy, Chris Lyons, Dennis Sobieski
**Public Power/TDUs:** Paul Malone, Tim Noeldner, Maryam Sharif
**States**: Lauren Azar, Jim Volz, Rebecca Dulin alt. for Lib Fleming), Kevin Gunn, Doug Nazarian, Garry Brown, Rob Berntsen
**Transmission Owners:** Will Kaul, Tamara Linde, Stuart Nachmias
**Ex-Officio Members**: Joe Bryson, David Meyer

**Presenters/speakers**
Catherine Morris, The Keystone Center; Roy Thilly, SSC Chair; Kevin Gunn, SSC Vice Chair; Erin Hogan, MWG Chair; Tyler Ruthven, MWG Sub-team leader; King Look, MWG Sub-team leader; Samir Succar, MWG Sub-team leader; Randell Johnson, MWG Sub-team leader; Doug Kallesen, MWG Sub-team leader

**1. Decision: Modeling new information on EPA rules**

- The SSC adopted **the consensus recommendations of the Modeling Work Group**, which mainly involve changes to the modeling of the following, as in the MWG presentation slides (viewable here).
  - MACT rule
  - 316(b) regulations pertaining to nuclear units
  - CAIR NOx rule
- These changes will be incorporated into the third sensitivity run on the BAU. After the results from this run are available, the SSC will determine whether this run will become the "new BAU" – the base case from which subsequent sensitivities and Futures will be run.

**2. Decision: Proposed adjustments related to other BAU concerns**

- **High coal retirements in 2015:** The SSC adopted the MWG's recommendation that no modifications be made to the reserve margin or economic retirements in the BAU in response to this concern.
- **Large amount of CC/CT additions in areas of MISO:** The SSC adopted the MWG's recommendation that no modifications be made to the BAU modeling in response to this concern.
- **Disproportionate wind additions in Nebraska and SPP**
  - **Reserve contribution**: The SSC agreed to **Option B: Nebraska reduced to 6%.**
  - **RPS contribution**: The SSC agreed to **Option B: Equalize NE, SPP_N, SPP_S wind contribution to 100 percent.**

- The GO sector requested that the SSC retain the flexibility to change the assumption regarding the reserve contribution after reviewing the results of the BAU, consulting with SPP, and understanding better how significant a driver it is.
- MWG cautioned that the NE adjustments may result in a concentrated wind additions moving to SPP and suggested that the SSC or EIPC be given latitude to adjust capacity additions among regions in Phase II. (This applies to the concentration of CC/CTs as well.)

- **Other small corrections and adjustments:** There were no objections to adopting the following MWG-recommend modifications to the subsequent BAU modeling runs:
  - Use updated EPA Landfill Gas (LFG) data that has lower potential in some regions
  - Relocate the Coal Creek plant from MAPP_US to MISO_W
  - Add $0.001/MWH on lines with counter flows

3. Decision: **Hydro potential adjustment**
   - **The SSC adopted the MWG's recommended method** for implementing the SSC's decision on hydro potential from the March 28-29 meeting.
     - **This method involves eliminating 50% of the hydro potential from the comprehensive list of dams, beginning with the smallest ones.**
     - Remaining potential will be assigned by NEEM region. This will likely result in some NEEM regions with more than a 50% reduction, and others with a smaller reduction.

4. **DG level in Future 4 Base Case; Inputs for Offshore Wind Sensitivities**
   - MWG sub-team leads presented the current status of their groups' proposals on these two issues.
     - One SSC member commented that the level of forced wind in the current proposal seems very aggressive and inquired about the availability of other data sources.
     - In response to a question from an SSC member, the MWG clarified that new wind generation on the Great Lakes was not included in the proposal. It was suggested by one SSC member that Great Lakes wind could be added if States had specific plans for it.
   - The SSC did not reach decisions on either of these issues at this time. These decisions will be taken up at the late-April/early-May call or the May SSC meeting.

5. **Remaining Sensitivities Questions**
   - SSC members discussed the options that had been put forward by Roy Thilly and Kevin Gunn in the memo circulated 4/8/11, which included possible proposed sensitivities on the following:
     - Extra-high natural gas prices
     - Low natural gas prices
     - Reserve margin adjustments
     - Forced-in offshore wind
     - Extra-low wind/renewables capital costs
     - Reduced friction rates
     - Reduced hurdle rates
     - Clean Energy Standard in Future 8
   - None of the SSC members supported the need for Sensitivities on the reserve margin or the Clean Energy Standard in Future 8.
   - The TO/TD Sector noted their continued support for at least one low natural gas sensitivity and the GOs and NGOs supported the need for one or more low renewable capital cost sensitivities.

- No decisions were reached on these issues. A memo containing an updated list of options and proposals was circulated by Roy Thilly and Kevin Gunn to SSC members, and can be viewed here.

**3. Next steps**

- A call will be held in late April or early May to discuss the results from the 3rd BAU sensitivity run incorporating the changes discussed above. **SSC members should respond to the forthcoming Doodle poll to schedule this call.**
- SSC members should continue to discuss, within and between Sectors, proposals for resolving these remaining questions, including the selection of the final sensitivities to remain within the 72 allowed. Note that any proposals that impact Future 1, BAU, must be resolved on the next SSC call/webinar.