

Myths and Facts about the Danskammer Repowering and the Electricity Grid

Myth: The imminent closure of Indian Point will create a deficit of 2200 megawatts in the downstate zone, and therefore the Danskammer repowering is directly related to the “keeping the lights on” in the Hudson Valley.

Fact: Since 2012, New York has been preparing for the possibility that Indian Point would close. As a result of action taken through the Indian Point contingency planning process, extra transmission capacity has been built to address bottlenecks and bring more power into the downstate region. Additionally, energy efficiency has reduced annual demand on the electricity system by more than 10 million megawatt hours since 2012,¹ and the pace of energy efficiency gains is accelerating under the state’s New Energy New York process which requires NY utilities to achieve higher electricity savings. The New York Independent System Operation (NYISO) conducted a reliability study in 2017 to assess whether the upcoming closure of Indian Point would cause any reliability issues. The NYISO study found that that even in the event that no new fossil fuel generation was built before Indian Point closes, the need for new resources would be relatively small. That gap has already been closed over the last two years by reduction in energy demand.

Myth: Indian Point needs to be replaced with new gas plants.

Fact: The NYISO issued a report in 2017² that studied the impact on electricity reliability when Indian Point’s two reactors close. The report studied two scenarios. One scenario assumed that new gas-fired generators would be built as planned. The other scenario assumed that no new generation facilities (including CPV and Cricket Valley gas plants) would be built. In the second scenario, the NYISO found that if the planned gas generation didn’t come online, there would be a need to make up 100 megawatts (MW) of electricity in 2021 and that the need would grow to about 600 MW by 2027. The NYISO said that in this scenario this gap “would need to be met by one or more types of solutions including generation, transmission, energy efficiency, and demand response measures.” The good news is that in subsequent annual reports by NYISO, peak demand forecasts have already been reduced by 362 MW for 2021 and 737 MW for 2027,³ showing that the gap in the second scenario has already been addressed by a combination of energy efficiency and rooftop solar, and that there is no need for any new electricity generation facilities in downstate zones when Indian Point closes (even if the CPV were to close and construction of Cricket Valley were to be halted).

¹ NYISO Load and Capacity Data report 2019

² NYISO, Generator Deactivation Assessment – Indian Point Energy Center, December 2017

³ NYISO Load and Capacity Data Reports 2017 and 2019

Myth: New York has not improved transmission from the energy rich parts of upstate New York into downstate, and therefore gas plants downstate will have to fill the gap until we can build transmission.

Fact: In 2016, transmission capacity from upstate to downstate was increased by 440 MW, thanks to the Marcy South Series Compensation Project.⁴ The purpose of this new transmission capacity was to help open up capacity to bring renewable energy from upstate New York into the downstate region. Additionally, another 1250 MW in transmission capacity improvements was approved by NYISO earlier this year to further address bottlenecks between upstate and downstate, and those projects are slated to be in place by the end of 2023.⁵

Myth: We need Danskammer to run as a baseload facility because renewable energy is intermittent.

Fact: The construction of new gas plants is not a strategy for managing the intermittency of renewable energy. High penetrations of renewable energy can be integrated into the current grid with no changes needed; in fact the integration of renewable energy will drive down the use of many existing fossil fuel plants, eventually making them obsolete. Eventually, wind and solar energy will reach penetration levels high enough to necessitate strategies to manage their intermittency. These strategies may include storage (including pumped hydro storage and other non-battery options), demand response, complementary pairing of wind and solar, overproduction/curtailment of renewables, flexible use of the state's existing fleet of hydroelectric facilities, and (temporarily) periodic use of existing flexible gas generators.

Myth: The new, repowered Danskammer will be cleaner than the old power plant.

Fact: Gas is not clean. The claim that we should embrace the construction of an upgraded gas plant because it will be more efficient than older gas plants misses the point that there are even cleaner options such as energy efficiency and renewable energy.

⁴ NYPA, "NYPA COMPLETES ELECTRIC GRID PROJECT TO IMPROVE RELIABILITY AND BRING MORE RENEWABLE ENERGY DOWNSTATE" June 14, 2016

⁵ NYISO Board Of Directors' Decision on Approval Of AC Transmission Public Policy Transmission Planning Report And Selection Of Public Policy Transmission Projects April 8, 2019