

**Final Minutes**  
**New York State Reliability Council, L.L.C. (NYSRC)**  
**Executive Committee**  
**Meeting No. 153 – January 6, 2012**  
**NYISO, 10 Krey Blvd, Rensselaer, NY**

**Members and Alternates**  
**in Attendance:**

Mike Mager, Esq.	Couch White, LLP (Large Customers' Sector) – Member - Chair
Curt Dahl, P.E.	LIPA - Alternate – ICS Chair - Phone
Bruce Ellsworth	Unaffiliated Member
George Loehr	Unaffiliated Member
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
William H. Clagett	Unaffiliated Member
Mayer Sasson	Consolidated Edison Co. of N.Y. – Vice Chair
George Smith	Unaffiliated Member
Mike Forte	Consolidated Edison Co. of N.Y. - Alternate
Arnie Schuff	New York Power Authority – Member
Joe Hipius	National Grid, USA – Member
Tom Duffy	Central Hudson Gas & Electric – Member
Dean Ellis	IPPNY (Wholesale Sellers) – Alternate Member
Ray Kinney	New York State Electric & Gas/Rochester Gas & Electric - Phone
Chris Wentlent	Constellation - Phone

**Others:**

Paul Gioia, Esq.	Dewey & LeBoeuf, LLP - Counsel
Al Adamson	Consultant – Treasurer
Roger Clayton	Electric Power Resources, LLC – RRS/RCMS Chairman
Henry Chao	New York Independent System Operator (NYISO)
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Kristin Bluvas, Esq.	New York Independent System Operator (NYISO) - Phone
Wes Yeomans	New York Independent System Operator (NYISO)
Dana Walters	New York Independent System Operator (NYISO)
Edward Schrom	NYS Department of Public Service
Don Raymond	Executive Secretary

**Visitors – Open Session:**

Erin Hogan, P.E.	NYSERDA
Phil Fedora	Northeast Power Coordination Council
Scott Leuthauser	HQ USA
Mark Younger	Slater Consulting

“\*” Denotes part-time

**Agenda Items – (Item # from Meeting Agenda)**

**I. Executive Session – None**

**II. Open Session**

**1.0 Introduction** – Chairman Mager called the NYSRC Executive Committee (Committee) Meeting No.153 to order at 9:30 A.M. on January 6, 2012 at the NYISO Offices, 10 Krey Blvd., Rensselaer, NY.

**1.1 Meeting Attendees** – All Members and/or Alternate Members (or representatives) of the NYSRC Executive Committee were in attendance.

**1.2 Visitors** – See Attendee List, page 1.

**1.3 Requests for Additional Agenda Items** – None

**1.4 Declarations of “Conflict of Interest”** – None

**1.5 Executive Session Topics** – None

**2.0 Meeting Minutes/Action Items**

**2.1 Approval of Minutes for Meeting No. 152 (December 2, 2011)** – Mr. Raymond introduced the revised draft minutes which included all comments received to date. There being no additional requests for changes, Mr. Clagett moved for approval of the draft minutes. The motion was seconded by Mr. Ellsworth and unanimously approved by the Executive Committee Members – (13 to 0). The Executive Secretary will post the minutes on the NYSRC website – **AI #153-1**.

**2.2 Action Items List** – The Committee reviewed the Outstanding Action Items list and accepted removal of the following items:

<u>Action Item #</u>	<u>Comments</u>
151-3	The Executive Committee provided comments by November 22, 2011.
152-3	The NYSRC response to the TC Ravenswood Complaint was filed on December 6, 2011.
152-4	Comments were provided to Mr. Fedora on the DOE 2012 Transmission Congestion Study by January 6, 2012.
152-5	The IRM Resolution was filed as an exhibit in the IRM filing to FERC on December 12, 2011.

Also, several participants updated the scheduled completion dates for Action Items under their responsibility.

**3.0 Organizational Issues**

**3.1 NYSRC Treasurer’s Report**

**i. Summary of Receipts & Disbursements** - Mr. Adamson introduced the Summary of Receipts and Disbursements which showed a balance of \$147,000 going into 2012. This includes 1<sup>st</sup> Quarter 2012 Call-for-Funds receipts received in December 2011 of \$35,000.

Shortly, Carol Lynch will be providing the Auditor (Slocum, DeAngelus & Assoc.) with the accounting data for 2011. Mr. Adamson will be providing his input to the Auditors in early February 2012. Within the next two weeks, the Auditor will be sending letters to the Executive Committee members requesting 2011 funds paid to the NYSRC. The audit should be completed in March 2012.

- ii. **2000-2011 Expense Summary** – Mr. Adamson presented a summary of yearly expenses going back to 2000 for informational purposes. It was noted that expenses for 2011 were under budget by about \$139,000 and actual expenses have been nearly flat over the last four years.

### 3.2 **Other Organizational Issues** – Nothing additional to report.

- i. **Subcommittee Secretarial Duties** – Mr. Clayton presented a draft letter addressed to Mr. Mager reminding the Executive Committee of the difficulty RRS and RCMS are having in receiving volunteers from the TOs to serve as secretary. He did note that subsequent to preparing the letter LIPA has volunteered for the 2012 one year terms for RRS and RCMS.

Mr. Clayton offered a schedule for one year terms through 2017 placing the TOs who have recently completed secretarial terms at the bottom. If the TOs are unable to provide the secretaries, it will be necessary hire a commercial secretary at substantial expense. Following discussion of possible alternatives, the Executive Committee asked Mr. Clayton to update the schedule in light of LIPA's 2012 commitment and acknowledged that a commercial secretary may be necessary – **AI #153-2**. Also, the Executive Committee recommended that Mr. Clayton begin confirming the secretary for the next one year term well in advance of changeover.

### 4.0 **Key Reliability Issues**

- 4.1 **Defensive Strategies** – Mr. Smith reported that work by the NYISO's vendor EnerNex on the Controlled Separation System Study (CSSS) continued with a face-to-face meeting at the NYISO on December 20, 2011. DSWG attendees included Jim Ingleson, Eric Allen, George Smith, Ed Schrom, and Bill Clagett (by webex). EnerNex gave a lengthy presentation including the following topics: (a) algorithm benchmarking, (b) coherency assessment, (c) oscillation frequency, (d) impact of disturbance location, (e) area interface characterization, and (f) preliminary conclusions.

The algorithm developed was based on analysis in the frequency domain. Through Fourier analysis, results were given for the various frequencies of oscillation. The frequencies more closely coincided with those observed with actual dynamics of the New York power system. EnerNex admitted that the results presented at the previous meeting were flawed due to sampling issues associated with the algorithm.

Some **preliminary** conclusions drawn from the results by EnerNex were as follows:

- (a) Disturbance location has a significant impact on coherent groups. Fixed separation interfaces are infeasible for all disturbance scenarios. The interfaces between one area and any of its neighboring areas need to be monitored to determine the necessity of a separation.
- (b) When the system order is not dramatically changed by unit commitment and generator dispatch, the pattern for coherent groups tends to be remaining still, and
- (c) The correlation between generator angle and area interface information shows that the information on area interfaces can reflect the characteristics of the inter-area oscillations and point out the weak connections between neighboring areas.

Some DSWG members have initial concerns regarding the analysis approach and the conclusions drawn from the analysis. Time will be required for the DSWG members to flesh out their concerns and compare notes with the NYISO. Feedback will be provided to EnerNex before the next meeting. Still, EnerNex has demonstrated considerable skill in tool development and has presented results in a graphic, easy to understand format. The next CSSS meeting will be via webex and is scheduled for January 26, 2012.

- 4.2 **NPCC Defensive Strategy Activities** – Mr. Fedora agreed to request that NPCC provide a presentation on the Blackout Report at the February 10, 2012 Executive Committee meeting – **AI #152-2**.

- 4.3 **Reactive Power 2011 Report** – Mr. Z. Smith, Manager, Transmission Studies at the NYISO, gave the Executive Committee a presentation titled, Reactive Power Working Group (RPWG) Summary. The

voltage limit analysis was based on the 2010 RNA powerflow base case modified to match system conditions on July 6, 2010. The modified RNA case showed consistent voltage performance when compared to the benchmark results. RPWG concluded that the depressed voltages experienced at Strainbrook-Dunwoodie on July 6, 2010 were primarily caused by the lack of reactive resources (dynamic and static) on the Bulk Power System.

When considering development of a Reactive Power Planning Guideline, the RPWG discussed two possible methods: (a) providing margin by reducing the reactive power capability of generators in planning voltage studies, and (b) requiring all generation in an area or just those directly interconnected to the Bulk Power System to have a reactive power margin pre- and post-contingency in planning studies. The RPWG will continue development of a planning methodology in 2012. Some Executive Committee members expressed concern with the margin concept.

Historic reactive power demand patterns on a zonal basis have been prepared for approximately half of New York State. The RPWG recommends continuing to develop the historic reactive power demand patterns for future use in benchmarking load models.

- 4.4 Definition of Bulk Electric System and Exceptions** – Mr. Fedora reported that the BES definition has been approved by NERC’s stakeholders. NERC will include the information in its filing with FERC due by January 25, 2012. The NERC Board of Trustees (BOT) will be reviewing the filing on a conference call scheduled for January 18, 2012. In parallel, the Rules of Procedure filing is being prepared for review by the BOT also on January 18, 2012.

The BES Drafting Team has posted a SAR for Phase 2 of the BES Definition Project. The official comment period is now open (January 4 – February 3, 2012). It addresses concerns raised by the industry during the BES Definition Project Phase 1, but outside those required by the FERC Directive, FERC Order 743 and 743A. A meeting of the Drafting Team is scheduled for the end of January 2012.

## **5.0 State/ NPCC Federal Energy Activities**

- 5.1 NPCC Report** – The NPCC Board of Director has not met since the last Executive Committee.

- 5.2 FERC RFP** – Economics of Resource Adequacy Standards – Nothing new to report.

- 5.3 TC Ravenswood Complaint** – Mr. Gioia reported that TC Ravenswood has filed its answer to the NYISO and the NYSRC filings. The PSC has issued Declaratory Ruling requiring that participating generators cannot withdraw from the Blackstart Program without PSC approval. TC Ravenswood argues that it has done all that is necessary under the NYISO Tariff to withdraw. This jurisdictional issue has yet to be resolved. With respect to the NYSRC, TC Ravenswood stated that it does not object to having the complaint against the NYSRC dismissed.

Also, Mr. Gioia mentioned that in his State-of-the-State message, Governor Cuomo mentioned the intent to develop a “Transmission Highway” to deliver power from Quebec to NYC thereby relieving the current congestion on the system. Requests for proposals will be issued to implement a master plan to power the state for the next half century. It was stated that private companies will finance and build \$2 billion in infrastructure to complete the project.

## **6.0 Installed Capacity Subcommittee Status Report/Issues**

- 6.1 ICS Chairman’s Report** – Mr. Dahl summarized the major topics from the January 4, 2012 ICS meeting as shown below:

### 2013/14 IRM Study

ICS discussed plans to address outstanding modeling issues from the 2012/13 IRM study including: (a) continued adequacy of 2002 load shape modeling methodology, (b) resolution of the APA EFORD method, (c) SCR response and (d) PJM modeling issues. ICS subgroups were assigned to develop plans and recommendations for resolution.

The NYISO reported its progress on development of the APA EFORD model. Working with the author

of the MicroGads program, the NYISO has provided an initial set of comments and is validating an updated version of the EFORd software. The NYISO agreed to identify to ICS the steps necessary for final validation and approval of the software. ICS also discussed the status of development of an IRM report template and agreed to issue a final draft to ICS to review for discussion at the February ICS meeting.

### SCR analysis

It was indicated the NYISO SCR Study report will be available on March 31, 2012. Key elements of this report will include Effective Load Carrying Capability of SCRs under various operating assumptions and information on performance and persistence of SCR resources. In particular, ICS concerns regarding the high frequency of SCR occurrences in the base case were discussed. It was requested that the NYISO attempt to provide information on the maximum allowable SCRs while still ensuring reliability of power system.

The NYISO also discussed the ICS comments on its “Approach for Top Down Estimation of Demand Response Impacts” and agreed to incorporate ICS comments into the NYISO response. In particular, ICS is looking for additional steps to ensure validation and accuracy of the model. The NYISO indicated actual 2011 SCR screening data would be available on January 17, 2012 after it is reviewed internally to support issuance of its FERC report.

### PRR 109 - Special Case Resource Reporting Requirements

NYISO submitted extensive comments on the ICS draft of PRR 109. It was agreed to form a small working group to meet with the NYISO to conform language with ICS requirements and discuss potential NYISO procedure revisions. It is anticipated this would be completed in advance of the next ICS meeting in order to support approval for posting at the February 10, 2012 NYSRC meeting and implementation for 2012 summer capability period.

### 2012 Locational Capacity Requirements (LCR)

The NYISO discussed status of its LCR study. A primary concern of ICS is related to treatment of the new IRM (16.0%) in the NYISO’s calculation of 2012 LCRs. It was agreed that the magnitude of this issue was negligible for this years LCR study. Discussions will continue between NYISO and ICS to resolve the issue in the long term. . The LCR report is scheduled to be released January 6, 2012 with Operating Committee approval scheduled for January 12, 2012.

The Executive Committee discussed the modeling of the LCR and agreed that the modeling issues would be minimal for 2012-13 since the selected IRM (16.0%) is very close to the base case IRM of 16.1%. Also, the Executive Committee strongly supports joint ICS/NYISO efforts to resolve the modeling issue for use in future years – **AI #153-3**.

## **7.0 Reliability Rules Subcommittee Status Report/Issue**

**7.1 RRS Status Report & Discussion Issues** – Mr. Clayton reported that the joint RRS/RCMS meeting occurred on January 5, 2012. Two separate meetings were held, each with its own agenda and minutes. Mr. Clayton introduced the List of Potential Reliability Rules Changes – Outstanding and noted that PRR #107, Revision of Compliance Elements, and PRR #108, Revision of Major Emergency Declaration in F-B1, received final approval at the November 10, 2011 Executive Committee meeting. RRS is considering comments provided by NYPA on PRR #110, B-R1, Post Contingency Thermal Criteria.

## **7.2 Status of New/Revised Reliability Rules**

### **i. Proposed NYSRC Reliability Rules Revision**

#### **a. List of Potential Reliability Rules (“PRR”) Changes**

## **b. Status of New/Modified Reliability Rules**

### **1. PRRs for EC Final Approval**

- None

### **2. PRRs for EC Approval to Post**

- None

### **3. PRRs for EC Discussion**

- Mr. Clayton indicated that RRS is expecting revisions to the proposed template for PRR #109, Special Case Resource Performance Data Reporting from ICS. The PRR will be returned to the Executive Committee for approval once the revisions are incorporated and agreed upon by RRS.  
PRR #110, HVDC Control, proposed by ConEd to be a modest change to the Post-Contingency Thermal Criteria, B-R1, received comment from NYPA that use of the STE rating should be subject to review and approval by the asset owner. Following further review by ConEd, Dr. Sasson indicated that ConEd is withdrawing the PRR due to the potential for numerous unintended consequences when using HVDC as a remedial action under first contingency conditions. Also, an Exception Process already exists to address special situations on a case-by-case basis.

## **7.3 NPCC/NERC Standard Tracking**

- NERC Standards Development** – Mr. Adamson reported the NPCC is currently revising Directory 1 to reflect the NERC Board of Trustees adoption of TPL-001-2, Assess Transmission and Future Needs. RRS is monitoring this effort closely before considering revisions to NYSRC Reliability Rules B-R1 through B-R4.
- NPCC Standards** – Nothing new to report.

## **7.4 Other RRS Issues**

– Mr. Clayton indicated that RRS is monitoring the issue regarding new facility impacts on transfer limits. The NYISO has agreed to give a presentation at the February 2012 RRS meeting on the trends in transfer limits. It is expected that a draft of the new Transmission Interconnection Manual will also be available for reference. Also, ConEd gave RRS a presentation on ConEd’s winter season Oil Burn Study which will be presented to the OC during the week of January 8, 2012.

Mr. Clayton reminded the Executive Committee that RRS wishes to add specificity to the glossary by redefining the definition of “contingency” to include electric or gas since some of the basic contingencies include examining gas outages. RRS has concurred with Mr. Clayton’s suggestion to replace “sudden loss of fuel delivery system” with “sudden loss of multiple path electrical system due to a fuel delivery system event”. The Executive Committee asked Mr. Clayton to present the revised glossary at its February 10, 2012 for approval – **AI #153-4**.

## **8.0 Reliability Compliance Monitoring Subcommittee (RCMS) Report/Issues**

### **8.1 RCMS Status Report & Discussion Issues**

– Mr. Clayton indicated that RCMS met following the RRS meeting.

### **8.2 2011 Reliability Compliance Program (NYRCP)**

– Mr. Clayton reported that the NYRCP is complete for 2011 except for the resolution of G-M3, Blackstart Provider Requirements. TC Ravenswood was non-compliant with the 2011 blackstart test requirements. The NYISO made various efforts to gain compliance in 2011 and is making additional efforts to gain compliance with this year’s test. The question before RCMS is whether the NYISO has made all reasonable efforts to gain compliance for the past test period and the coming test period. Mr. Clayton noted that the NYISO has been very cooperative in trying to reach resolution regarding 2011 compliance. After lengthy discussion at RCMS, it was agreed to recommend to the EC that while the NYISO was subject to non-compliance as a result of TC

Ravenswood's failure to comply with black start testing requirements, non-compliance by the NYISO should be waived in recognition of the NYISO's efforts. However, this recommendation is contingent upon a letter from the NYISO and approved by RCMS stating the specific steps that the NYISO will be undertaking to bring TC Ravenswood into compliance for the 2012/2013 Capability Year. If after the letter is received and the NYISO compliance plan accepted, RCMS will prepare a report, including the recommendation, for consideration by the Executive Committee.

Looking prospectively, RCMS will also investigate the reliability impact of TC Ravenswood not being included in the Blackstart Program. This is necessary to address compliance issues related to Rule G-R1, NYCA System Restoration Plan - whether the Blackstart Program meets the "prompt and adequate" restoration requirement. Dr. Sasson noted that without TC Ravenswood in its Blackstart Program, there may be a delay of several hours in restoring the system. The length of delay and amount of load involved is under study by ConEd. The results are expected to be available by the next RCMS meeting. Dr. Sasson added that ConEd's Transmission Criteria requires all new generators on its system to have blackstart capability unless told otherwise by ConEd.

**8.3 2012 New York Reliability Compliance Program** – Mr. Clayton introduced the Measurements approved by RCMS for the 2012 NYRCP. The next step is to meet with the NYISO to gain concurrence on the dates for receiving documents and the RCMS review. Mr. Claggett moved for approval of the proposed Measurements. The motion was seconded by Mr. Bolbrock and unanimously approved by the Executive Committee Members – (13 to 0).

**8.4 Other RCMS Issues** – Nothing additional to report.

## **9.0 State/Federal Energy Activities**

**9.1 NYISO 2010 Comprehensive Reliability Planning Process (CRPP)** – Mr. Adams reported that the 2011 CARIS I draft report and draft report #2 were presented to ESPWG during December 2011. They were discussed on December 22, 2011 and on January 3, 2012. It is expected that the Executive Summary and the report Appendices will be discussed again during January 2012.

The preparation for the CARIS 2 studies will begin upon completion of the CARIS 1 Report. Preparation for the 2012 RNA will begin in January, 2012 with requests to transmission owners and other stakeholders for information to be used in the base case development.

## **9.2 Interregional Transmission Studies**

**i. EIPC Study** – The Phase I report is posted at [http://eipconline.com/Resource\\_Library.html/](http://eipconline.com/Resource_Library.html/). Three final scenarios were selected: (a) national carbon constraint with increased energy efficiency/demand response/distributed generation, (b) regionally implemented national RPS, and (c) "business as usual". The Phase II schedule is posted at [http://eipconline.com/Phase\\_II\\_Resources.html/](http://eipconline.com/Phase_II_Resources.html/). The three future resource scenarios will be evaluated with fully developed transmission build-out options that meet reliability requirements (Tasks 7 & 8). Production cost analysis will be performed for each scenario based upon the power flow modeling and transmission expansion options developed under Tasks 7 & 8 (Task 9). High-level estimates of the capital costs of the interregional generation resources and transmission expansion options will be developed (Task 10). A Phase II report is scheduled for October 2012.

A Transmission Options Task Force (TOTF) has been formed as a forum for stakeholders to review and comment on the development of transmission build-out alternatives during Phase II. The initial TOTF webinar was held on Friday, November 4, 2011. A face-to-face meeting is scheduled for January 10-11, 2012.

**ii. IPSAC Study** – Mr. Chao indicated that IPSAC met via WebEx on November 29, 2011. The agenda included an update of: (a) production cost studies, (b) environmental issues, (c) the Northeast Coordinated System Plan, and (d) the FERC Order 1000 summary .

The next steps include: (a) coordination of 2011 ISO-NE/NYISO/PJM production cost models and

development of 2017 models, (b) production cost analysis with IREMM and Gridview (ISO-NE), MAPS (NYISO), and PROMOD (PJM), (c) a draft 2011 Northeast Coordinated System Plan to be available by the 1<sup>st</sup> Quarter of 2012 and (d) continued coordination of FERC Order 1000 compliance.

**9.3 Other Studies/Activities** – Nothing additional to report.

**10.0 Other Items**

**10.1 NYISO Operations Report** – Mr. Yeomans reported that for December 2011, the peak load occurred on Monday December 19, 2011 at 22,880Mws versus the all time winter peak of 25,641Mws on December 20, 2004. Alert states were declared on 14 occasions, 3 for system frequency. No major emergencies were declared during the month. Nine TLR Level 3s were declared in the month of December 2011 for a total of 87 hours. Loop flows have averaged about 150Mws. There were no NERC/NPCC reportable events.

**10.2 North American Energy Standard Board (NAESB)** – Mr. Ellsworth reported that Chairman Wellinghoff (FERC) has recently expressed some concern over the cost performance of NERC. Further, he implied a comparison could be done with NAESB. Mr. Ellsworth emphasized that NAESB has a good working relationship with NERC and wishes it to be clear that such a comparison was not its idea. NAESB has no interest in expanding its current workload.

**10.3 NYISO New Control Center** – Mr. Rich Dewey, NYISO Sr. Vice President & Chief Information Officer, gave the Executive Committee a presentation titled, NYISO Control Center Infrastructure. The Project includes: (a) new primary Control Center at Krey Blvd, (b) establishment of a full Alternate Control Center, (c) a new Data Center at Carmen Road, and (d) consolidation of office staff at Krey Blvd. The business drivers supporting the Project are; (a) expanding responsibilities, (b) broader regional markets, (c) leveraging state-of-the-art Smart Grid technology and (d) infrastructure for advanced features i.e, renewable resource management. Broader markets will provide opportunity to utilize cheaper out-of-state power and faster adjustments to power flows with neighbors. The Smart Grid Investment Grant project will provide for increased awareness of system conditions, enhanced power quality, and introduce the building blocks for future enhancements, such as power system visualization. Future activities on the Infrastructure Master Plan include: (a) building construction at Krey Blvd., (b) Data Center migration to Carmen Road, (c) control video system design and implementation, and (d) Control Center commissioning, testing, and activation in the fall of 2013.

**11.0 Visitors' Comments** – None

**12.0 Meeting Schedule**

<u>Mtg.</u> <u>No.</u>	<i>Date</i>	<i>Location</i>	<i>Time</i>
#154	Feb 10, 2012	Albany Country Club, Voorheesville, NY.	9:30 A.M.
#155	Mar 9, 2012	Albany Country Club, Voorheesville, NY.	9:30 A.M.

The open session of Committee Meeting No.153 was adjourned at 2:30 P.M.

