

Final Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Executive Committee
Meeting No. 174 – October 10, 2013
Albany Country Club, Voorheesville, NY

Members and Alternates

in Attendance:

Mayer Sasson	Consolidated Edison Co. of N.Y. – Member – Chair
Curt Dahl	LIPA – Member – Vice Chair
George Loehr	Unaffiliated Member
William H. Clagett	Unaffiliated Member
Bruce Ellsworth	Unaffiliated Member
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
Scott Leuthauser	HQ US - Alternate - Phone
Mike Mager, Esq.	Couch White, LLP (Large Customers' Sector) – Member
Peter Altenburger	National Grid, USA – Member
Tom Duffy	Central Hudson Gas & Electric – Member
George Smith	Unaffiliated Member
Chris LaRoe	Independent Power Producers of NY (IPPNY) – Member - Phone
Arnie Schuff	New York Power Authority – Member
Ray Kinney	New York State Electric & Gas/RG&E - Member

Others:

Al Adamson	Consultant & Treasurer
Paul Gioia, Esq.	Counsel
Roger Clayton	Electric Power Resources, LLC – RRS/RCMS Chair
Henry Chao	New York Independent System Operator (NYISO)
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Wes Yeomans	New York Independent System Operator (NYISO)
John Adams	New York Independent System Operator (NYISO)
Edward Schrom	NYS Department of Public Service
Don Raymond	Executive Secretary
Bob Boyle	New York Power Authority – ICS Chair

Visitors – Open Session:

Herb Schrayshuen	Power Advisors, LLC - Phone
Phil Fedora	Northeast Power Coordinating Council (NPCC) – Phone*
Rick Brophy	New York State Electric & Gas/RG&E - Phone
Mark Younger	Hudson Energy Economics
Jim McCluskey	Central Hudson Gas & Electric
Steven Whitley	New York Independent System Operator (NYISO)*

“*” Denotes part-time

Agenda Items – (Item # from Meeting Agenda)

- I. **Executive Session** – None
- II. **Open Session**
- 1.0 **Introduction** – Chairman Sasson called the NYSRC Executive Committee (Committee) Meeting No.174 to order at 9:30 A.M. on October 10, 2013 at the Albany Country Club, Voorheesville, 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** – Discussion with Steve Whitley
- 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. 173 (September 12, 2013)** – Mr. Raymond introduced the revised draft minutes which included all comments received to date. Mr. Smith requested addition of a statement thanking those who contributed to the filing of the NYSERDA proposal. Mr. Bolbrock moved for approval of the revised draft minutes. The motion was seconded by Mr. Ellsworth and unanimously approved by the Executive Committee – (13 to 0). The Executive Secretary will post the minutes on the NYSRC website – **AI #174-1**.
- 2.2 **Action Items List** – The Executive Committee reviewed the Outstanding Action Items list and accepted removal of the following items:

<u>Action Item #</u>	<u>Comments</u>
168-3	The revised Policy 3 was approved at the September 12, 2013 Executive Committee meeting.
169-3	The Treasurer’s duties were included in the revised Policy 3.
172-3	The Executive Committee agreed to continue meeting on Fridays at its September 12, 2013 meeting.
172-4	PRR #116 was posted for comment on August 19, 2013.
173-4	The final meeting schedule for 2014 was distributed at the September 12, 2013 Executive Committee meeting.

- 3.0 **Organizational Issues**
- 3.1 **NYSRC Treasurer’s Report**
 - i. **Summary of Receipts & Disbursements** - Mr. Adamson provided the Summary of Receipts and Disbursements which showed a balance of \$176,000 at the end of September 2013. There are no budget items projected to exceed budget at year end. Mr. Adamson indicated receipt of all but one payment toward the 4th Quarter Call-For-Funds of \$25,000 per TO.
- 3.2 **Vice Chair Report** – At the September 12, 2013 Executive Committee meeting, Dr. Sasson indicated

that he had asked Mr. Dahl (Vice Chair) to investigate a number of specific issues. Status reports were given on the items below:

(a) RRS/RCMS Structure – Mr. Clayton reported that RRS/RCMS discussed the possibility of combining the two Subcommittees. The metric used to focus the discussion was whether restructuring improved the efficiency of their meetings. It was concluded that on this basis there are no advantages to be captured by combining the two Subcommittees. Some of the reasons included: (i) the Rules and Compliance Elements cannot be addressed simultaneously, (ii) the secretarial requirements would not change, (iii) some TOs have different individuals who are knowledgeable in Reliability Rules and Compliance, and (iv) the new structure is consistent with NPCC and NERC organizational make-ups.

The Executive Committee concurred with the RRS/RCMS recommendation not to restructure.

(b) Role of Research – Mr. Dahl reported that he had spoken several times with Messrs. Smith and Duffy via teleconference since the last Executive Committee meeting. It was agreed that a guideline should be developed for research projects. A draft is being reviewed which includes: (i) a statement of the importance of R&D from a NYSRC perspective, (ii) how the NYSRC should administer R&D initiatives (i.e. scheduling, deliverables, milestones, and budget tracking), and (iii) a template that provides the information needed for TOs to include a project within their R&D program.

Mr. Dahl plans to have a draft guideline for review prior to the November 8, 2013 Executive Committee meeting – **AI #174-3.**

(c) NAESB Membership - Mr. Ellsworth reminded the Executive Committee that initially two of the major reasons for being a NAESB member with active participation were to support the retention of electric system reliability standards with NERC and to assure that the participation of ISOs would not overwhelm NAESB's workload at the expense of Business coordination Standards. Those issues are now resolved. Also, Mr. Yeomans has recently been appointed to NAESB and would be available to keep the Executive Committee apprised of NAESB activities. Therefore, the benefits of continuing NAESB membership and active participation lies with broad business awareness, advances in standards development methods, name recognition, and new business relationships. The current costs are \$7,000/yr. for fees, \$4,000/yr. for meeting expenses and \$6,000/yr. remuneration for Mr. Ellsworth's representation of the Executive Committee. However, Mr. Ellsworth offered to represent the Executive Committee on a pro bono basis should cost be a major concern.

The Executive Committee discussed options covering the gamut from not continuing the membership to continuing as is. Dr. Sasson asked each Executive Committee member to determine his preference in anticipation of a vote at its November 8, 2013 meeting – **AI #174-2.**

3.3 Other Organizational Issues -

i. January 2014 Meeting Location – Mr. Yeomans reported that the NYISO Control Center (Krey Blvd.) would be available to host the January 10, 2014 Executive Committee meeting. The Executive Committee accepted with thanks to Mr. Yeomans.

4.0 Installed Capacity Subcommittee (ICS) Status Report/Issues

4.1 ICS Chairman's Report – Mr. Boyle reported that ICS met on October 2, 2013. He indicated ICS is completing its review of the sensitivity case results. The preliminary base case called on SCRs 33 times. However, the Niagara units were found to be incorrectly modeled by taking the entire plant out of service for maintenance when in fact they have back-up generation. When the modeling was corrected, the SCR calls fell to 10. The IRMs and LCRs for the sensitivity cases changed slightly. The ICS approved the sensitivity results for seven cases, but asked for reruns on three cases. Mr. Adams reported that all but the

Indian Pt. sensitivity cases are completed.

Mr. Boyle introduced the final Assumptions Matrix for the 2014-2015 base case which has only minor changes from the preliminary assumption version approved by the Executive Committee in July 2013. Mr. Bolbrock moved for approval of the updated Assumption Matrix. The motion was seconded by Mr. Loehr and unanimously approved by the Executive Committee – (13 to 0).

- 4.2 “Material Changes” Post Setting of the IRM** – Dr. Sasson reminded the Executive Committee that in early January 2013 it became known that a 500Mw unit had retired post the setting of the IRM by the NYSRC, but before the LCRs were established by the NYISO. Lengthy discussion at that time concluded that the Executive Committee should not change the IRM that had been previously agreed upon. The NYISO Operating Committee (OC) approved the LCRs taking into consideration the 500Mw retirement, and agreed to re-visit the issue at a later date to document how the issue would be treated in the future. At the September 12, 2013 Executive Committee meeting, Mr. Chao summarized the NYISO’s “Locational Capacity Requirement Calculation Process” which was updated to include the treatment of a “Material Change” after the IRM is set but before the NYISO determines the LCRs. A “Material Change” for the purposes of the Process is defined as individual changes that would increase or decrease generation, CRIS MW, or transmission transfer capability by 200Mws or greater. Mr. Chao indicated that the NYISO would notify the Executive Committee of any material capacity changes together with the corresponding change in IRM for it to consider before deciding whether to confirm its original IRM or to approve a changed IRM. The IRM decided upon by the Executive Committee will then be used by the NYISO to finalize the LCRs, thereby maintaining consistency between the IRM and LCRs. Mr. Chao felt there may have been some confusion since the September 12, 2013 meeting regarding whether the “Material Change” would include all known changes. He clarified the issue by stating that the changes would only be those meeting the definition in the “Locational Capacity Requirement Calculation Process” document. Also, Mr. Chao confirmed that the Process will not by itself initiate any new impacts on the regulatory timing obligations and that the Process is consistent with NYSRC Policy 5. The Executive Committee considered that no decision on its part was necessary at this time and would decide on what action to take, if any, when specific cases came up.

5.0 Reliability Rules Subcommittee Status Report/Issue

- 5.1 RRS Status Report & Discussion Issues** – Mr. Clayton reported that the joint RRS/RCMS meeting was held on October 3, 2013. Two separate meetings were held, each with its own agenda and minutes. Mr. Clayton introduced the List of Potential Reliability Rule Changes and reported that PRR #116, System Restoration G-M1 & LRR, was posted on August 19, 2013 with comments due by October 2, 2013. One comment was received from IPPNY. Mr. Gioia indicated that the comments require Counsel review and that he will endeavor to provide a report prior to the next Executive Committee meeting – **AI #174-4**. RRS believes the comments are all legal issues. It has not changed its position on the technical merits since recommending PRR #116 for posting. PRR #117, B-4: Publication of NYS BPS Facility List, remains under development in conjunction with the NYISO to clarify the process for publication of the NYS BPS list (~~a.k.a. the ATR list~~) and review the NYS BPS glossary. The glossary defines NYS BPS facilities as: (a) generators generally larger than 300Mws, (b) transmission facilities generally higher than 230kV, and (c) any other facilities based on their importance. The NYISO is now using the A-10 list augmented with some generators to represent the NY BPS list. The ATR list has been renamed to the Bulk Power Transmission Facilities (BPTF) list which is used by the NYISO to prepare the Annual Transmission Review (ATR). The NYISO presented a comparison of the lists at the last RRS meeting. The augmented A-10 list contains about 343 elements while the BPFT list contains about 498 elements. RRS has asked Mr. Adamson to identify generator and transmission facilities that meet the glossary definition but are not on the augmented A-10 list. Also, Mr. Adamson was asked to review the Reliability Rules Manual to

identify sections that may no longer be relevant because the applicable facilities are not on the augmented A-10 list. Messrs. Chao and Patka expressed the belief that the appropriate lists have been provided to the NYSRC for certification. Mr. Gioia indicated that the NYISO should provide the list which it feels is applicable to the NYSRC Reliability Rules and explanations for those facilities that meet the glossary definition but are not on the NYISO's list. It was agreed that the NYISO would provide the list of facilities it believes to be subject to NYSRC Reliability Rules for review and discussion with Messrs. Clayton and Adamson – AI #174-5.

5.2 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

- None

5.3 NPCC/NERC Standard Tracking

i. NERC Standards Development – Nothing new to report.

ii. NERC Ballot Preferences – When voting it has been the practice of the of Mr. Adamson to consider NPCC recommendations, input from the NYISO, and his own review of standard changes for deciding a NYSRC voting position. At the September 12, 2013 meeting, Dr. Sasson suggested developing a process whereby input to Mr. Adamson would be formalized. To facilitate the process, Mr. Adamson presented a form, “NYSRC Member NERC Standard Balloting Preferences”. The form will be sent to the Executive Committee Members once each month containing: (a) the known current and upcoming NERC Standard Ballots, (b) the ballot start and end dates, and (c) space to specify a Member’s preference and comments, if necessary. Negative preferences must be accompanied with an explanation. The form must be returned to Mr. Adamson no later than five (5) days before the end of balloting. An affirmative vote will be assumed for Member not providing a response. A link is provided to NERC’s website for review of the history behind the development of the Standard being balloted.

ii. NPCC Standards – Nothing new to report.

5.4 Other RRS Issues

i. Rules Enhancement Plan (REP) – Mr. Clayton introduced a sample template for A-R1 to illustrate what PRRs for future proposed Reliability Rules will look like under the REP. When RRS completes a logical block of the restructured proposed Rules, RRS will present the block to the Executive Committee for “Approval to Post”. Although reorganized, all the text items are identical to the current Rules with the exception of Item 1 under Item 5 - Section A, Reliability Rule Elements, describing the intent of the Reliability Rule.

ii. Google Search – Mr. Clayton noted that the Google (and Yahoo, Bing, etc.) search issue is a scam whereby inquiries to the NYSRC website are intercepted and redirected to the scammer’s clients at a price. Mr. Clayton has been in contact with Internet Solutions and Google. Since then the issue seems to be improving.

In the interim, inquiries should be made directly through a browser.

6.0 Reliability Compliance Monitoring Subcommittee (RCMS) Report/Issues

6.1 RCMS Status Report & Discussion Issues – Mr. Clayton reported that RCMS met on August 1, 2013 following the RRS meeting.

- 6.2 2013 New York Reliability Compliance Program** – RCMS found the NYISO to be in full compliance for the following Measurements:
- (a) C-M13, Certification That Disturbance Recording Devices have Been Installed and data reported,
 - (b) C-M14, Reporting Requirements for SCR Performance data and calculation of SCR Performance,
 - (c) C-M15, Reporting SCR Performance data to the NYISO, and
 - (d) E-M7, MP Evaluation of NYISO Fault Duty Assessments.
- 6.3 Other RCMS Issues** – Nothing additional to report.
- 7.0 Key Reliability Issues**
- 7.1 Defensive Strategies** – Nothing new to report.
- 8.0 State/NPCC/Federal Energy Activities**
- 8.1 NPCC Board of Directors** – Mr. Forte provided the “NERC Annual Report on Wide-Area Analysis of Technical Feasibility Exceptions (TFE)”. Questions should be directed to Mr. Forte or Dr. Sasson. The next NPCC BOD meeting is October 29, 2013.
- 8.2 NPCC Report** – Mr. Fedora reported the BES Definition - Phase 2 webinar on the recently re-posted BES Definition is this afternoon at 1:00 P.M. to 2:30 P.M..
- 8.3 State Energy Plan** – Mr. Patka reported that the State Energy Planning Board has been reviewing Electric System Reliability Reports and the volume 1 summary recommendations. There have been two informational meetings of the State Energy Planning Board. They are over the statutory deadline for adopting the State Energy Plan. A meeting to adopt the Plan has not been scheduled as of yet.
- 9.0 State/Federal Energy Activities**
- 9.1 CARIS** – The Business Issues and Management Committees recommended that the NYISO Board of Directors (BOD) approve the draft 2013 CARIS Phase 1 report. The NYISO BOD will review the draft report in October 2013 and take action at its November 2013 meeting. At the October 11, 2013 ESPWG, the NYISO will initiate discussions on “Lessons Learned” from the 2013 CARIS 1 process, updates to the Economic Planning Manual, and the development of the 2014 CARIS 2 database.
- 9.2 Order 1000** – The FERC Order 1000 interregional compliance filing was submitted on July 10, 2013. On April 18, 2013 FERC “conditionally accepted” the NYISO regional compliance filing. Numerous conditions of the FERC Order required the NYISO to select the more efficient or cost effective transmission solutions in the reliability and public policy planning processes. The NYISO is holding frequent meetings with stakeholders to discuss the compliance issues. FERC has granted a filing extension to October 15, 2013.
- 9.3 2014 RNA** - The TOs have been asked to schedule presentations of their Local Transmission Owner Plans (LTPs) for the October 2013 ESPWG meetings. LTPs are the first step in preparing the base case for the 2014 RNA.
- 9.4 Interregional Transmission Studies**
- i. EIPC Study** – The Gas-Electric System Interface Study vendor selection is in progress. The Study timeline includes a baseline assessment of the existing system to be completed by December 20, 2013. An evaluation of the capability of the gas system to satisfy the needs of the electric system will be in draft form by March 28, 2014. The identification of gas-side contingencies that could impact electric reliability will be in draft form by September 12, 2014. A draft review of dual fuel capability is expected on May 5, 2014. The final draft report is scheduled for March 10, 2015.
- 9.5 Other Studies/Activities** – Nothing additional to report.
- 10.0 Other Items**
- 10.1 NYISO Operations Report** – Mr. Yeomans provided the NYISO Operations Report for September 2013.

The peak load occurred on Wednesday, September 11, 2013 at 31,202Mws. There were no Major Emergencies declared during the month. Alert states were declared on 16 occasions; 5 times for system frequency. There were no TLR Level 3s declared. On September 3, 2013, a 7040 Chateaugay-Massena tripped at 1392Mws with 1279Mws scheduled to New York. A RPU and SAR were run. ACE crossed zero and the RPU was terminated at 10:16. SAR was terminated at 10:30.

On September 16, 2013 at 12:21 both DC poles at Chateaugay tripped while loaded to 854Mws. ACE crossed zero within 10 minutes and the RPU was terminated at 12:36. SAR was terminated at 12:53.

10.2 North American Energy Standard Board (NAESB) – See item #3.2(c).

10.3 Steve Whitley Discussion – Mr. Steven Whitley, President and CEO of the NYISO, accepted a long standing invitation from the NYSRC to attend any or all of its meetings. He expressed his thanks for the continuing excellent cooperation between the NYISO and NYSRC during his 5 year tenure at the NYISO. In particular, Mr. Whitley referenced the annual IRM Study and the proposed Generator Black Start issue. Also, he gave a summary presentation on the “Smart Grid Investment Grant (DOE) at NYISO”. He noted the installation of 938MVARs of SGIG capacitors at 336 locations within the sub-transmission/distribution network. Also, under the DOE grant, 47 new PMUs have been installed at 41 locations within NYCA. Wide area monitoring is supported by synchrophasor data exchange with MISO and PJM. Real-time situational awareness applications have been integrated into the “state-of-the-art” control room video wall. The Real-time platform has been designed to accommodate potential new advanced technologies. Dr. Sasson and others expressed the Executive Committee’s appreciation for the support given the NYSRC by the NYISO. Fulfilling the NYSRC’s mission depends heavily on the cooperation and technical expertise of the NYISO. Still, Dr. Sasson did indicate that technical reports have failed to meet agreed upon deadlines due to manpower constraints or delays in the NYISO’s legal review process. Mr. Whitley agreed to review this concern.

11.0 Visitors’ Comments – None

12.0 Meeting Schedule

<u>Mtg. No.</u>	<u>Date</u>	<u>Location</u>	<u>Time</u>
#175	Nov 8, 2013	Albany Country Club, Voorheesville, NY	9:30 A.M.
#176	Dec 6, 2013	Albany Country Club, Voorheesville, NY	9:30 A.M.

The open session of Committee Meeting No.174 was adjourned at 12:30 PM.