

Final Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Executive Committee
Meeting No. 200 – December 4, 2015
Albany Country Club, Voorheesville, NY

Members and Alternates

in Attendance:

Curt Dahl, P.E.	PSEGLI – Member – Chair
Peter Altenburger	National Grid, USA – Vice Chair
George Loehr	Unaffiliated Member
William H. Clagett	Unaffiliated Member - Phone
George Smith, P.E.	Unaffiliated Member
Bruce Ellsworth	Unaffiliated Member
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
Chris Wentlent	Independent Power Producers of NY. – Alternate - Phone
Scott Leuthauser	Independent Power Producers of NY. – Alternate Member
David Johnson	Independent Power Producers of NY. – Member
Jim McCloskey	Central Hudson Gas & Electric – Alternate Member
Mayer Sasson	Consolidated Edison Co. of NY, Inc. - Member
Ray Kinney	New York State Electric & Gas/RG&E – Member - Phone
Mike Mager	Couch White (Large Customer Sector) – Member
Sunil Palla	NYPA - Member

Other

Paul Gioia, Esq.	Counsel
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Henry Chao	New York Independent System Operator (NYISO)
Brad Jones	New York Independent System Operator (NYISO)*
Wes Yeomans	New York Independent System Operator (NYISO)
Rob Pike	New York Independent System Operator (NYISO)*
Ed Schrom	NYS Department of Public Service
Don Raymond	Executive Secretary
Al Adamson	Treasurer, Consultant - Phone
Roger Clayton	Electric Power Resources, LLC – RRS/RCMS Chair
Erin Hogan	NYDOT – ICS Chair

Visitors- (Open Session)

Rick Brophy	New York State Electric & Gas/RG&E
Mark Younger	Hudson Energy Economics, LLC*
Robert Boyle	NYPA

“*” Denotes part-time

I. Open Session

1.0 Introduction – Chairman Dahl called the NYSRC Executive Committee (Committee) Meeting No. 200 to order at 9:30 a.m. on December 4, 2015.

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

1.6 Other – Mr. Brad Jones (NYISO President and CEO) addressed the NYSRC following the lunch break.

2.0 Meeting Minutes/Action Items

2.1 Approval of Minutes for Meeting No. 199 (November 6, 2015) – Mr. Raymond introduced the revised draft minutes which included all comments received to date. Messrs. Smith and Ellsworth, and Dr. Sasson provided additional clarifying comments. Mr. Ellsworth moved for approval of the draft minutes including the additional comments. The motion was seconded by Dr. Sasson and unanimously approved by the Executive Committee members – (13 to 0). The Executive Secretary will post the minutes on the NYSRC website – **AI #200-1.**

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>
184-3	Mr. Clayton reported that all entites within the NYC Zone are subject to Local Area Reviews at the October 8, 2015 Executive Committee meeting.
197-3	The Parameter Study and Tan 45 curve was presented at the October 8, 2015 Executive Committee meeting.
197-4	The preliminary NYISO non-compliance letter was provided at the November 6, 2015 Executive Committee Meeting.
197-5	The MDMS project completion issues were reported as resolved at the November 6, 2015 Executive Committee Meeting.
199-6	Mr. Smith provided information on the NPCC Load Model on November 6, 2015.

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 \$167,000 at the end of November 2015. He noted

that the year-end budget variation is projected to be \$139,000 under budget when including the \$50,000 contingency.

- ii. **1st Quarter Call-for-Funds** – Mr. Adamson introduced the estimated cash flow for 2016, which he uses to project the quarterly Call-for-Funds requirements. The estimated monthly payments are totaled for the subsequent quarter and adjusted, if necessary, to derive the Call-for-Funds while maintaining a quarterly \$30,000 to \$40,000 surplus. The actual 2015 payments by each TO were \$105,000.

Mr. Adamson requested a 1st Quarter 2016 Call-for Funds of \$5,000 dues for each affiliated member and an additional \$20,000 assessment for each TO. Mr. Mager moved for acceptance of the request. The motion was seconded by Dr. Sasson and unanimously approved by the Executive Committee – (13 to 0).

3.2 Other Organizational Issues - None

- i. **NYSRC/NPCC Member Representative and Alternate** – Mr. Loehr suggested that the Vice Chair and Chair respectively, become the NYSRC’s NPCC Member Representatives (Member and Alternate) replacing Mr. Loehr and Dr. Sasson. The Executive Committee concurred. Messrs. Forte and Clayton will remain the NYSRC’s members on the NPCC Board of Trustees and NPCC RCC, respectively. Mr. Loehr will continue as the alternate on the NPCC RCC.
- ii. **January 2016 Executive Committee Meeting Location** – Mr. Raymond reminded the Executive Committee that the Albany Country Club is unable to accommodate the Executive Committee for the first two meetings of 2016. However, the NYISO (Mr. Chao) confirmed that Mr. Tarler had reserved space at the NYISO Krey Blvd. Control Center.
- iii. **City Council of New York** – Mr. Dahl reported the receipt of an invitation from the City Council to provide testimony on Coastal Storm Hardening. After discussion with Messrs. Altenburger and Gioia, and others, it was felt that the subject of the hearing was outside the purview of the NYSRC. Therefore, the NYSRC respectfully declined. It was noted that ConEd will be providing testimony.

4.0 Capacity Subcommittee (ICS) Status Report/Issue

- 4.1 **ICS Chair Report** – Ms. Hogan reported that the ICS met on November 17, 2015 to review the results of the remaining sensitivity cases and on November 30, 2015 to review the final draft of the IRM report. She focused attention to the items summarized below:

- i. **Multi-Year Wind Model** – Ms. Hogan indicated that the NYISO was able to blend 3 years of wind data from 2012 through 2014. The impact of using the 3 year model was a decrease of .30% in the IRM vs. the base case which utilized the 2013 wind shape only (i.e., 16.7% vs. 17.0%). Following further review and testing, it is likely that the Multi-year model will be used in the base case next year – **AI #200-2**. In response to a question from Mr. Mager, Mr. Chao indicated that the model can handle up to 5 years of data. Also, he confirmed that the wind data is by regions within the State verses a single wind shape for the State.

- ii. **Huntley Special Sensitivity** – Ms. Hogan indicated the notification that Huntley Units 67 and 68 will be retired prior to next summer was issued subsequent to the acceptance of this year’s base case. As a result, a Special Sensitivity case was performed excluding the two Huntley units. ICS reviewed the changes to the NYCA topology due to the retirement of the Huntley Station and upgrades to the National Grid system that impacted Zone A as well as the Dysinger-East interface flows. A full Tan 45 analysis was performed for the Special Sensitivity and resulted in an IRM of 17.4%, an LCR for NYC of 80.8% and a Long Island LCR of 102.4%.

As a result of the foregoing information and the discussion that followed, Dr. Sasson moved that the Special Sensitivity become the new base case and that the 2016-17 IRM Report be reconciled as appropriate. The motion was seconded by Mr. Loehr and approved by the Executive Committee – (11 to 0, 2 abstentions).

iii. **Five Zone PJM Representation** – Ms. Hogan indicated that the NYISO explained to ICS how it implemented the transition from the four zone to five zone PJM model. The NYISO began with the four zone model and split one of the zones to achieve the total of five zones. The total load, total generation, and LOLE = 0.14 were confirmed as being identical to the four zone model. No other changes were made. Using the five zone model resulted in a 0.1 LOLE and an IRM of 17.0% which is identical to the base case results. This result was expected given that the LOLE was unchanged from the four zone base case. Mr. Bolbrock expressed concern regarding whether holding the PJM LOLE to 0.14 in both the four and five zone NYCA IRM cases was appropriate and requested that this issue be resolved before the 2017-18 IRM Study – **AI #200-3**. Also, the NYISO reported that without further discussion on the 5 zone model for PJM, the model result should be considered preliminary.

4.2 **2016-17 IRM Report** – Ms. Hogan offered the report, New York Control Area Installed Capacity Requirement for the Period May 2016 to April 17. Messrs. Gioia, Bolbrock, Loehr, Dahl, and Adamson and Dr. Sasson provided specific comments on the Report. Following additional discussion, Dr. Sasson moved for approval of the Report conditioned on the inclusion of the afore-mentioned comments. The motion was seconded by Mr. Loehr and unanimously approved by the Executive Committee – (13 to 0). The final Report will be provided to the Executive Committee for a last review.

The Chair, on behalf of the Executive Committee, thanked the NYISO, Ms. Hogan, ICS and Mr. Adamson for their substantial contributions to the development of the 2016-17 IRM Report.

4.3 **Voting for Final 2016-17 IRM** – Mr. Dahl requested that Mr. Gioia summarize the “Executive Committee Voting Procedure” as it appears in Policy 5. Following this and after each Executive Committee had the opportunity to make their comments, a secret “Straw Poll” was taken in which each Executive Committee member indicated the IRM he/she supports as the final IRM based on the discussion of the IRM Study, the base case IRM, and the sensitivity studies. Recommended IRMs different from the base case IRM (17.4%) were expressed in increments higher or lower than the base case IRM rounded to the nearest whole or half integer. Mr. Raymond reported that the “Straw Poll” resulted in a tie between 17.0 and 17.5%. Per Policy 5, a secret “up or down” vote was taken for 17.5%, it being closest to the base case of the tied percentages in the “Straw Poll”. Mr. Raymond announced that 17.5% had received the minimum mandatory of 9 votes or more to become the 2016-17 IRM. Mr. Gioia confirmed the tabulation for both the “Straw Poll” and the subsequent “up or down” vote. He announced that 17.5% received 10 favorable votes.

4.4 **2016-17 IRM Resolution** – Mr. Adamson provided the template for the Resolution and the additional information needed for completion of the Resolution from the previous Executive Committee actions. Dr. Sasson moved that the completed Resolution be approved. The motion was seconded by Mr. Ellsworth and unanimously approved by the Executive Committee – (13 to 0). Mr. Gioia agreed to prepare an ~~informational~~ filing with FERC and to provide letters to Brad Jones (NYISO President & CEO) and the PSC informing them of the Executive Committee’s IRM determination along with a copy of the 2016-17 IRM Report – **AI #200-4**.

5.0 Reliability Rules Subcommittee Status Report/Issues

5.1 **RRS Status Report & Discussion Issues** – Mr. Clayton, reported that a joint RRS/RCMS meeting was held on December 1, 2015. Two separate meetings were held, each with its own agenda and minutes. He summarized RRS’s current activities which are included in Sections 5.2 – 5.6 below.

5.2 Status of New/Revised Reliability Rules

i. Proposed NYSRC Reliability Rules Revision

a. **List of Potential Reliability Rules (“PRR”) Changes** – Mr. Clayton introduced the List of Potential Reliability Rule Changes. He noted PRRs #120, through #122, Revision to Tables B-1, B-2 and C-1 were tabled pending NPCC Directory 1 approval. Since approval of Directory 1 on October 1, 2015, RRS has incorporated the NPCC Directory 1 Operating and Planning

Tables, which specifying contingency events and performance requirements, into PRRs #120 through #122. The NYISO has not completed its review of PRR #120. Therefore, the PRRs will be presented as a “bloc” to the Executive Committee at its January 8, 2016 meeting with a “request to post”.

Mr. Clayton reminded the Executive Committee that for PRR #128, Definition of NYS Bulk Power System, RRS has planned on using the NPCC A-10 with consideration of a ConEd radial exclusion proposal. This approach was tabled pending NPCC resolution of the radial exclusion issue. PRR #129, Include TO and MP Requirements in B.1 (R1-R4), will remedy the lack of provisions whereby the TOs and MP confirm their compliance with the Reliability Rules. PRR #129 is currently under review by RRS.

5.3 Proposed NYSRC Reliability Rule Revisions

a. 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

5.4 NPCC/NERC Standard Tracking

- i. **NERC Standards Development** – Mr. Adamson introduced the “NERC Reliability Standard Development Tracking Summary” and noted that the NYSRC voted “Yes” on TOP-009-1, Phase 2 of System Protection Coordination, PRC-005, FERC Order 803 Directive, IRO-018-1, TOP-010-1, Real Time Monitoring and Analysis Capabilities, and COM-0001-3, Internal Communications Capabilities. He noted the receipt of guidance from NGrid and ConEd.

5.5 Other RRS Issues –

- i. **Proposed New NYC Local Rule on Gas Generation** – Messrs. Clayton and Yeomans noted that the NYISO is pursuing with the generator owners 1st Quarter of 2015 generator trips by multiple units but with the same engine type. It was learned that when a generator changes from gas to oil, the generator must first go down to approximately 30% rating to keep the oil in a ready state for changeover from gas. There are “best practices”, i.e., testing the changeover during a normal shutdown. It was also learned that units in the ConEd territory fed by NGrid gas pipelines are not required to have dual fuel capability and comply with the LOGMOP rules. RRS is looking further into this situation – **AI #200-5**.

Also, RRS has received presentations from the NYISO on Fuel Assurance. It appears that substantial market incentives are being put in place that could eliminate Fuel Assurance as an issue.

In addition, Mr. Clayton noted that the NYISO is developing a procedure for notifying Transmission Owners when there are impending fuel shortages.

- ii. **Bucket List** – Mr. Clayton introduced a table, “Candidates for Change to NYSRC RR&CM Manual”, and identified several items which RRS is working on:
 - (a) Revising Reliability Rules to explicitly include additional Market Participant Requirements as appropriate, and
 - (b) Considering adding to C.1 Requirements or Policy 1 procedures that would allow expedited approval of exceptions when the proposed revisions are minor. (Complete)
- iii. **Reforming the Electric Vision (REV)** – Mr. Clayton indicated that Mr. Schrom will be giving a presentation on the reliability implications of REV at the next RRS meeting. RRS will then develop questions for consideration by the Executive Committee. Further, he noted that a very good presentation on REV was given at the NPCC General Meeting. Mr. Fedora will circulate the presentation to the Executive Committee. All presentations given at the Meeting may be found at the NPCC website.

6.0 Reliability Compliance Monitoring Subcommittee (RCMS) Report/Issues

6.1 RCMS Status Report & Discussion Issues – Mr. Clayton reported that RCMS met on December 1,

2015 following the RRS meeting.

- 6.2 2015 New York Reliability Compliance Program (NYRCP)** – Mr. Clayton noted that the NYRCP is complete for 2015 with the exception of the November and December 2015 Operations Report. They will be reviewed by RCMS as they become available. The NYISO was found in compliance on all items in the NYRCP during 2015.

The 2016 NYRCP will be presented at the January 8, 2016 Executive Committee meeting.

6.3 Other RCMS Issues

- i. Non-compliance Letter** – Mr. Clayton noted that Mr. Gioia sent a letter to the NYISO Vice President of Operations informing him of the waiver of non-compliance and requesting that the NYISO periodically report to the Executive Committee regarding: (i) the status of NGrid actions in accordance with the mitigation plan for ensuring future compliance, and (ii) the status of information it is seeking from National Grid to better understand the nature and cause of the violation, and the controls which could prevent the reoccurrence of a like violation – **AI #199-5**.

7.0 Reliability Initiatives

- 7.1 Defensive Strategies** – Nothing new to report.

8.0 State/NPCC/Federal Energy Activities

- 8.1 NPCC Board of Directors (BODs)** – Mr. Forte provided a summary of the FERC Order directing Regional Delegation Agreement revisions. It was reviewed for approval at the December 2, 2015 NPCC Board of Trustees meeting. Comments and/or questions should be directed to Dr. Sasson or Mr. Forte.

- 8.2 NPCC Report** – Mr. Fedora reported that the NPCC-RCC met this week and approved the: (i) 2015-16 Winter Reliability Assessment, (ii) 2015-20 Overall Reliability Assessment, and (iii) Long Range Adequacy Overview. They are available on the NPCC website and presentations can be arranged at the request of the Executive Committee.

The General Meeting was well attended and included presentations on: (i) REV, (ii) Ontario’s experience in retaining reliability in lieu of Government requirements to shutdown its coal plants, (iii) NYISO preparation for this winter Capability Period, (iv) NERC assessments to give guidance to State regulators, and (v) NYISO and NE views on the EPA proposed Clean Power Plant regulations and RGGI. Regarding item (v), the NPCC appears to be in a good position to meet the proposed regulations in the various State Implementations Plans.

9.0 NYISO Status Report/Issues

- 9.1 Reliability Planning Process** - The 2014 CRP determined that the NY BPS will meet all applicable reliability criteria over the 2015 through 2024 study period, and confirmed that the initially identified Reliability Needs in the 2014 RNA are resolved. The final report was approved by the Board of Directors in July 2015.

NRG Energy notified the PSC and the NYISO on August 25, 2015 of its intent to retire the Huntley generating facility on March 1, 2016. The PSC requested that the NYISO and National Grid determine whether the retirement of Huntley and mothballing of Dunkirk would have an adverse impact on reliability. The NYISO responded to the PSC on October 30, 2015 stating that, assuming the timely completion of National Grid’s local transmission upgrades, reliability would be maintained following the mothballing of Dunkirk on January 1, 2016 and the retirement of Huntley on March 1, 2016. The NYISO has requested that National Grid provide bi-weekly status updates regarding the progress of the upgrades until they are complete, and the NYISO will continue to assess whether a Reliability Need will arise on the Power System or local transmission system.

Entergy Nuclear Power Marketing LLC notified the PSC and the NYISO on Nov. 13, 2015 of its intent to retire the James A FitzPatrick Nuclear Generating Facility at the end of its current fuel cycle, which is projected to be approximately 4th Quarter 2016 – 1st Quarter 2017. In accordance with the new RMR process, the NYISO has determined that the generator deactivation notice is complete, and as the next

step, will determine the impact to reliability.

- 9.2 CARIS** – Based upon the analysis of historic and projected congestion patterns, the NYISO staff has finalized the three studies for the 2015 CARIS (Central East, Central East-New Scotland-Pleasant Valley and the Western New York 230kV system) and reviewed the studies with stakeholders. The 2015 CARIS report was finalized in early October 2015 and submitted to stakeholders for action at the October 14, 2015 BIC and October 28, 2015 MC meetings. The Report was approved by both the BIC and MC. The NYISO BOD approved the Report at its November 2015 meeting. A public information session is scheduled for December 17, 2015.

No specific 2014 CARIS 2 project proposals were submitted as of November 15, 2015.

NYPA has requested an additional CARIS study be performed to assess the economic impact of various infrastructure upgrades in the NYCA transmission system. The NYISO staff is continuing its internal assessment of appropriate metric methodologies for estimating the capacity benefits of transmission projects.

- 9.3 Public Policy Transmission Planning Process** – On July 2015, the PSC declared a Public Policy Transmission Need in Western New York. In August 2015, NYISO staff presented to stakeholders the baseline technical details and next steps. The NYISO presented updated baseline results on October 29, 2015 taking into consideration updated local transmission plans affecting Western New York. A solicitation for solutions was issued by the NYISO on November 1, 2015 and solutions are due on December 31, 2015.

On September 22, 2015 the PSC Trial Staff issued the final report on the comparative evaluations of AC Transmission upgrade alternatives, and a motion to the commission to declare a public policy transmission need. The PSC Trial Staff held a technical conference on October 8-9, 2015, and comments on the final report and the recommendation were due to the PSC on November 6, 2015. The PSC is expected to consider whether to issue a Public Policy Transmission Need for upgrades across the Central East and UPNY/SENY interfaces at its December 2015 Session.

- 9.4 Interregional Transmission Studies**

i. EIPC Study – EIPC members have created roll-up integration for summer and winter peak power flow cases of the Eastern Interconnection representing the year 2025. The gap analysis and linear transfer analysis were performed and compiled in a Roll-up Model Report to be available by December 11, 2015. The NYISO held an IPTF meeting on November 10, 2015 and EIPC held a webinar on November 17, 2015 to present the results and seek stakeholder feedback on potential scenarios of interest for analysis in 2016. Stakeholder written input on the draft roll-up report and possible scenarios is due January 29, 2016. The next EIPC webinar is scheduled for February 26, 2016.

ii. IPSAC – FERC issued an order on May 14, 2015 on the NYISO/PJM/ISO-NE interregional compliance filing from 2013. Joint filings compliance filings were submitted on July 13, 2015. On November 19, 2015, FERC issued a letter order accepting the filing effective January 1, 2016.

The NYISO, PJM, and ISO-NE will be taking steps necessary to comply with Order 1000 and the protocol. An IPSAC meeting is scheduled for December 14, 2015. The agenda includes (a) Regional Planning Needs for each ISO/RTO, (b) Interregional Planning Timelines in the context of Order, and (c) Projects potentially affecting Neighboring Systems.

- 9.5 Other Studies/Activities** – None

- 10.0 Market Initiatives Impacting Reliability** – Mr. Pike (NYISO) discussed updates to market initiatives felt to have significance from a reliability perspective.

The Behind the Meter: Net Generation Model will clearly define rules to allow incremental generation behind the meter to participate in the NY Wholesale Electricity market. The NYISO had stakeholder discussions to fully develop the market design and establish the rules for participation in the

energy and capacity markets. The NYISO received concept approval of the market design in September 2015.

The NYISO has been working with stakeholders on the tariff language supporting the Behind the Meter: Net Generation market rule changes. These changes have been discussed with stakeholders and are scheduled for a vote at the December Business Issues Committee. In order to facilitate a quicker delivery schedule on the changes, the NYISO and stakeholders intentionally focused the applicability of the new rules to generator assets who were not also participating in transmission owner load reduction programs. This has caused some concern with stakeholders who had anticipated being able to participate in both programs simultaneously. The NYISO is supportive of continuing market rule development efforts to incorporate these assets, but has recognized that there will need to be significant operational coordination efforts between the NYISO's and transmission owner's system operations staff to ensure consistent and compatible instructions are provided to the resources. These efforts are expected to commence in 2016.

The Comprehensive Shortage/Scarcity Pricing tariff changes and the November 2015 implementation date were approved by FERC. The NYISO has engaged stakeholders in a review of market design improvements to enhance the scarcity pricing mechanisms and is evaluating alternative market design solution options suggested by stakeholders. The NYISO received stakeholder approval in October 2015 and is targeting implementation of the new practice in the 2nd Quarter of 2016.

The NYISO is reviewing various options for recognizing fuel-constraints through additional Fuel Constrained Bidding Features to evaluate interest in further developing the concept. Incorporating the fuel limitations directly in the software will allow for efficient use of resources to meet reliability needs. The NYISO proposed a defined scope of work in October 2015 to prioritize efforts for further concept development and stakeholders' consideration.

The NYISO is actively participating in the PSC's proceeding, Reforming the Electric Vision, directly supporting market working groups formed under Track One to facilitate conceptual discussions of REV design, system architecture, and potential interactions between retail activities and wholesale markets. The NYISO is also looking to partner in various REV demonstration projects to evaluate the potential for operational and market impacts from DER participation.

FERC directed the NYISO to develop and file a set of rules to designate resources for Reliability Must Run (RMR) service to ensure the continued reliable and efficient operation of the power system and the NYISO Markets. The structure and administration will require: (a) specifying the retirement notification obligations, (b) a process for evaluating alternative solutions, (c) definition of compensation and cost allocation provisions, and (d) expectations for participation in the capacity and energy markets. In addition, the NYISO is exploring enhancements to its long-term planning process to support identification and development of solutions for potential generator retirements. The NYISO has developed and filed a proposed solution framework with FERC.

The NYISO has initiated stakeholder discussion on evaluating alternate Methodologies for Setting Locational Capacity Requirements (LCRs). There are multiple possible approaches to determine the LCR requirement for a Capacity Zone after the IRM has been set under NYSRC's Policy 5. The NYISO is facilitating a discussion in an ICAP Working Group Task Force to identify appropriate methodologies. Also, the NYISO is seeking stakeholder input on alternate methodologies. The NYISO will brief the ICS on these discussions. Resolution is expected in 2016.

The NYISO has selected Analysis Group to lead the Demand Curve Reset evaluation and has begun stakeholder discussions. Their efforts include an evaluation of the tradeoffs in lengthening the reset cycle to four, five or six years, and the corresponding changes that would be necessary in predicting the

net energy and ancillary service revenue streams. Any tariff revisions for a change in the periodicity of the DCR process will be filed with FERC in March 2016. The DCR process will continue through 2016 with filing of revised parameters in November 2016.

11.0 Other Items

11.1 NYISO Winter Assessment 2015-16 - Mr. Yeomans gave a presentation to the Executive Committee titled, 2015-2016 Capacity Assessment & Winter Preparedness:

i. **Winter Capacity Assessment** – The Assessment was carried out for Base and Loss of Gas Cases, and a normal and cold weather (90/10) load forecasts. For the Base Case, the 2015-16 capacity margins for normal weather and cold weather forecasts were 9,068Mws and 7,486Mws, respectively for NYCA and 9,108Mws and 8,576Mws, respectively for the Southeast region (N-1-1). Additional reserve capacity may be attained through the market.

The current NYCA generating capacity is 46% dual fuel (gas & oil), 14% nuclear, 11% hydro, 10% gas, 7% oil, 5% renewables, and 4% coal. In comparison, New York City is 78% dual fuel, 17% gas and 5% oil.

ii. **Winter Preparedness** – The NYISO has: (a) conducted winter fuel surveys, (b) reviewed the status of starting oil inventories, oil replacement arrangements, and gas transportation arrangements, and (c) continued control room gas-electric support position to monitor the status of the gas pipeline system, alternative fuel inventories, and potential emissions limitations. Also in place are: (a) a communications protocol to improve the speed and efficiency for State agencies to evaluate potential generator requests for emissions waivers to meet reliability requirements, (b) infrastructure maintenance coordination, (c) visits to some generating stations to review maintenance and testing preparations (d) a new Northeast interstate pipelines display on the control room video board. Market enhancements have been made to the reserve shortage pricing curves and work with stakeholders is on-going to evaluate fuel constrained bidding, and capacity market improvements to encourage fuel assurance investments.

FERC Order 809 (April 16, 2015) adopts two proposals submitted by NAESB: (a) a revision of the Nomination Schedule to 2:00 PM (EST) from 12:30 PM and (b) adding a third intraday nomination cycle. However, FERC declined to change the gas day to align with the power day. ISOs are considering advancing the posting of Day Ahead schedules to allow sufficient time for gas purchases prior to the 2:00 PM nomination deadline.

iii. **Gas-Electric Issues** – Mr. Yeomans pointed out that significant gas-electric issues remain, including (a) interstate gas pipelines are heavily constrained to Eastern NY, New York City, and Long Island during cold weather, (b) burn rates of alternative fuels can exceed replacement rates during cold weather causing reduced generation, (c) more restrictive NOx emissions can cause capacity limitations for generators switching from gas to oil, (d) more rigorous Clean Power Plan carbon targets, and (e) challenging gas pipeline siting.

11.2 North American Energy Standards Board (NAESB) – Mr. Ellsworth reported that the NAESB Quarterly Report is available. Also, the NAESB Board will be meeting next week.

13.0 Visitors' Comments – None

14.0 Meeting Schedule

Mtg.

<u>No.</u>	<u>Date</u>	<u>Location</u>	<u>Time</u>
201	Jan. 8, 2016	NYISO, 10 Krey Blvd., Rensselaer, NY.	9:30 A.M.
202	Feb. 8, 2016	TBD	TBD

The Executive Committee Meeting #200 adjourned at 3:00 P.M.