



New York Reliability Council
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Via email

Tim Fryfogle

Chair - NERC Reliability Assessment Subcommittee (RAS) of the Planning Committee (PC)

ReliabilityFirst Corporation

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RE: NYSRC Information for NERC Reliability Assessment subcommittee (RAS) Consideration in 2019

Dear: Tim

I am writing to you in my role as the Chair of the Executive Committee of the New York State Reliability Council (NYSRC)^{1,2}. NYSRC is a Member of NERC. Among the duties of the NYSRC is the obligation to produce an annual generation capacity assessment. In December of each year the process delivers a one year forward generation capability determination of the minimum requirement for installed generation capacity to be procured by the NYISO through its capacity market.

The fundamental design goal of this assessment is to assure that the New York State power system acquires enough generation capacity to achieve a minimum of 0.1 days per year Loss of Load Probability

¹ The New York State Reliability Council, L.L.C. ("NYSRC") is a Federal Energy Regulatory Commission and New York Public Service Commission sanctioned entity whose mission is to promote and preserve the reliability of electric service on the New York State Power System by developing, maintaining, and, from time-to-time, updating the Reliability Rules which shall be complied with by the New York Independent System Operator ("NYISO") and all entities engaging in electric transmission, ancillary services, energy and power transactions on the New York State Power System.

² The NYSRC was approved by an order issued by the Commission in 1998 and subsequent Commission orders as part of the restructuring of the electricity market in New York State and the formation of the NYISO. In its orders, the Commission approved the NYSRC Agreement among the members of the New York Power Pool ("NYPP"), which established the NYSRC and described its responsibilities, and the NYISO/NYSRC Agreement between the NYISO and the NYSRC which established the relationship between the NYISO and the NYSRC and their respective responsibilities.

(LOLP) as required of all NPCC members in accordance with NPCC Directory # 1 Requirement #4³ and the NYSRC Reliability Rule A.1: Establishing NYCA Installed Reserve Margin Requirements.

This analysis method is detailed on the NYSRC website⁴. The results of the NYSRC determination are filed annually with the Federal Energy Regulatory Commission (FERC) and the New York State Public Service Commission. The most recent filing with the FERC is appended to this letter as Attachment #1 for your information.

We have reviewed the final released versions of both the NERC 2018/2019 Winter Assessment and the NERC 2018 Summer Assessment. We have identified inconsistencies in those assessments in the application of the NERC's stated approach for use of a Reference Margin and that of the NYSRC's IRM determination. For example, the NERC 2018/2019 Winter Assessment for NPCC - New York shows a 15% Reference Margin Level with a footnote that it was "Changed per NERC assessment default level of 15% used in the NERC 2017 Long Term Reliability Assessment". NERC's assumption of a default 15% Reference Margin Level is at odds with NYSRC's IRM of 18.2% for New York for the corresponding 2018/2019 capability periods.

Most recently, at the meeting of the NYSRC Executive Committee on December 7, 2018 the IRM requirement for summer 2019 and winter 2019-2020 is 17.0%, as noted in Attachment #1 to this letter.

Please note that NERC's definition of Reference Margin provides that:

"...the Reference Margin Level is a requirement implemented by the respective state(s), provincial authorities, ISO/RTO, or other regulatory bodies. If such a requirement exists (emphasis added), the respective assessment area generally adopts this requirement as the Reference Margin Level."

The NYSRC believes the NERC RAS should address these inconsistencies and requests the RAS consider including the NYSRC's annual IRM determination for NPCC-New York in NERC's on-going seasonal assessment reports.

We hope this information assists your 2019 reliability assessment efforts. The NYSRC's annual IRM determinations are filed with FERC in December of the prior year and are therefore available on a timely basis for consideration of the RAS to include if it chooses to do so.

³ [NPCC Directory #1-R4](#)- Each Planning Coordinator or Resource Planner shall probabilistically evaluate resource adequacy of its Planning Coordinator Area portion of the bulk power system to demonstrate that the loss of load expectation (LOLE) of disconnecting firm load due to resource deficiencies is, on average, no more than 0.1 days per year.

⁴ NYSRC [Policy 5-13](#) -Procedure for Establishing New York Control Area Installed Capacity Requirements outlines the NYSRC IRM Development process

Please contact myself and Howard Kosel, Chair of the NYSRC Installed Capacity Subcommittee for further details or explanations if needed.

Sincerely,

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Cc:

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Attachment 1 – NYSRC’s FERC 2019/2020 IRM filing