

DRAFT Minutes
New York State Reliability Council, LLC (NYSRC)
Executive Committee (EC) Meeting No. 224
December 8, 2017
Albany Country Club
300 Wormer Rd, Voorheesville, NY

Members and Alternates

In Attendance:

Curt Dahl, P.E.	PSEGLI - Member – EC Chair
Roger Clayton, P.E.	Unaffiliated Member – EC Vice Chair, RRS Chair, RCMS Chair
George Loehr	Unaffiliated Member
George Smith, P.E.	Unaffiliated Member
Bruce Ellsworth, P.E.	Unaffiliated Member
Richard Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
Ray Kinney	NYSEG and RG&E – Member
Rich Brophy	NYSEG and RG&E – Alternate Member
Frank Pace	Central Hudson Gas & Electric – Alternate Member
Mayer Sasson	Consolidated Edison Co. of NY, Inc. - Member
Mark Domino, P.E.	National Grid, USA-Alternate Member-Phone
Sunil Palla	New York Power Authority (NYPA) – Member
Mike Mager	Couch White (Large Consumer) – Member
Mark Younger	Hudson Energy Economics, LLC (Wholesale Sellers) – Alternate Member

Other Attendees:

Paul Gioia, Esq.	Whiteman, Osterman & Hanna, LLP – Counsel
Al Adamson	NYSRC Treasurer and Consultant-Phone
Mariann Wilczek	PSEGLI – ICS Chair
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Zach Smith	New York Independent System Operator (NYISO)
Rana Mukerji	New York Independent System Operator (NYISO)
Emilie Nelson	New York Independent System Operator (NYISO)
Josh Boles	New York Independent System Operator (NYISO)
Rick Gonzales	New York Independent System Operator (NYISO)
Phil Fedora	Northeast Power Coordinating Council, Inc.
Leka Gjonaj	NYS Department of Public Service
Herb Schrayshuen	NYSRC EC Secretary

Visitors - (Open Session):

Matthieu Plante	Hydro Quebec US-Phone
Scott Leuthauser	Hydro Quebec US
John Moura	NERC-Phone
Allan Ackerman	Customized Energy Solutions-Phone

“*” Denotes part-time participation in the meeting

- 1. Introduction** – C. Dahl, EC Chair, called the NYSRC Executive Committee Meeting No. 224 to order at 9:30 a.m. on December 8, 2017. A quorum of thirteen Members and Alternate Members of the NYSRC EC was established.
 - 1.1. Visitors** – The visitors and attendees on the phone were identified.
 - 1.2. Requests for Additional Agenda Items** – There were no additional agenda items proposed for the open meeting.
 - 1.3.** C. Dahl reported on the November 9, 2017 Executive Meeting discussions noting that ICS leadership succession planning issues were now resolved.
 - 1.4. Executive Session Topics** – One Executive Session topics was proposed. An Executive Session was held after the open meeting concluded.
 - 1.5. Declarations of “Conflict of Interest”** – There were no declarations of conflicts of interest.
- 2. Meeting Minutes/Action Items List**
 - 2.1. Approval of Minutes for Meeting No. 223 (November 9, 2017)** – H. Schrayshuen introduced the revised draft minutes of the November 9, 2017, 2017 EC Meeting (Attachment #2.1) which included all comments received. Paul Gioia provided one additional change to Agenda Item #41 noting that the NYISO Stakeholder approval of the proposed LCR method was conceptual in nature. R. Bolbrock made a motion to approve the minutes of Meeting #223 as modified. The motion was seconded by B. Ellsworth and unanimously approved by the EC members in attendance (13 - 0 with no abstentions). The EC Secretary will arrange to have the final minutes for EC Meeting # 223 posted on the NYSRC website.
 - 2.2. Review of Outstanding Action Items List** – H. Schrayshuen presented the Action Item List in Attachment #2.2 noting that the currently due AI #204-5 would be resolved in the course of the current meeting. He further noted that action regarding several action items from EC Meeting #223 have been completed and moved to the completed action item list. R. Clayton reported that AI #223-5 has been completed with a presentation by W. Yeomans to the RRS at the prior RRS meeting.
- 3. Organizational Issues**
 - 3.1. Summary of Receipts & Disbursements**
 - 3.1.1. Statement of Cash Receipts and disbursements** – A. Adamson presented Attachment #3.1.1 - Statement of Cash Receipts and Disbursements for November. He estimates that the projected NYSRC year-end variance is projected to be \$181,500 under budget.
 - 3.1.2. 2018 Cash Flow Projection and Call for Funds** - A. Adamson presented Attachment #3.1.2 showing the proposed cash flow for 2018 based on the approved NYSRC budget from the July EC meeting. Projection of the necessary assessments to support the cash requirement was provided in the Attachment. A first quarter 2018 Call for Funds of a \$5,000 annual membership fee from each affiliated member organization and an additional \$20,000 from each Transmission Owner organization for the first quarter of 2018 was recommended by A. Adamson. A motion to approve the recommended Call for Funds was made by M. Mager. The motion was seconded B. Ellsworth and approved by the EC (13-0 with no abstentions).
- 4. Installed Capacity Subcommittee (ICS) Status Report/Issues** –M. Wilczek, ICS Chair – Attachment #4.1
 - 4.1. ICS Chair Report** - M. Wilczek addressed the ICS report details as shown in Attachment #4.1 and as discussed below.
 - 4.2. Review and Approval of Technical Study Report – NY Control Area Installed Capacity Requirements May 2018 to April 2019 – Attachment #4.2**

M. Wilczek introduced the IRM report, noting the importance of the CPV Valley Energy Center status to the IRM results and turned the discussion over to E. Nelson for an update. E. Nelson provided an overview of the status of the CPV Valley Energy Center noting that construction has been permitted although future court challenges are possible. E. Nelson indicated that the pipeline project to supply gas to the plant was proceeding and that start-up of the plant on oil is potentially going to move forward in the first quarter of 2018. The impact on the IRM is not significant, but it will be important when LCRs are determined later by the NYISO. M. Sasson proposed, and the EC concurred, a wording change in the last paragraph of the Executive Summary of the IRM Technical study Report was needed to remove the connotation that the EC performed additional processes in establishing the IRM outside of its voting process. M. Wilczek led the EC through the remainder of the report. M. Mager noted the significant effort by the ICS team led by M. Wilczek, noting the contributions of A. Adamson, J. Adams and the other ICS members. The EC commended the ICS members and the NYISO Staff for a job well done. M. Sasson made a motion to approve the 2018 IRM Technical Study Report and Appendix in Attachment #4.2 revised as described above. The motion was seconded by R. Clayton and approved by the EC (13-0 with no abstentions).

- 4.3. **2018-2019 Final IRM Vote** – P. Gioia reviewed the EC process as outlined in Policy 5 (section 5). M. Mager raised a concern regarding the limitations of the existing voting rules relative to the half integer rounding (which is prohibited under the voting process). R. Bolbrock noted in a counter point that the precision of the process does not warrant a finer resolution. G. Smith suggested a change to future voting procedures to allow for increments plus and minus relative to the base case result. P. Gioia will lead a group of EC members including M. Mager, M. Sasson, and G. Smith to review the Policy 5 IRM ballot process for future revisions (**AI-224-1**). The selection of the 2018-2019 IRM was carried out in accordance with Policy 5: Section 5, “Establishment of the Final IRM”. After several rounds of balloting the EC did not reach a conclusion. After discussion the consensus was to hold another ballot at the base case IRM of 18.2%. The final ballot was 10 in favor of an 18.2% Final IRM for the 2018-2019 Capability Year.
- 4.4. **EC Resolution for the 2018-2019 Final IRM** – A motion by M. Mager seconded by B. Ellsworth to direct the EC Secretary to complete the draft resolution in Attachment #4.4 consistent with the approved IRM report and the IRM adopted by the EC and issue a final version of the resolution reflecting the 2018-2019 Capability Year IRM decision.
- 4.5. **Alternative LCR Calculation Methodology Proposal** – M. Wilczek reviewed the background material in Attachment #4.5 providing information on the status of the NYISO Alternative LCR proposal, which commenced in September 2016. ICS’ primary conclusion is that it does not object to continued development and application of the alternative LCR method that was proposed assuming this method is found to be compliant with NYSRC rules. M. Wilczek reported the NYISO BIC approved moving forward with translating the conceptual design into NYISO Tariff language. The transmission security limits included in the process reflected a preliminary security floor for Zone J of 80.16%. Table 2 identifies that the Zone J LOLE levels is higher with the proposed method but still below the .1 day per year level. R. Gonzales commented that NPCC and NYSRC rules (N-1-1) are explicitly recognized in the proposed LCR process via the establishment of a locality floor in the new process with an explicit representation of transmission security. The security floors will be examined and established each year to reflect system changes when the NYISO sets the LCR. R. Clayton identified the need for RRS to develop revised A.1 and A.2 rules followed by the development of a compliance certification statement relative to the application of the proposed alternative LCR methodology relative to NYSRC Rule A.2. RRS will initiate a PRR to revise A.1 and A.2 followed by the certification. RRS will proceed

with the PRR and the development of the compliance certification needed to implement the new LCR method (AI-224-2). P. Gioia noted the BIC and MC approval of the alternate LCR methodology in early 2018 is not final and will be followed by NYISO Board approval in the first quarter of 2018. This would be followed by FERC approval. Updates on the alternate LCR development process as it evolves will occur via future ICS Chair reports to the EC.

- 4.6. Other IC Issues** – M. Wilczek outlined ICS plans for January to examine lessons learned from the recent experience including an action plan. An IRM study guide is under development. Distributed Energy Resource (DER) modeling and exports will be examined by the ICS in 2018.

5. Reliability Rules Subcommittee (RRS) Status Report/Issues –R. Clayton, RRS Chair

5.1. RRS Status Report & Discussion Issues – Attachment #5.1

5.1.1. R. Clayton reported on the status of the RRS activity identifying that there are two PRRs under development. PRR 128 (BPS), which has been tabled pending the NPCC CP 11 review of A-10. R. Clayton reported on the results of the NPCC plan to develop concepts in 2017. Three concepts were developed. Those concepts will be tested in 2018. A presentation on the proposals will be scheduled for the January 2018 EC meeting (AI-224-3). He noted that there were no public comments on PRR 138 (Loss of Long Island Gas Supply).

5.2. New/Revised Reliability Rules Outstanding – Attachment #5.3

5.2.1. After completion of PRR 138, a similar project for Loss of Gas supply for ConEd is underway as PRR 139.

5.3. Reliability Rule Revisions

5.3.1. PRR 138 – R. Clayton noted that the RRS has recommended EC approval based on no comments being received. He further noted a minor editorial change clarifying the levels of non-compliance for M.2 and offered the opinion that reposting is not required. There were no comments on the proposed rule by the end date of the comment period. M. Domino made a motion to approve PRR 138. R. Bolbrock seconded the motion which was approved by the EC (13-0 with no abstentions). The Rule will be included in a revised NYSRC Reliability Rules and Compliance Manual at a later time in conjunction with PRR 139 when it is completed.

5.3.2. PRR-139 – R. Clayton presented PRR 139 Loss of Gas supply for ConEd noting its structural similarity to PRR 138. RRS recommends that PRR 139 be posted for comment. M. Domino made a motion to approve PRR 139 for posting. The motion was seconded by M. Sasson and approved by the EC (13-0 with no abstentions).

5.4. Other RRS Issues

5.4.1. NPCC Request for Clarification – Attachment #5.4.1 - R. Clayton reviewed the draft request for clarification of NPCC Criteria regarding a potential planning criteria gap related to circuit breakers that open without a fault under NPCC Category 2 planning criteria (N-1-1). M. Sasson noted for example, the gap may present itself when in a breaker-and-a-half substation configuration scheme there is a sequential opening of the two breakers connected to the main busses in the same bay. Under the NPCC Criteria, the opening of the second breaker is not studied and the presence of a potential overload is not detected when the closed middle breaker enables the pass through from a higher rated source to a lower rated transmission line. A motion to approve submittal of the clarification was made by G. Loehr. The motion to submit the request for clarification was seconded by M. Sasson and approved by the EC (13-0 with no abstentions).

6. Reliability Compliance Monitoring Subcommittee (RCMS) Status Report/Issues –R. Clayton, RCMS Chair

6.1. 2017 Reliability Compliance Program – Attachment #6.1

6.1.1. R. Clayton reviewed the RCMS report of RCMS meeting #214. He noted that RCMS has found the NYISO in full compliance with; Real Time Operations of the NYS BPS (C8:R1), LSE ICAP Obligations (A2:R4), TO System Restoration Plans (F1:R2), Control Center Communication Changes (H1:R3), and 2017 NYCA Transmission Review (B2:R1) contingent upon NPCC TFCP and RCC approval.

6.2. RCMS Status Report –Attachment #6.2

6.2.1. R. Clayton noted that the Compliance Program for 2017 has been completed. The 2018 Compliance Program remains under development.

6.3. Other RCMS Issues

6.3.1. October 2017 Major Emergency Review – R. Clayton reviewed the October major emergency due to loss of two elements resulting in the reduction of the interface limit. The resulting potential 5% overload required mitigation noting the presentation by W. Yeomans to the RCMS. A final report is pending. R. Clayton noted that whenever a major emergency is declared it is shared with the NYSRC.

7. Environmental Report – R. Clayton

7.1. R. Clayton called the meeting participants attention to the next meeting with the NYSDEC on December 12, 2017.

8. NERC/NPCC Standards Tracking – A. Adamson

8.1. A. Adamson called the meeting participants attention to Attachment #8.1. There was no discussion.

9. Reliability Initiative – G. Smith, G. Loehr

9.1. MDMS Phase 2 Project Status – G. Smith noted the upcoming kick-off meeting scheduled for December 13, 2017. EC members are welcome to attend. R. Clayton inquired regarding participation by the RRS members in the meeting which was offered conditioned on execution of non-disclosure agreements in future meetings, but this requirement is not necessary for attendance at the December 13, 2017 kick-off meeting.

10. State/NPCC/Federal Activities

10.1. NPCC Board of Directors Report – M. Forte

H Schrayshuen directed the meeting participants' attention to the report in Attachment #10.1 from M. Forte summarizing the winter assessments for New York and the neighboring regions. There was no discussion. There was no report regarding NPCC Board activities.

10.2. NPCC Report – P. Fedora

P. Fedora noted the release of the NERC 2017-18 Winter Assessment and the upcoming release of the NERC Long Term Reliability Assessment. He noted certain senior personnel changes at NERC. He noted the RCC met on December 5 where the long range adequacy overview was approved for each of the NPCC areas. He noted the RCC has accepted the recommendation of the CP 11 A-10 Working Group methods for identifying Critical facilities. Testing will continue in Phase 2 during 2018. M. Sasson noted that the discussion at the RCC include a motion to potentially to remove one of the three methods from testing, however the RCC concluded all three methods would be tested in Phase 2 of the work plan. P. Fedora noted a request from NERC Planning Committee that each region provide an assessment of the impact of distributed energy resources on underfrequency load shedding programs. A presentation was scheduled for the December 2017 NERC Planning Committee meeting. P. Fedora noted the subjects covered in the NPCC Annual General Meeting where certain policy-driven planning efforts were reviewed for New York and New England. He noted that in NEPOOL there is a

Competitive Auctions with Sponsored Policy Resources (CASPR) program that is seeking to integrate policy input and goals into power system planning activity. He further noted that the NERC Reliability Issues Steering Committee was assigned to consider developing a framework for Resilience.

11. NYISO Status Reports/Issues

11.1. NYISO System and Resource Planning Status Report, November, 2017- Z. Smith – Attachment #11.1

Z. Smith reviewed the status of the selected planning activities as outlined in attachment # 11.1. The Indian Point deactivation study is on track for completion in the near term prior to year-end. He noted that FERC has accepted the NYISO tariff changes implementing the deactivation process. He also noted a final draft report on the CARIS is expected in the first Quarter of 2018.

11.2. NYISO Markets (items relevant to reliability) – R. Mukerji - Attachment #11.2

R. Mukerji reviewed the submitted NYISO Markets report in Attachment #11.2 covering several topics. Capacity Export from localities using probabilistic analysis are deemed to not be feasible. The Capacity Zone Elimination/Zone creation (on-ramp/off -ramp) project is moving to the Business Issues Committee for approval early in 2018. FERC has ruled in favor of PJM regarding the Pseudo Tie case. Under the PJM proposal PJM can require the generator to be responsive to PJM dispatch which could interfere with NYISO dispatch and unit commitment. NYISO has to examine its operating practices in light of this development and address the uncertainty that this outcome introduces uncertainty into the NYISO dispatch. E. Nelson pointed out that the FERC order has some provisions for the protection of the NYISO (right of approval). The issue is ongoing and further litigation is expected. A new report of new internal market products is expected in December.

11.3. NYISO Monthly Operations Report –E. Nelson – Attachment #11.3

E. Nelson reviewed the operating results for November 2017 as outlined in Attachment #11.3. She called the EC's attention to the fact that NYISO has placed its solar forecasting capability into production. The NYISO solar forecasting mechanism takes into account both behind the meter and in front of the meter solar resources.

11.3.1. Winter Capacity Assessment- Attachment #11.3.1 – E. Nelson reviewed the presentation materials in the attachment. She called the EC's attention to the methods used to calculate resource adequacy. She noted that in the most extreme situations there is margin exceeding 5,000 MW. The NYISO Assessment concludes that generating resources will be adequate for winter 2017-18 when taking scheduled maintenance with a net capacity margin. In the stressed case of a loss of gas supply there is also an adequate remaining margin before exercising Emergency Operating Procedures.

12. NAESB Report – B. Ellsworth

B. Ellsworth reported that there is a NAESB Board meeting in the near future and he would report on any necessary matters at the next EC meeting in January 2018.

13. Visitor Comments & Offer of thanks

There were no visitor comments.

14. Adjournment of the EC Open Meeting

Executive Committee Meeting #224 was adjourned at 12:30 P.M. An Executive Session of the EC followed the conclusion of the open meeting.

15. Future Meeting Schedule

Meeting No.	Date	Location	Time
#225	January 11, 2018	NY ISO, Rensselaer, NY	9:30 AM