

Draft Minutes
New York State Reliability Council, LLC (NYSRC)
Executive Committee (EC) Meeting No. 236
December 7, 2018
Albany Country Club
300 Wormer Road, Voorheesville, NY 12186

Members and Alternates

In Attendance:

Roger Clayton, P.E.	Unaffiliated Member – EC Chair, RRS Chair, RCMS Chair
Mayer Sasson	Consolidated Edison Co. of NY, Inc. – Member, Vice Chair
George Loehr	Unaffiliated Member
Bruce Ellsworth, P.E.	Unaffiliated Member
George Smith, P.E.	Unaffiliated Member
Frank Pace	Central Hudson Gas & Electric – Member
Mark Domino, P.E.	National Grid, USA- Member – Phone
Rick Brophy	NYSEG and RG&E – Alternate Member - Phone
Bruce Fardanesh	New York Power Authority – Alternate Member
Curt Dahl, P.E.	PSEG-LI-Member*
Matt Schwall	Independent Power Producers of NY- Wholesale Sellers Sector– Member
Mark Younger	Hudson Energy Economics - Wholesale Seller - Alternate Member
Mike Mager	Couch White - Large Consumer Sector - Member
Chris Wentlent	Municipal & Electric Cooperative Sector – Member – Phone

Other Attendees:

Paul Gioia, Esq.	Whiteman, Osterman & Hanna, LLP – NYSRC Counsel*
Al Adamson	NYSRC Treasurer and Consultant – Phone*
Mariann Wilczek	PSEGLI – ICS Chair
Phil Fedora	Northeast Power Coordinating Council, Inc. – Phone
Leka Gjonaj	NYS Department of Public Service
Carl Patka	New York Independent System Operator (NYISO)
Emilie Nelson	New York Independent System Operator (NYISO) -Phone
Zack Smith	New York Independent System Operator (NYISO)
Josh Boles	New York Independent System Operator (NYISO)
Rana Mukerji	New York Independent System Operator (NYISO)
Wes Yeomans	New York Independent System Operator (NYISO)
Nate Gilbraith	New York Independent System Operator (NYISO)-Phone
Henry Chao	Quanta Technology
Scott Leuthauser	Hydro Quebec US
Howard Kosel	Con Edison – ICS Vice Chari
Marten Paszek	Con Edison-Phone
Ruben Brown	Northeast Clean Heat and Power Initiative (NECHPI)-Phone
Matt Cinadr	E Cubed
Herb Schrayshuen	Power Advisors, LLC – EC Secretary

“*” Denotes part-time participation in the meeting

1. Introduction – R. Clayton, EC Chair called the NYSRC Executive Committee Meeting No. 236 to order at 9:33a.m. on November 8, 2018. A quorum of 13 Members and Alternate Members of the NYSRC EC was established.

- 1.1. Identification of visitors** – The attendees on the phone and visitors were identified.
- 1.2. Requests for Additional Open Session Agenda Items** – R. Clayton made a request for one additional item under agenda item #3.2 – NERC standards ballot development procedure
- 1.3. Request for Executive Session Agenda Items** – None
- 1.4. Report from the Executive Session on November 8, 2018** – The EC discussed the budget process in the previous Executive Session in November.
- 1.5. Declarations of Potential “Conflict of Interest”** – None

2. Meeting Minutes/Action Items List

- 2.1. Approval of Minutes for Meeting No. 235 (November 8, 2018)** – Attachment #2.1 - H. Schrayshuen introduced the revised draft minutes of the November 8, 2018 Meeting which included all comments received prior to the due date for comments. There were two additional minor changes to the minutes. M. Domino made a motion to approve the minutes of Meeting #235 with the proposed changes. The motion was seconded by M. Sasson and unanimously approved by the EC members in attendance (13 - 0). The EC Secretary will arrange to have the final minutes for EC Meeting #235 updated and posted on the NYSRC website.
- 2.2. Review of Outstanding Action Items List** – Attachment #2.2 - H. Schrayshuen reviewed Attachment #2.2. R. Clayton state that the Action Item #235-6 due date should be moved to January 11, 2019.

3. Organizational Issues

3.1. Summary of Receipts & Disbursements

- 3.1.1. Statement of Cash Receipts and Disbursements** – Attachment 3.1.1 - A. Adamson presented Attachment #3.1.1 – Statement of Cash Receipts and Disbursements for November 2018, noting the end of month balance of \$160,065.73. A. Adamson mentioned that the current accountant Colleen M. Campoli is merging with another accounting firm and there would be no changes to the current accounting procedures.
- 3.1.2. Estimated 2019 Cash Flow** – Attachment #3.1.2 - A. Adamson – reviewed Attachment #3.1.2
- 3.1.3. First Quarter 2019 Call for Funds** – A. Adamson – After the review of the cash flow A. Adamson requested a call for funds of \$165K for the 1st quarter of 2019. It was noted the projected Call for Funds is lower than the projected budget due to the current cash on hand. M. Domino made a motion to approve the call for funds. The motion was seconded by M. Sasson and unanimously approved by the EC members in attendance (13 - 0). M. Sasson gave a presentation on budget preparation for informational purposes and in preparation for discussion regarding process changes in the 2020 budget process. He noted that actual yearly expenses have consistently been coming in much lower than budget. M. Sasson asked that the EC review the budgeted amounts for all lines but specifically noted to look closely at the lines for Legal Fees, Consulting Fees and Contingency when preparing and approving the 2020 budget in order to approve a more realistic budget that includes a \$50,0000 reserve. **(AI 236-1)**

3.2. Other Organization issues

NERC Standards Ballot Development Procedure – R. Clayton – The question was asked if the NYSRC EC vote is a voice for the consensus of the group or does the NYSRC have an independent opinion and vote for their position on NERC standard ballot. M. Sasson mentioned NERC ballot events

are rarely a surprise. He suggested that RRS monitor the NERC ballots and report to the EC regarding the balloting opportunities that are coming up. R. Clayton mentioned that RRS and A. Adamson do report on upcoming NERC ballots during each meeting. M. Sasson stated that there should be more EC discussion even if it is a discussion via email. This could give the EC time to discuss ballots and come to a consensus before the balloting process is closed. H. Schrayshuen mentioned that he reviewed previous ballots and noticed that sometimes the TOs give a No vote to a standard due to a perceived compliance issue. H. Schrayshuen suggested that the EC should focus on reliability issues and not on compliance issues when they cast their vote. H. Schrayshuen agreed that due to timing there will be a need for discussion via email. R. Clayton recommended that a discussion regarding the NYSRC ballot development procedure during the next RRS meeting and then provide a recommendation to the EC.

4. Installed Capacity Subcommittee (ICS) Status Report/Issues – M. Wilczek, ICS Chair

4.1. ICS Chair Report – Attachment #4.1 – M. Wilczek reviewed Attachment #4.1 – M. Wilczek noted that the final editorial changes that were suggested at the previous EC meeting were made to the Final IRM Report and state that they would be looking for the EC to approve the Report. M. Wilczek had an update to the economic optimization methodology for the calculation of the LCRs in 2019. The NYISO has updated the Demand Curve parameters and gave a presentation to the ICAP WG on November 30, 2018. The NYISO still needs to update the Transmission Security Limits. There is a plan to report back in January on the comparison on the Final Base Case. M. Wilczek noted that H. Kosel of Con Edison will be the new ICS Chairman and A. Faisal of Central Hudson will be the new Vice Chairman/Secretary. Some topics that the ICS will be looking at in 2019 are: Determination of the consistent assumptions for load reductions through public appeals, updated to external area models, load shape development, DER incorporation into the resource models, and review of the modeling of energy limited resources.

On behalf of the EC R. Clayton recognized and thanked M. Wilczek for her service as ICS Chair. C. Dahl commended the contributions of the ICS members and the NYISO staff for their work in completing the 2019-2020 IRM Technical Study Report.

4.2. Review and approval of Final Technical Study Report – NY Control Area Installed Capacity Requirement May 2019 to April 2020 and Appendices – Attachment #4.2 - M. Wilczek noted that the final editorial changes that were suggested at the previous EC meeting were incorporated in the Final IRM Report. M. Wilczek also mentioned that the backup documentation was found for the LIPA's public appeals assumption. This topic will be taken up by ICS in the next report. R. Clayton mentioned that the public appeals assumption development process is being reviewed by RRS also. After further discussion M. Sasson made a motion to approve the Final Technical Report. The motion was seconded by M. Mager and unanimously approved by the EC members in attendance (13 - 0).

4.3. 2019-2020 Final IRM Voting Process – Attachment #4.3 - H. Schrayshuen explained the Final IRM voting process outlined in Policy 5: (Discussion, Straw Poll, IRM Voting). M. Younger opened the discussion by stating that the Base Case allows the NYISO to receive emergency support from HQ for 1500MW, less than what HQ's has as an obligation to NY, HQ has sold 300Mw to ISO NE, which is wheeled through NY. Technically, if both NY and NE needed those 300MW, NE's need would take precedent. Sensitivity 11 in the Final Base Case was designed to show what would happen in an emergency situation if NE needs that 300MW and NY cannot use it. M. Younger noted that in his opinion the IRM number for sensitivity 11 is really the base case number. NYISO has heard M. Younger's point and does agree with the point. G. Smith and M. Wilczek noted that this was discussed at ICS and at the time it was decided that it was a more complicated issue and ICS decided to run the scenario as a sensitivity. M. Younger also mentioned when NYCA load is at its summer peak load

weather changes in zone A and C can result in load decreasing in those zones. At the time of the NYCA peak, Zone A and C had lower load than they had in the hours previous to the NYCA peak. Given the way the NYISO does its weather normalization the load forecast does not take into consideration the drop in load for those zones, resulting in next summer's load forecast to potentially be several hundred MW below than what it would have been if temperatures stayed the same or increased resulting in an steady or increase in load. G. Smith pointed out that there is currently over 3,000 MW that could have an effect on load uncertainty. M Sasson mentioned that the effect of forced outage rates changing have caused a drop in the IRM. M. Mager noted that the determination of proper assumptions for the Base Case is a tremendous undertaking. Many of the comments brought up with this discussion have been thoroughly discussed and taken into consideration when developing the Base Case. Due to the extensive discussion the EC was hesitant to stray too far from the Base Case. As required by the Policy 5 IRM voting process, the straw poll results in order of most to least votes was, 16.8, 17.0, 17.2. These IRMs were voted on. A consensus of 9 is needed to assign an. IRM. Round One was for the IRM to be 16.8, results were 8 yes and 5 no, this failed by 1 vote. Round Two was for the IRM to be 17.0%, results were 10 yes and 3 no, resulting in the IRM to be set at 17.0%.

4.4. Resolution for the 2019-2020 IRM – Attachment #4.4 – R. Clayton completed the IRM Resolution Attachment 4.4 Item 7 as shown below:

NOW THEREO BE IT RESOLVED, that in consideration of the factors described above, the NYSRC finds that an IRM requirement at **17.0%**, which equates to an ICR of **1.17** times the forecasted NYCA 2019 peak load, will satisfy the criteria for resource adequacy set forth in the NYSRC's Reliability Rule A.1; and hereby sets the NYCA IRM requirement for May 1, 2019 to April 30, 202 Capability Year at **17.0%**.

M. Domino moved to approve the resolution as complete. The motion was seconded by G. Smith and unanimously approved by the EC members in attendance (13 - 0).

4.5. Other ICS Issues – None to report.

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

5.1. RRS Status Report & Discussion Issues – Attachment #5.1- R. Clayton reported on the status of the RRS activity.

There are no PRRs open for comment or up for approval.

There is currently one PRR under development but on hold. PRR 128 is being held until the completion of the NPCC A-10 Project. R. Clayton noted that Kevin DePugh of NYISO gave a presentation on proposed Method 1 for the revised NPCC A-10 critical facilities determination process. After review his conclusion was there would be minor to no impact on the BPS elements in the NYCA. There was a recommendation to the NPCC RCC to adopt the preliminary A-10 Method 1 in which radial lines from the BPS are automatically excluded. There is proposed to be an exclusion process for other elements. The RCC approved the report and recommendation. There was discussion on how you verify or justify exclusions. A-10 still needs to be rewritten and made available for a NPCC member ballot.

There are a number of PRRs under discussion. There is a revision to clarify C.3 – Outage Coordination regarding applicability. This is currently being worked through at the NYISO and will be further discussed in January. RRS will also continue to discuss: Revision to B.2 – Transmission System Planning Assessments regarding inclusion of specific SPS/RAS requirements, Revision to G.2 – Loss

of Gas Supply NYS regarding fuel storage, Revision to D.1 – Mitigation of Major Emergencies regarding zonal load reduction assumptions in response to General Public Appeals, Consideration of new rule concerning the impact on NYCA reliability of Energy Limited Resources, and NYSRC voting procedure on NERC ballots.

- 5.2. **List of Potential Reliability Rule Changes** – Attachment #5.2 – R. Clayton reported that there are no updates to the report.
- 5.3 **Other RRS Issues** – R. Clayton recognized and thanked Zoraini Rodriguez for her service as 2018 RRS Secretary.

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

- 6.1. **RCMS Status Report** – Attachment #6.1 - R. Clayton reported that RCMS found the NYISO in full compliance for Real Time Operations of the NYS BPS (C8: R1) for October 2018. RCMS also found the NYISO in full compliance with LSE ICAP Obligations (A.2:R.2) for 2018, TO System Restoration Plans (F.1:R2), Black Start Provider Requirements (F.1:R.3) for 2018, and NYISO LCR Economic Optimization Methodology (A.2:R1.1-R1.4). This closes out the NYSRC Compliance Program for 2018. R. Clayton thanked the NYISO for their efforts.
- 6.2. **RCMS Reliability Compliance Program** –Attachment #6.2a and Attachment #6.2b – R Clayton discussed the scorecard, which is up to date and completed for 2018. He also noted that Attachment # 6.2 is a letter from the NYISO on the LCR Methodology stating that the NYISO will comply with the requirements of NYSRC Rule A.2:R.3 should it encounter any capacity deficiencies as it implements the new LCR methodology.
- 6.3. **Other RCMS Issues** - R. Clayton recognized and thanked Brian Gordon for his service as 2018 RCMS Secretary.

7. **NYISO Status Reports/Issues**

- 7.1. **NYISO Comprehensive System Planning Process** – Z. Smith – Attachment #7.1 – Z. Smith gave an update on Public Policy Transmission. The NYISO BOD met December 7, 2018 and after review the Board reached the unanimous decision regarding selected projects, which will be announced on or before December 27. There is an IPSAC teleconference December 10, 2018 for anyone who wished to attend.
- 7.2. **NYISO Markets Report** – R. Mukerji - Attachment #7.2 – R. Mukerji discussed attachment #7.2. To accommodate public policy initiatives the NYISO is going to conduct a study on reserve procurement for resilience. The NYISO is also looking at more granular operating reserves, ancillary services pricing tailored availability metrics and external capacity performance and obligations. R. Mukerji mentioned that the NYISO is continuing to develop their DER program to ensure the markets are capable of reliably integrating DERs in greater numbers. Stakeholders have asked for more time to analyze the recent Value of DER study by GE. The NYISO has granted more time and will not make a decision until 1st quarter of 2019. To comply with FERC Order No. 841 the NYISO filed its tariff changes on December 3, 2018. H. Schrayshuen will distribute the filing. **(AI-236-2)**
- 7.3. **NYISO Monthly Operations Report** – **W. Yeomans** - Attachment #7.3 – W. Yeomans reported that due to the timing of the NYSRC EC meeting, the full operating report for November was not complete. For the month of November there was a Peak Load of 21,503MW. During the month of November there were zero hours of thunderstorm alert and there were zero hours of NERC TLR level 3. It was reported that due to heavy wind and snow that Nova Scotia and Prince Edward Island disconnected from the Eastern Interconnection for a few hours. On November 6, a 2019 study outline was introduced on Fuel and Energy Security studies looking towards the winter of 2023. The NYISO will be working with stakeholders to develop the scope in the coming months.

8. Distributed Energy Resources (DER) – R Clayton

8.1. R. Clayton reviewed Attachment #8.1a & Attachment #8.1b. He reported in detail regarding the DER workshop which took place on November 7, 2018 at the NYISO. R. Clayton mentioned that while it is too early to formulate NYSRC Rules related to DER, the NYSRC will continue to monitor DER reliability related issues. George Smith will be the NYSRC point person monitoring the NERC SPIDER working group and the NY DPS ITWG.

8.2. Other DER Issues – None to report.

9. Environmental Status Report/Issues – Attachment #9.1 - C. Wentlent

R. Clayton reported on behalf of C. Wentlent. The NYSRC/DEC conference call meeting will be on December 13, 2018.

10. NERC/NPCC Standards Tracking – A. Adamson - Attachment #10.1.

R. Clayton reported on behalf of A. Adamson. R. Clayton referred to attachment #10.1 and noted the balloting started on November 20, 2018, for modification to CIP-008 Cyber Security Incident Reporting.

11. Reliability Initiative – G. Smith, G. Loehr – Attachment #11.1 - G. Smith mentioned they are still integrating the study with the 2022 base case and working on a separate case to model the Northeast Interconnection. There will be a face to face meeting before the March EC meeting. The monthly conference call will be December 12, 2018.

12. State/NPCC/Federal Activities – P. Fedora

12.1. NPCC Report –P. Fedora reported that the RCC met on December 4, 2018. Randy Crissman will be the 2019 Chair; Gabriel Adam will be RCC Vice Chair. The revised A-10 methodology was accepted with some adjustments still underway. The NPCC Region Under Frequency Load Shedding study was completed and the results were presented, but some of the DER models and other adjustments are being pushed into 2019. The 2019-2020 NPCC taskforce work plans were discussed and approved. After the RCC meeting the Government Regulatory Affairs Advisory Group met, focusing on DER issues. At the NPCC Board meeting on December 5, 2018, the NPCC committee leadership changes were approved and Jim Rob – CEO of NERC presented information on NERC initiatives. At the NPCC General Meeting Bill Lawrence of the NERC E-ISAC discussed security and gave a presentation of security related. There was a panel discussion on fuel adequacy and fuel assurance.

12.2. NERC Report – P. Fedora mentioned that the NERC is hosting a fuel assurance planning meeting on January 17, 2019 in Atlanta.

13. NAESB Activities – B. Ellsworth

13.1. NAESB Bulletin –FERC Order 587-Y was issued in November. The order adopts the latest version (Version 3.1) of business practice standards adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board (NAESB) applicable to natural gas pipelines in place of the currently incorporated version (Version 3.0) of those business practice standards. The NASEB Board meeting is on December 13, 2018.

14. Visitor Comments – There were no visitor comments

15. Adjournment of the EC Open Meeting

Executive Committee Meeting #236 was adjourned at 2:07 P.M.

16. Future Meeting Schedule

Meeting	Date	Location	Time
#237	January 11, 2019	Wolferts Roost Country Club, 120 Van Rensselaer Blvd, Albany, NY 12204	9:30 AM

DRAFT