Draft Minutes

New York State Reliability Council - Installed Capacity Subcommittee (ICS)
Meeting #274 – March 1st, 2023
Microsoft Teams

Attendees	**Present**	**Phone**
Members / Alternates:		
Brian Shanahan (National Grid) **ICS Chair**	☒	☐
Rich Bolbrock (Unaffiliated)	☒	☐
Clay Burns (National Grid)	☒	☐
Ruby Chan (CHG&E)	☒	☐
Sanderson Chery (Con Edison)	☒	☐
John Dellatto (PSEG LI)	☒	☐
Ayman Elkasrawy (NYSEG/RG&E)	☒	☐
Jim Kane (NYPA)	☒	☐
Mike Mager (MI)	☒	☐
Chris Wentlent (MEUA)	☒	☐
Rich Wright (CHG&E)	☒	☐
Mark Younger (Hudson Economics)	☒	☐
Advisers/Non-member Participants:		
John Adams (ICS Consultant)	☒	☐
David Allen (NYISO)	☒	☐
Leen Almadani (CHG&E)	☒	☐
Josh Boles (NYISO)	☒	☐
Andrea Calo (CES)	☒	☐
Ryan Carlson (NYISO)	☒	☐
Jie Chen (Potomac)	☒	☐
Grant Flagler (Con Ed Energy)	☒	☐
Karl Hofer (Con Edison)	☒	☐
Yvonne Huang (NYISO)	☒	☐
Gary Jordon (ICS Consultant)	☒	☐
Scott Leuthauser (HQUS)	☒	☐
Tim Lundin (LS Power)	☒	☐
Philip Moy (PSEG LI)	☒	☐

Otito Onwuzurike (NYISO) ..... ☒ ..... ☐

Julia Popova (NRG) ..... ☒ ..... ☐

Richard Quimby (DPS) ..... ☒ ..... ☐

Zachary Stines (Borrego) ..... ☒ ..... ☐

Athar Hilme (PSEG LI)) ..... ☒ ..... ☐

Lucas Carr (NYISO) ..... ☒ ..... ☐

Mikaela Lucas (NYISO) ..... ☒ ..... ☐

Mike Cadwalader ..... ☒ ..... ☐

Orourk Benjamin ..... ☒ ..... ☐

Thomas primrose (PSEG LI) ..... ☒ ..... ☐

Thomas Duffy (NYISO) ..... ☒ ..... ☐

Richard Bratton ..... ☒ ..... ☐

1. **Roll Call – N. Leghari**
    - Roll call was conducted.
2. **Introduction and Request for Additional Agenda Items - B. Shanahan**
    - Updates for members and attendees from PSEG LI.
    - No additional Agenda items
3. **Approval of Minutes for Meeting #274 – B. Shanahan**
    - Minutes approved after edits.
4. **Review of Action Items List – B. Shanahan**
    - 220-1: soliciting info from TOs, track public appeals.
    - 257-1: We are looking Q3/Q4 updates. No change.
    - 265-2: Tol be discussed in this meeting. Incorporating input received with the presentation.
    - Load Forecast Uncertainty paper: To be presented in April or May meetings.
    - EOP Review/Gas Constraints papers: Scopes approved. To be presented later this year.
    - Model Improvement Future work: EOP activations
        - Yvonne/Gary: This item could be removed
        - M. Younger: For the preliminary base case, information on number of EOPs should be provided.
        - Y. Huang: when Tan 45 are recorded, table of EOP calls is attached. Continue to do that.
    - Model Improvement Future work: Maintenance Scheduling
        - Y. Huang: This item should be kept on.
    - Model Improvement Future work: Uniform vs Dynamic load Forecast uncertainty Factors
        - This is part of Load Forecast Uncertainty Phase 3 whitepaper. To be removed from this list (redundant).
    - Future White Paper/Study Topics
        - Strategic plan for 5 years to be added to the list with sub bullets under it.

5. Chair update on recent EC actions – B. Shanahan

- Updated Milestones schedule was presented last month and approved.
- Outstanding action item: Reporting on Y49 cable outage rate numbers (Planned vs Forced) and if there is a differentiation. EC to discuss and respond next meeting or beyond.
- Approved white papers' scopes.

6. Policy 5 Change Discussion – B. Shanahan/ Y Huang

6.1 Y49 Outage Data (Forced vs Planned) – Y Huang / J Boles

- Current calculation of Transition rates for Transmission elements follows MARS user manual section 2.4.5. It explains how to count hours for forced and planned outages.
- In general, maintenance outages should be removed from the entire calculation. Y49 is an example.
  - B. Shanahan/Y. Huang/M. Younger: Confirming that the period from last October to end of May is a planned outage for Y49 and excluded.

6.2 PSEG/LI Transition Rate Proposal – J Dellatto

- **Background**
- Policy 5 establish IRM modelling based on last 5 years data of forced outages.
- Forced outage data has large impact on LCR.
- PSEG Li proposes updating policy 5 transition rate methodology.
- **Proposal**
- Introducing some changes in the calculations.
- 5 year historical forced outage data (on section of concern) to be removed or replaced. Example to be given for replacement vs removal.
- 5 year historical forced outage data (NOT on section of concern) to remain in calculations.
- Normal procedure for forced outage data on reconductored section to resume in following IRM study.
  - B. Shanahan: Do we have class average for cables?
  - J. Dellatto: Aggregated data for downstate circuits have been presented.
  - Y. Huang: We do not have this data.
- Pros/Cons for proposed methodology.
- **Discussion**
  - J. Boles:
  - From NYISO perspective, it's important that resource adequacy studies represent potential risk to the system from forced outages and this proposal disregards it. I the risk of aging transmission infrastructure is aging is removed, the resulting IRM and LCR would undervalue those reliability risks.
  - The proposal fails to adequately describe how to represent the risk of failures across the NYCA as it just removes the risk of altogether in addition to that the proposal is exception based and based on individual circumstances which makes it very difficult to have a consistent representation of risk on the NYCA system as a whole.
  - It's important that to have strong incentives in place to maintain the performance of assets similar to the long standing effort deconstruct for generators where better and

performing timely maintenance, ignoring past history or in the case of spreading poor performance around amongst other entities and shift costs that will probably be the most difficult thing to sort out if we proceed down this path.

- The level of effort to comprehensively evaluate these concerns are very significant and will take away valuable resources from both the IRM process and the implementation of the strategic initiatives in the five year plan. So, for all these reasons his position is to not embark on this comprehensive analysis. If adjustments are not done anywhere else, then we biased the reliability risk.

➢ J. Dellatto

- The removal approach removes all history of remediated section of the cable, but prorating hours doesn't remove risk completely and doesn't remove the risk from the entire cable since the history of the untouched section is still considered. Instead of ignoring the work done on the remediated circuit, we can treat it as sensitivity analysis and update numbers of other cables.

➢ M. Younger:

- Same concerns shared by J. Boles. The proposal seems to address the base case not the sensitivity case. Theoretically, it's not fair to allocate the risk across if there are behavioral aspects that could also affect it. The resetting and overwriting of the history is fundamentally flawed and biased will result in the ISO not adequately representing this risks over time.
- The current methodology has higher incentives to urge fixing cables quickly or else resulting in a cost higher LCRs for a number of years.

➢ P. Moy:

- We need to differentiate in different buckets the current situation and what has happened from remediation, and identification of the future risks.

➢ Gary:

- The five year average keeps the process of evaluation consistent and seems to work well.
- The proposal doesn't address the point of "when does it come into effect".

➢ J. Dellatto

- There will have to be a threshold of what type of work done to remediate the outage that will qualify.

➢ J. Boles:

- We can still do sensitivity analysis in the future.

➢ Y. Huang:

- The issue is what incentive do we put in for maintaining the performance of assets.
- The initial conversation was to revise the policy 5. Proposal is introducing an exception to the current policy five procedure. What's missing is how this exception can be applied and what criteria we should use to evaluate before applying these exceptions and how does it impact the overall policy.

➢ Y. Huang:

- No resources Available at NYISO to look at policy 5 changes.

➢ B. Shanahan:

- Suggest we summarize the discussions so far and pass it to the EC to decide on next steps in this proposal.

➢ Recommendations from TOs and NYISO to EC.

- Against: M. Younger, NYISO, NG
- Abstain for internal discussion: ConEd, NYSEG/RGE, NYPA.
- PSEG LI: Would have more internal discussion about the proposal.

➢ Gary

- If PSEG LI would like to change Policy 5 stating that 5 year history is not enough for representation, then they should come with a comprehensive proposal for changes to the policy and methodology.

➢ B. Shanahan

- To give PSEG LI more time to discuss and update on proposal in the next meetings.

7. Functionally Unavailable Capacity Discussion – M. Younger

- MMU identified an issue with Functionally Unavailable Capacity Q3 2021 report for the first time.
- Different Categories identified:
  1. Emergency Capacity not available.
  2. Ambient Water Limitation (and Humidity)
  3. Actual Underperformance at UOL
  4. Capacity Never Online
- NYISO would address this issue. Ultimately, it's going to be a combination of changes to ISO rules or probably changes to DMNC setting rules given that we're properly representing reliability issues.
- MMU is focused on capacity limited resources and there are specific rules you are one supposed to be reliable when running at emergency capacity level. In 2021 Long Island was in pretty much an emergency kind of conditions because of Y49 being down and Neptune operating at half capacity level. They ended up calling SCR several times. This emergency capacity did not get used and this raised questions about if this real capacity or not.
- Current modelling of these units and their capacity is questionable and whether they can go up to their emergency ratings and what risk that poses. Generators are Steam units or peaking units, mostly in Long Island but also exist in NYC.
- Another category is under performance UOL, which are units lagging their UOL levels. Capacity never online is not a reliability risk if they are able to generate.
- Graphs show that we overestimated the output of these units in the Resource Adequacy Modelling probably due to water temperature, humidity or maintenance not captured in the model. The Nuclear units frequently fall short of their combined DMNC ratings.
- There is also inconsistency with the bids.
  - ➢ Gary: Suggests holding actions until NYISO takes the chance to look at it.
- B. Shanahan to add this to the action items list under “future white paper” or “correlated derates”.

8. Additional Agenda Items

- No additional Agenda items.

<u>Next Meeting</u>

Meeting #275 – Tuesday, March 28th, 2023, 10 am – Microsoft Teams