

DRAFT Minutes
New York State Reliability Council, LLC (NYSRC)
Executive Committee (EC) Meeting No. 223
November 9, 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-Phone
Rich Brophy	NYSEG and RG&E – Alternate Member-Phone
Erin Doane	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
Matt Schwall	Independent Power Producers of NY – Member-Phone
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
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)-Phone
Wes Yeomans	New York Independent System Operator (NYISO)
Brian Hodgen	New York Independent System Operator (NYISO)
Vijay Puran	NYS Department of Public Service
Herb Schrayshuen	NYSRC EC Secretary

Visitors - (Open Session):

Edward Schrom	
Scott Leuthauser	Hydro Quebec US
Henry Chao	Quanta Technology, LLC
Cori Tackman	Power Advisors, LLC-Phone

“*” Denotes part-time participation in the meeting

1. Introduction – C. Dahl, EC Chair, called the NYSRC Executive Committee Meeting No. 223 to order at 9:30 a.m. on November 9,, 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 October 13, 2017 Executive Meeting discussions noting that ICS leadership succession planning issues were discussed.
- 1.4. Executive Session Topics** – Two Executive Session topics were 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. 222 (October 13, 2017)** – H. Schrayshuen introduced the revised draft minutes of the October 13, 2017 EC Meeting (Attachment #2.1) which included all comments received. M. Sasson and Paul Gioia provided several additional editorial changes in addition to those published in the circulated draft. M. Sasson made a motion to approve the minutes of Meeting #222 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 # 222 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 three currently due action items would be resolved in the course of the meeting. He further noted that action regarding several action items from EC Meeting #222 have been completed and moved to the completed action item list. Pursuant to the suggestion of M. Wilczek Action item #204-5 was adjusted to reflect the possibility of a report on the status of the NYISO Alternate LCR method at the next EC meeting on December 8, 2017.

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 October. He reported that the 2017 fourth quarter call for funds has been fulfilled. He estimates that the projected NYSRC year-end variance is projected to be \$153,000 under budget. A projected call for funds for 2018 will be provided at the next EC meeting.

4. Installed Capacity Subcommittee (ICS) Status Report/Issues –M. Wilczek, ICS Chair – Attachment #4.1

- 4.1.** M. Wilczek review Attachment #4.1 informing the EC that the ICS has reached a conditional approval pending the independent review of the base case data by PSEGLI and ConEd. She noted a lesson learned regarding the timing of GE production of the database and the timing of the independent review. This lesson regarding scheduling will be incorporated into a lessons learned for next year’s IRM development process. She noted a reduction in NYCA IRM from 18.7% to 18.2% due to changes in reversal of deactivation notices and changes in topology. Curt Dahl noted the .5% reduction in IRM was due to external changes. M. Wilczek confirmed that Policy 5 was still being adhered to in making the determination. Regarding the alternative LCR method, the NYISO has presented their proposed design and plans a stakeholder vote by the BIC on the proposal. M. Wilczek reported on the preparation

and development of a draft self-certification statement for the NYISO to assure compliance with the NYSRC process. C. Patka initiated a discussion regarding the timing of next steps for the NYISO self-certification in relation to the NYISO stakeholder process approval schedule occurred with the preference being in favor of a near term self-certification by the NYISO. The EC would preapprove the four criteria for demonstrating compliance of the method. NYISO will consider the four criteria internally and return with a response, possibly including specific text for a self-certification, to the RCMS after review of its content. The discussion of the self-certification process will be taken up in the December EC meeting in the context of the agenda item on the Alternate LCR. R. Mukerji proposed that the four criteria would be presented as part of the NYISO stakeholder review before the BIC.

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 led the discussion of the draft IRM report calling the meeting participants attention to various changes from prior reports regarding. These include the IRM impact under parametric changes in the report. She reviewed the sensitive case results and noted some differences between the preliminary base case and final base case related to emergency assistance among other parametric changes. She further noted that there is no Indian Point deactivation case as agreed with the EC noting that the NYISO is performing a formal deactivation study. The Selkirk Phase II deactivation has not been included.

CPV Valley Energy Center

E. Nelson reviewed in detail the impediments to startup of the 650 MW CPV Valley Energy Center (CPV) project gas lateral. Due to numerous court challenges, the in-service date for the CPV project is likely to remain uncertain after the issuance of the NYSRC IRM report. The uncertainties may impact how the NYISO implements the 2018-2019 IRM after release of the NYSRC IRM report. In the IRM study CPV is being shown as being in-service. A preliminary sensitivity case with CPV not in-service reveals a .3% IRM change. It is possible that the NYISO may have to adjust its LCR calculations due to changes in CPV status between the time the IRM is established by the NYSRC and the time the LCRs are scheduled to be developed and issued by the NYISO in 2018. The topic is expected to be discussed further in future EC meetings. The NYISO committed to keep the EC informed of CPV project in-service date related developments to allow the EC to factor the matter into the final IRM determination. The EC requested the NYISO to perform the necessary IRM Tan (45) calculations for each CPV related outcome so that information will be available for EC consideration with the IRM determination in December. E. Nelson noted that there is a process in place to permit NYISO adjustment for any change in generating resources greater than 200 MW that occur after the NYSRC approval of the IRM.

M. Wilczek called the EC meeting participants' attention to the additional sensitivity cases related to renewable resources to complete her presentation of the draft IRM Report. M. Sasson inquired regarding the timing of the wind and solar levels in the various cases and noted that there is the likelihood of conventional generation being added in addition to the potential renewable resources. He suggested that a note identifying that no new conventional generation is being added in these cases. M. Younger proposed that a comment be added to the report stating that the renewable sensitivity cases do not include additional conventional generation. Comments from the EC were requested as soon as possible for the preparation of the final report.

With the forgoing discussion points and noting the status of the pending independent reviews of the base case yet to be completed, M. Sasson made a motion to approve the 18.2% base case result in the draft IRM Report as submitted in Attachment #4.2 contingent on the New York Transmission Owner

review of the base case data. The motion was seconded by G. Smith and approved by the EC (13-0 with no abstentions).

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 NPCC plan to develop concepts in 2017 and test those concepts in 2018. He noted that PRR 138 (Loss of Long Island Gas Supply) has been posted for comment.

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 will be undertaken as PRR 139.

5.3. Other RRS Issues

R. Clayton noted the RRS discussion of a new issue regarding a potential planning criteria gap related to circuit breakers that open without a fault under Category 2 planning criteria. An interpretation request for NPCC is being developed on this point and is expected to be considered at the next RRS meeting.

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 #213. He reported the NYISO operating report for October was not available for RCMS meeting #213. He noted that PRR 133 System Restoration Testing was approved by FERC on 10/6/2017 with an effective date of 10/8/2017 and PRR 131C (Dual Fuel Testing) was approved by FERC on 10/1/2017 with an effective date of 11/1/2017. Regarding the reduction in levels of non-compliance implemented by NPCC, NPCC has reduced the levels of non-compliance for regional criteria violations from four to one however there remain four levels of severity. H. Schrayshuen called R. Clayton's attention to Attachment #10.1 provided by P. Fedora explaining NPCC's rationale for its change. RCMS will monitor NPCC's experience with the change in the number of levels of non-compliance for consideration for future use by the RCMS. RCMS reviewed NYISO compliance with the 2017 Interim Annual Transmission Review (ATR). RCMS members are directed to provide K. DePugh of NYSIO with comments regarding the 2017 Interim ATR.

6.2. RCMS Status Report –Attachment #6.2

6.2.1. R. Clayton noted that the open compliance items F1 (R1), F1 (R3), and G2 (R3, R4, R5, R6) will move into next year's compliance plan. At the January 2018 meeting the final schedule for the 2018 Compliance Program will be provided.

7. Environmental Report – R. Clayton

7.1. R. Clayton called the meeting participants attention to Attachment # 7.1 containing notes of the most October 2017 meeting with the NYS DEC. He reiterated the highlights of the call, for instance the RGGI goal for reduction of the CO2 levels of 65% since 2009. NYS DEC is actively opposing the reversal of the CPP. The NY Clean Energy Standard (CES) targets a goal of a 40% CO2 reduction by 2030. NYISO is proceeding with an analysis of the deactivation of Indian Point. A holistic analysis of all environmental rule impacts is being undertaken in the 2018 RNA. Assumptions will be reviewed in January.

8. NERC/NPCC Standards Tracking – A. Adamson

8.1. A. Adamson provided an overview of Attachment #8.1 noting that the TPL-001-5 standard is under consideration. The standard continues to require that extreme contingences be accompanied by an action plan. NYSRC had cast a negative vote again. M. Sasson called the EC's attention to proposed FAC-015-1 and noted that the language of the standard requires that the same limits used in planning be used in operations. There was general opposition to this approach.

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

9.1. MDMS Phase 2 Project Status – G. Smith reviewed the status of the MDMS Phase 2 project. A contract is expected to be signed between NYSERDA and Quanta in the month of December. G. Smith advocated for active participation by the Transmission Owners in the kick off meeting. He noted there are a number of technology transfer elements to the project. The project will be about one year in duration (discussed in the project narrative previously provided).

9.2. H. Chao outlined Quanta's perspectives on the value of the project and the next steps for the project as presented in Attachment #9.2. R. Clayton noted that the NYISO is also expected to review the project on an ongoing basis. There was a discussion regarding the potential issues with respect to limitations of the speed of communication and the feasibility of the approach. The investigation of the simulation of the control of the process is an explicit task under the project. G. Smith called the EC's attention to the current approach to examine direct communication with renewable (inverter based) resource control systems to influence their operation in real time as a possible means to mitigate disturbances. H. Chao explained that the scope of the system being modeled will be the same as the previous MDMS Phase 1 study to test the defensive concepts. P. Gioia requested an opportunity to review the project contract so that he can examine the NYSRC responsibilities and obligations. G. Smith will provide a copy of the agreement - **AI 223-1**.

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 regarding the lessons learned from a report on the FERC-Led Cyber Security audits. There was no discussion. H Schrayshuen to distribute the report on the FERC-Led Audit Report - **AI 223-2**. There was no report regarding NPCC Board activities.

10.2. NPCC Report_ H Schrayshuen for P. Fedora

H. Schrayshuen called the meeting participants' attention to Attachment #10.2.1 outlining the basis for NPCC's move towards a reduction in the number of levels of non-compliance for NPCC Criteria violations. This was in response to and fulfills Action Item # 222-4 and will be considered by the RRS and RCMS.

11. NYISO Status Reports/Issues

11.1. NYISO System and Resource Planning Status Report, June, 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 by year-end. The CARIS project base case model was presented to ESPWG on October 26. The Public Policy decision by the NYISO Board was to select the NextEra project for Western NY.

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 and calling the meeting participants' attention to locational export factors for various generators, including whether a better probabilistic method is viable. The Zone Elimination/Zone creation (on-

ramp/off -ramp) project is moving to the Business Issues Committee for approval. The DER pilot projects are moving forward. R Mukerji noted that a collaborative effort is underway between NYISO and NY DPS regarding integrating public policy relative to pricing carbon. The goal is to identify new market products to enable the inclusion of carbon goals in to the NYISO market structure. He committed to provide a copy of the related report on the carbon to the EC – **AI 223-3**. He also noted that an Analysis performed a Fuel Assurance study is underway and will be circulated. This study will also be circulated to the EC when complete --**AI 223-4**.

11.3. NYISO Monthly Operations Report_W Yeomans – Attachment #11.3

W. Yeomans reviewed the operating results for October 2017 as outlined in Attachment #11.3. He identified that there is a great deal of transmission maintenance underway. A presentation on the recent emergency declaration and the methods the NYISO uses to manage flows under those conditions will be presented to the RCMS (**AI 223-5**). W. Yeomans noted a record peak of wind production 1,622 MW occurred in the October 31, 2017. In December NYISO will present its Winter Capacity Assessment to the EC.

12. NAESB Report_ B. Ellsworth

B. Ellsworth reported that the NAESB has reorganized the retail quadrants and those quadrants are now undergoing further restructuring to add new types of energy customers.

13. Visitor Comments & Offer of thanks

C. Dahl and R. Clayton presented a recognition award and offer of sincere appreciation on behalf of the work of the NYSRC and its subcommittees to Ed Schrom for his longstanding contributions and support of the work of the NYSRC. There were no visitor comments.

14. Adjournment of the EC Open Meeting

Executive Committee Meeting #223 was adjourned at 11:40 A.M. An Executive Session of the EC followed the conclusion of the open meeting.

15. Future Meeting Schedule

Meeting No.	Date	Location	Time
#224	December 8, 2017	Albany Country Club, Voorheesville, NY	9:30 AM