

DRAFT Minutes
New York State Reliability Council, LLC (NYSRC)
Executive Committee (EC) Meeting No. 220
August 11, 2017
Albany Country Club
300 Wormer Rd, Voorheesville, NY

Members and Alternates

In Attendance:

Curt Dahl, P.E.	PSEGLI Member - 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	Unaffiliated Member
Richard Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
Rick Brophy	NYSEG and RG&E –Alternate Member
Frank Pace	Central Hudson Gas & Electric – Member
Mayer Sasson	Consolidated Edison Co. of NY, Inc.– Member
Mark Domino, P.E.	National Grid, USA-Alternate Member
Lawrence Hochberg P.E.	New York Power Authority (NYPA) – Alternate Member
Mike Mager	Couch White (Large Consumer) – Member
Matt Schwall	Independent Power Producers of NY – 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
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)
Josh Boles	New York Independent System Operator (NYISO)-Phone *
Zachary Stines	New York Independent System Operator (NYISO)*
Emilie Nelson	New York Independent System Operator (NYISO)-Phone *
Wes Yeomans	New York Independent System Operator (NYISO)
Vijay Puran	NYS Department of Public Service
Herb Schrayshuen	NYSRC EC Secretary

Visitors - (Open Session):

Philip Fedora	Northeast Power Coordinating Council Inc.*
Wes Hall	GE Energy Consulting*
Gary Jordan	GE Energy Consulting*
Cori Tackman	Power Advisors, LLC

“*” Denotes part-time participation in the meeting

1. **Introduction** – C. Dahl, EC Chair, called the NYSRC Executive Committee Meeting No. 220 to order at 9:30 a.m. on August 11, 2017. A quorum of thirteen Members and/or Alternate Members of the NYSRC EC was established.
 - 1.1. **Visitors** – The visitors and attendees on the phone were identified. Some attendees participated part time as identified by a “*” on the attendance list above.
 - 1.2. **Requests for Additional Agenda Items** – There were no additional agenda items proposed. The Agenda was approved as presented in Exhibit #1.2.
 - 1.3. **Executive Session Topics** – No executive session topics were identified or requested.
 - 1.4. **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. 219 (July 14, 2017)** – H. Schrayshuen introduced the revised draft minutes of the July 14, 2017 EC Meeting (Attachment #2.1) which included all comments received. M. Sasson indicated he had submitted comments to the EC Secretary on August 10. The proposed modifications related to the G4 Black Start were read to the attendees. There were no additional changes proposed. With no objections R. Clayton made a motion to approve the Meeting #219 minutes as modified. The motion was seconded by M. Sasson and unanimously approved by the EC members in attendance (13 - 0 with no abstentions). The EC Secretary will arrange to have the final approved minutes for EC Meeting # 219 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 several open actions items would be resolved in the course of the current meeting. He further noted that action several action items from Meeting #219 have been completed and moved to the completed action item list. There were no additional modifications to the Action Item list.
- 2.3. **EC Review and Approval of the proposed Policy 2 amendments to include the new records management related policies** – H. Schrayshuen
H. Schrayshuen called the EC members attention to Attachment #2.3 and reviewed the recommended course of action related to the management of EC records. The approach establishes the retention period for NYSRC records, the relationship between records held on the website and on paper and identifies the responsible parties for various record types. M. Mager suggested a change to implement a clarification related to the default retention period making certain records eligible for disposal in the sixth year (or any time after the sixth year) in order to implement a five year retention period. G. Smith moved the approval of the Policy 2-5 as amended. R. Bolbrock seconded the motion. NYSRC Policy 2-5 was unanimously approved by the EC members in attendance (13 - 0 with no abstentions). There was subsequent discussion regarding the Openness provisions of Policy 2 related to the four day good faith obligation to post documents. There have been instances when documents have been received inside the four day period. R. Clayton suggested a seven day period. After discussion R Clayton withdrew his proposal to change the Policy to seven days. The EC Secretary will post the approved Policy 2-5 (AI-220-1).

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 July. He reported that the call for funds due for the third quarter 2017 had been completed.

3.2. Other Organizational Issues

- 3.2.1. – G. Loehr presented the proposed schedule for the 2018 EC meetings noting there are two Thursday meetings to accommodate certain holidays. G. Loehr made a motion to approve the

proposed meeting schedule and G. Smith seconded the motion. The motion was unanimously approved by the EC members in attendance (13 - 0 with no abstentions). The EC Secretary will coordinate with R Mukerji to post the meetings to be scheduled at the NYISO offices on the NYISO public calendar.

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

4.1. M. Wilczek presented the ICS Status report in Attachment #4.1 providing an overview of the activities of the ICS regarding the parametric study. There is a concern regarding counter intuitive results when adding a new unit to the model. GE representatives are working on this issue and conference calls are scheduled for August 15 August 23. The parametric results and the TAN (45) results for determining the preliminary 2018-19 IRM are expected to be available for the EC’s September 2017 meeting. The list of proposed sensitivity cases for the 2018-2019 IRM study was presented by M Wilczek for EC approval. The rationale for each sensitivity case was reviewed and discussed with the EC members. After discussion the EC agreed to approve the list of sensitivity cases with the exception of the Indian Point Units 2 & 3 related sensitivity case #8. The discussion leading to this conclusion related to the fact that the Indian Point plant will be in service in the 2018-19 capability period. The NYISO will now be conducting a formal reliability analysis study scheduled for completion in the fourth quarter of 2017. M. Sasson advocated for a study of the Indian Point retirement in early 2018 is needed once the NYISO study is complete and the results are reviewed. For the purposes of the 2018-19 IRM report a short discussion of the NYISO study will be included in the 2018-2019 IRM Report. Z. Smith on behalf of the NYISO agreed that the course of action makes sense. C. Dahl requested that the NYISO brief the EC on plans for the NYISO study at the September 2017 EC meeting (**AI-220-2**). M. Mager moved to approve the sensitivity case list in attachment #4.1 as amended (excluding #8). The motion was seconded by M. Sasson. The motion was approved by the EC members in attendance (13 - 0 with no abstentions).

4.2. NYISO Presentation on Alternate Methods for Determining LCRs- R. Mukerji
R. Mukerji presented the material in Attachment # 4.2 regarding the NYISO effort to develop a new method for determining locational capacity requirements (LCRs). He noted that the Tan (45) method has been applied since 2006. He noted that when the new pricing zones were established it was decided to not to change the Tan (45) method. Since that time NYISO and Central Hudson noted that there have been counterintuitive results. An additional concern is the stability of the results from year to year. The NYISO market monitor has suggested that the minimization of the cost of procuring capacity in NYCA should be the objective in setting the LCRs while respecting the 1 day in 10 years reliability requirement. The development effort was initiated by the NYISO with GE Energy Consulting in 2016. In response to a question from R. Clayton regarding how the optimization is carried out, R. Mukerji and the GE representatives described the “Wrapper” program which runs sequential MARS cases to search for an economic optimum while respecting the loss of load expectation standard. The Tan (45) method would continue to be used by the NYSRC as the basis for the Final IRM, which will be the starting point for the NYISO’s LCR optimization effort. R. Mukerji reviewed the results on a zone by zone basis. The proposed method continues to be developed and there is future work planned to examine transmission security constraints in addition to the current assumptions used in the MARS model. There was extensive discussion regarding the location of capacity in GHIJ zones and the savings that might be realized by shifting capacity between J and GHI. R. Mukerji presented the sensitivity analysis relative to changes the cost of new entrant, changes in capacity available and changes to transmission constraints. R. Mukerji discussed the mechanisms planned for future analysis looking at overlaying transmission constraints. Mechanisms for setting a transmission security floor for in-city LCRs of 80% for example are also needed. M. Younger advocated that a process to embed such floor limits needs to be incorporated into the process. Next steps include refining the methodology, performing additional

market simulations and to address potential cost allocation issues raised by the proposed method. Any changes would require a NYISO tariff amendment and there can be no implementation in the near term until a tariff amendment is approved. The NYISO is expecting to seek stakeholder support for a new method by the end of 2017, but implementation is not expected before 2019.

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. The PRR list has two PRRs under development, PRR 128 (BPS) and PRR 138 (Loss of Long Island Gas Supply). PRR 128 addresses alignment with the NPCC A10 BPS definition including the detail regarding radial transmission. PRR 128 has been tabled pending NPCC action on its A10 revision. PRR 138 –G3.R1 is a clarification of reporting requirements related to loss of Long Island gas supply. The plan is to clarify what information LIPA is obligated to report to the NYISO and what information the NYISO is obligated to report to the NYSRC RCMS. This project continues to be under development. After completion of the Long Island rule, a similar effort for as ConEd will be undertaken.

5.2. New/Revised Reliability Rules – NYPA request for revision to Exception 12

5.2.1. R Clayton initiated discussion and provided an overview regarding the NYPA request to modify Exception 12 as presented in Attachment #5.2.1. An addition is needed to the existing exception to address the lower rating of a spare transformer that is planned to be used in order to implement NYPA’s maintenance plan commencing in September. R. Clayton reported that the RRS reviewed the NYPA request and supported the NYPA proposal with one opposing vote from ConEd. The Exception was presented to the EC and discussed in detail. After discussion and clarification it was proposed by G. Loehr to indicate that the Exception only applies when the spare transformer is in use. After discussion it was decided that the language from the proposal would be modified by replacing the word “when” with “whenever” at the beginning of the first sentence.

M. Sasson explained to the EC members that in general in ConEd’s view the long term disposition of the exceptions was for them to expire and that they should not be perpetuated. This Exception as proposed is not temporary and therefore ConEd does not support it. M. Sasson explained that ConEd would support a temporary exception. L. Hochberg explained that there was no intention for the revision to Exception 12 to be temporary in the sense that the exception would be in effect whenever the spare phase ASEA transformer at Marcy is used in the Marcy AT-2 Westinghouse bank. He distinguished the point that the use of the exception is temporary. M. Sasson expressed the view that the proposed exception modification should be restated to make the exception itself temporary. R. Clayton emphasized that if that were done NYPA would have to return for EC approval in each instance where the spare transformer was used.

R. Clayton noted that the NYISO supported the exception modification and proposed a motion for the EC to approve the exception change as proposed by NYPA with the language in the second sentence changed from “when” to “whenever” as shown below. The motion was seconded by L. Hochberg.

Post Contingency Flow on Marcy AT-2 Transformer

“The post-contingency flow on the Marcy AT-2 Transformer is allowed to exceed its LTE rating up to its STE rating following the loss of Marcy AT-1 Transformer.

Whenever the AT-1 ASEA spare phase transformer is substituted in the Marcy AT-2 Westinghouse transformer bank, the post-contingency flow on the Marcy AT-2 Transformer bank is allowed to exceed its STE rating for the loss of Marcy AT-1 bank, provided that the overload relay protection on the AT-2 bank is in-service.”

Discussion of the motion: G. Loehr suggested that a provision be added to require NYPA to notify the EC if equipment failure occurs in the future. After discussion it was concluded that a mechanism for notification of the EC for equipment failure already exists and therefore the additional provision was not needed.

The motion to approve the NYPA proposal for Exception 12 as modified was approved by the EC members in attendance (12 in favor - 1 against- ConEd, with no abstentions). The revised Exception 12 is in effect upon EC approval. A. Adamson to post the revised exception on the NYSRC website **(AI 220-3)**.

5.3. List of Potential Reliability (“PRR”) Changes Outstanding – Attachment #5.3

5.3.1. None

5.4. Proposed Reliability Rule Revisions

5.4.1. None

5.5. Other RRS Issues

5.5.1. Discussion of ConEd’s lessons learned from the Black Start Testing per Rule G.4 – System Restoration procedures. M. Sasson provided an overview of the Black Start rule and the NYISO Tariff changes. Since ConEd became a transmission operator under NERC, there was a need for there to be no conflict between the NERC and NYSRC blackstart and restoration related rules and requirements. M. Sasson reported that all units that chose to be tested under the new did so successfully. He further stated all unit types were represented in the testing to date. M. Sasson reported also that certain generators elected to not be subject to the new rule and are therefore not participating in the Black Start plan. W. Yeomans will examine the situation regarding the expiration of the NYISO tariff requirements and the units participating in the Black Start and Restoration programs. W. Yeomans will report the status of the black start units (both Black Start and restoration service) at the next EC meeting **(AI 220-4)**.

5.5.2. R. Clayton introduced the topic of the large number of Western NY Emergency Transfer declarations and explained that the NYISO has provided some explanation in the form of the Western Transmission upgrade reports regarding future system changes that will deal with the number of declarations in the long run. The RRS will continue to monitor the Emergency Transfer declarations **(AI 220-5)**.

5.5.3. Review of the impact of NPCC’s planned retirement of Directories 9&10. The expectation is that the RRS will review the NYSRC Rule Manual when these Directories are retired. Until that time a footnote will be added to the NYSRC Reliability Rules and Compliance Manual where NPCC Directories 9&10 are referenced, noting that the Directories are scheduled to retire in July 2019 **(AI 220-6)**. This action completes **AI 219-10**.

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 which reported the NYISO in full compliance with NYSRC requirements under Real Time Operations (C.8:R1), Generating Unit Outage Statistics (I.2:R3), RIP SCR Performance Data Reporting (I.2:R5), Annual Actual and Forecast Load Data ((I3:R2), Annual Statewide Voltage Reduction Tests (D.1:R10)

6.2. RCMS Status Report –Attachment #6.2

6.2.1. As reported above.

6.3. Other RCMS Issues

6.3.1. No other RCMS issues were identified

7. Environmental Report – P. Gioia

7.1. Review of draft letter to respond to request by NYC for input regarding pending environmental legislation – Attachment #7.1

7.1.1. The EC reviewed the draft language for a NYSRC response to the request from the NYC Council proposed by P. Gioia including the proposed changes to the closing paragraph recommended by R. Clayton. R. Clayton made a motion to approve the draft response as amended. The motion was seconded by G. Smith. The motion was unanimously approved by the EC (13-0, no abstentions). P. Gioia will prepare the response and submit the NYSRC comments (**AI 220-7**).

7.1.2. R. Clayton reported that there is a conference call with the DEC on August 17, 2017.

7.1.3. R. Clayton reported that he was a participant in a call conducted by Environmental Energy Alliance of NY (EEANY) regarding a proposed environmental rule the NYDEC is promoting to reduce NOx emissions from peaking units (CTs) in Zone J. R. Clayton suggested to the EEANY meeting participants that if comments from the NYSRC are needed, a request to the NYSRC should be submitted. R. Clayton reported that up to 2,000 MW in Zone J may be impacted by the proposed lowering of NOx limits and the phase out of averaging proposed for implementation in May 2022.

8. NERC/NPCC Standards Tracking – A. Adamson

8.1. A. Adamson provided an overview of Attachment #8.1.

8.1.1. A. Adamson reported that the final ballot on TPL-007-2 relating to GMD planning is coming up and he expects to vote yes on behalf of the NYSRC. Z. Smith and H. Schrayshuen provided an overview of the NERC TPL-007-2 standard.

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

9.1. MDMS Phase 2 Project Status – G. Smith reported that there have not been any developments related to the MDMS Phase 2 project, but that we may hear from NYSERDA in September.

10. State/NPCC/Federal Activities

10.1. NPCC Board of Directors Report – M. Forte

There was no report regarding NPCC Board activities.

10.2. NPCC Report – P. Fedora

No Report

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 planning activities as outlined in attachment # 11.1. He noted that the Western NY study has been delayed one month due to the comments received in the stakeholder

process. The Western NY report is tentatively scheduled to go to the NYISO Board for approval in October.

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

R. Mukerji reviewed his written report on several topics. He noted that there has been no progress on the probabilistic approach to identifying capacity export from localities. He does not believe there will be much progress or a recommendation in this area in the future. There is a pilot program on Distributed Energy Resources. He noted that the zone elimination project is changing and expects to provide future reports on progress. R. Clayton stated that Green Mountain Power is advocating for distributed resources to reduce loads. R. Mukerji noted that in some areas the cost of solar is currently competitive and if/when electricity storage costs are reduced, a major change in the power systems may be the result.

11.3. NYISO Monthly Operations Report_-W. Yeomans – Attachment #11.3 Part 1 and Part 2

W. Yeomans provided an overview of the NYISO Operations report in attachment #11.3 Part 1 (short report) and Part 2 (longer more detailed report). He said the Part 2 will become the basic monthly report of the NYISO to the NYSRC EC, provided the timing of the report can be implemented to conform to the NYSRC Policy 2 openness requirements for posting and EC member consideration. He noted that NYSEG-National Grid State Street-Elbridge 115 kV transmission reinforcements have been completed and there is less need for an out of merit operation of certain coal generation. Additionally he reported that the second Ramapo PAR installation is near completion and the connection will be made soon.

11.3.1. In response to a request from the EC W. Yeomans provided a comprehensive presentation of the NYISO analysis of the expected impact of the upcoming August 21 eclipse on the NY power system (Attachment #11.3.1). The NYISO has concluded that no special operating procedures for the eclipse event are needed and believes the impact on the power system will be minimal based on its analysis. In the event it is cloudy during the event the impacts will be less. The NYISO analysis takes into account the reduced solar output and the reduced load, due to reduced ambient temperature, during the eclipse. G. Loehr noted that in the European eclipse there was a significant reduction in wind and a much smaller reduction in load than predicted. NYISO will report on the impact of the eclipse on NYISO operations at the September meeting **(AI 220-8)**.

12. NAESB Report_- B. Ellsworth

There were no NAESB activities to report.

13. Visitor Comments

There were no visitor comments.

14. Adjournment of the EC Open Meeting

Executive Committee Meeting #220 was adjourned at 12:15 P.M.

15. Future Meeting Schedule

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