

Draft Minutes
New York State Reliability Council, LLC (NYSRC)
Executive Committee (EC) Meeting No. 230
June 8, 2018
Albany Country Club
300 Wormer Road, Voorheesville, NY

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, EC Vice Chair
George Loehr	Unaffiliated Member
George Smith, P.E.	Unaffiliated Member
Bruce Ellsworth, P.E.	Unaffiliated Member
Frank Pace	Central Hudson Gas & Electric – Member
Curt Dahl P.E.	PSEGLI – Member-Phone
Ray Kinney	NYSEG and RG&E – Member
Mark Domino, P.E.	National Grid, USA-Alternate Member
Lawrence Hochberg, P.E.	New York Power Authority-Alternate Member-Phone
Mike Mager	Large Consumer - Member
Matt Schwall	Wholesale Seller – Member
Mark Younger	Wholesale Seller - Alternate Member
Chris Wentlent	Municipal & Electric Cooperative Sector - Member

Other Attendees:

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

“*” Denotes part-time participation in the meeting

1. Introduction – R. Clayton, EC Chair called the NYSRC Executive Committee Meeting No. 230 to order at 9:30 a.m. on June 8, 2018. A quorum of 13 Members and Alternate Members of the NYSRC EC was established.

- 1.1. Visitors** – The attendees on the phone and visitors were identified.
- 1.2. Requests for Additional Agenda Items** – There were no additions to the Agenda
- 1.3. Executive Session Topics** – There will be one topic discussed in an Executive Session
- 1.4. Declarations of Potential “Conflict of Interest”** – There were no declarations of potential conflicts of interest reported by the unaffiliated EC members.

2. Meeting Minutes/Action Items List

- 2.1. Approval of Minutes for Meeting No. 229 (May 11, 2018)** – H. Schrayshuen introduced the revised draft minutes of the May 11, 2018 EC Meeting (Attachment #2.1) which included all comments received prior to the due date for comments. Several corrections were offered and made to the draft minutes. G. Smith made a motion to approve the minutes of Meeting #229 as modified. 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 # 229 posted on the NYSRC website.
- 2.2. Review of Outstanding Action Items List** – H. Schrayshuen presented the Action Item List in Attachment #2.2. H. Schrayshuen verified that AI:220-5 was still needed. R Clayton confirmed that it was. H. Schrayshuen also noted that AI:227-2 was moved up in the list as an ongoing item. P. Gioia reported on AI:225-2. He stated the information he gathered answers his questions on IP completing this action item. P. Gioia also reported that AI:226-3 has been completed with the renewal of the liability policy and AI:226-4 has also been completed and will be reported in a closed session on the EC later in the day. R. Clayton noted the date for the DER workshop on November 7, 2018 at the NYISO, thus completing AI: 229-3. C. Dahl confirmed that the MDMS2 NDA with respect to LIPA was completed, closing out AI: 229-4.

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 May 2018 noting the end of month balance of \$208,883.24. There were no questions or comments on the report. A. Adamson stated that the call for funds for the 3rd quarter in the amount of \$25,000 would go out with a due date of July 1, 2018.

3.2. Other Organization issues

3.2.1 –Election of Officers

P. Gioia reported that the nominations for NYSRC EC officers are R. Clayton as Chair and M. Sasson as Vice Chair. B. Ellsworth made a motion and G. Loehr seconded the motion to accept the nominations. The motion was unanimously approved 13-0.

P. Gioia reported that C. Wentlent has been formally nominated to be a member of the EC by the Municipal & Electric Cooperative Sector. R Clayton put forth a motion and B. Ellsworth seconded the motion to appoint C. Wentlent to the EC through July 2019. The motion passed unanimously 13-0. The EC Secretary will update the EC roster accordingly.

R. Clayton – recognized R. Kinney, who is retiring. R. Clayton thanked him for his service on the EC and the NYSRC committees. M Sasson noted that R. Kinney was part of the original team that organized the NYISO and NYSRC. Al Adamson thanked R. Kinney for his work at the New York Power Pool. The EC will be notified of R. Kinney’s replacement at a later date.

M. Sasson inquired regarding the change of meeting location for the July 2018 EC meeting. H. Schrayshuen confirmed that the July 2018 meeting will be at the Colonie Country Club. EC Secretary will remind EC of the meeting location change prior to the meeting.

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

4.1. ICS Chair Report – Attachment #4.1 – M. Wilczek reported on the ICS Chair Report summarizing the ICS meeting on 5/29/18. M. Wilczek noted that the reorganization of the ICS website is complete. She reported that the load shape related discussions are ongoing and that NYISO will present a description of concepts for Load Shapes at the June 27, 2018 ICS meeting. In reference to the IRM Study Assumption Matrix and Topography, the NYISO's MARS model updates are to be presented at the upcoming ESPWG/TPAS meeting. She reported that ICS will have a call on June 18, 2018 to discuss the models. ICS will report back asking for EC approval on the preliminary IRM Study Assumption Matrix and Topography at the July EC meeting. Regarding the Alternative LCR Methodology, M. Wilczek noted that the NYISO had submitted its filing to FERC on June 6. The NYISO will be developing internal procedures over the next few months. They are also working on an external document on how the Alternative LCR Method will be released. There was a suggestion that the IRM should include a paragraph stating the NYISO is adopting the new method.

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 is currently 1 PRR under development. PRR 128 continues to be on hold pending the completion of the NPCC A10 Project. There are no PRRs open for comment. PRS 140 and 141, which were approved by the EC during the May EC meeting have been included in the current RR&C Manual which is posted on the NYSRC website. On May 30, 2018, the NPCC RCC approved NPCC response for the clarification on the open breaker N-1-1 criteria. RRS reviewed the clarification and discussed whether a reliability rule change was required. It was determined that no further action was needed. NYISO has submitted a proposed tariff revision to FERC to include inverter-based resources as synchronized reserve capacity. This is tabled until the next RRS meeting.
- 5.2. New/Revised Reliability Rules Outstanding – Attachment #5.2R.** Clayton provided an overview of the Proposed Reliability Rules in Attachment #5.2. – There were no updates to the report.
- 5.3 Other RRS Issues** – RRS discussed the DER impact on NYCA reliability. The new DER Workshop agenda was discussed. Steps are being taken to narrow the meeting material. R Clayton approached NYS DPS to be involved in the workshop and they agreed.

NPCC posted Revised NPCC Directory Development and Revision Manual. This is a replacement for Directory1. R. Clayton mentioned a particular statement in the manual paraphrased as: “we have to consider that reliability can never be 100%. There is always a trade-off between reliability and economics”

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

6.1. 2017 Reliability Compliance Program – Attachment #6.1

R. Clayton reported that RCMS found the NYISO in full compliance with Real-time Operations of the NYS BPS (C8: R1) for April 2018. The RCMS found the NYISO in full compliance with the NYSIO requirements for Con Ed loss of gas supply procedure and actions (G2: R1) for 2018. The RCMS found the NYISO in full compliance with the NYSIO requirements for LIPA loss of gas supply procedure (G3: R1) for 2018. The RCMS found the NYSRC in full compliance with the requirements for LIPA

loss of gas supply procedures and actions (G3: R2) for 2018.

- 6.2. **RCMS Status Report** –Attachment #6.2 – The current Scorecard was presented and there were no additional comments made,
- 6.3. **Other RCMS Issues** - R. Clayton reported that the RCMS is currently in discussion with the NYISO regarding the certification requirements under RR 144 and expected the issues will be resolved by the next meeting. C. Patka noted that NYISO understands the NYSRC desire for assurance that the NYSRC requirements are complied with.

7. Distributed Energy Resources (DER) – R. Clayton

- 7.1. **DER Workshop Plans-Attachment #7.1** - R. Clayton mentioned some of the points in the RRS report. R Clayton reviewed attachment 7.1. The Joint Utility TO will also be participating in the Workshop. The date is November 7 at the NYISO ad will be available on WebEx.
- 7.2. **Other DER Issues – Attachments #7.2.1** – R. Clayton reviewed attachment #7.2.1 which discussed the behind the meter generation issues. R Clayton encouraged the EC to review the website which is mentioned in the attachment.

8. Environmental Status Report/Issues – C. Wentlent

C. Wentlent stated that in the past 2-3 weeks the New York State Department of Environmental Conservation (NYS-DEC) has begun to move forward with the actions on a CO₂ Regulation for existing generation units and issued a re-draft for the proposed treatment of Peaker Regulations in New York State.

The COR Regulation Part 251 creates a new CO₂ threshold for Existing Resources. The threshold emission rate is 1800 pounds of CO₂ per MW hour gross electrical output (output-based limit) or 180 pounds of CO₂ per million Btu of input (input-based limit) for each fossil fuel combusted. This rule is in the initial phase of development. The proposed compliance date is December 31, 2020. There will be public comment hearings in Albany and Rochester. The new CO₂ rule (Part 251) is posted on the NYS DEC's webpage: <http://www.dec.ny.gov/regulations/propregulations.html>

The NYS DEC also issued a pre-proposal stakeholder draft outline for simple cycle combustions turbines (peaking units). The notice provides for compliance dates in the 2023-2025 range and permits bubbling of existing unit outputs for a limited time. The pre-proposal also include a section about energy storage. More details will be given at the next EC meetings as they become available. Z. Smith stated that since these regulations are in very basic draft form, the NYISO is not going to tackle this issue in the RNA. Once the SAPA notices are formalized then the NYISO will start to look into different scenarios. The stakeholder document weblink is:

<http://www.dec.ny.gov/chemical/113887.html>

The next call with DEC is planned for June 14.

9. NERC/NPCC Standards Tracking – A. Adamson - Attachment #9.1. A. Adamson reviewed the NERC balloting activity. There were no questions.

R Clayton quoted from the Posting of Revised NPCC Directory Development and Revision Manual and Proposed Retirement of Document A-01 Criteria for Review and Approval of Documents – Dated April 25, 2018

“NPCC also recognizes the industry concern surrounding the cost of maintaining the more stringent or more specific NPCC criteria contained within the NPCC Directories and the NPCC Board of Directors has expressed strong support for the appropriate balance between the incremental reliability benefit achieved by the criteria versus the cost to maintain or implement those criteria.”

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

In conjunction with attorneys from the transmission owners, P. Gioia has developed a new NDA. The concept is that each company will submit one NDA for their organization rather than having every participant in the project submits an NDA. G. Smith asked if member TOs have not completed the NDA to please see that they do.

The roster for the Defensive Strategies Working Group (DSWG) has not been updated. G. Smith to get a list of members to EC Secretary and EC Secretary will makeup formal roster.

G. Smith reported on the first face to face meeting of the MDMS2 study group. The topics discussed were the scope and status of the project, development of the base case, and behind the meter issues.

R. Clayton had a few follow-up questions:

Question 1 - With the NDA issue there has been a delay. How is NYSERDA handling the delay?

Answer - This project is more of a research project and not a project with time-sensitive dates so he is under the impression that NYSERDA does not have any issues with delays.

Question 2 – What is the next milestone?

Answer - Completion of the base case modeling of the system and duplicating results from MDMS1, to make sure the case they have will be at the same starting point.

Question 3 – Do we have enough time to act after the event?

Answer - That is the key question to be answered by the study.

11. State/NPCC/Federal Activities-P. Fedora

11.1. NPCC Report – The NPCC BOD met June 6 with most of the meeting addressing administrative issues and the proposed NPCC 2019 business plan and budget. The next meeting of the NPCC BOD is on June 27. NERC released their preliminary draft budget looking for comments.

The RCC meeting took place on May 30. The RCC approved sending the revised Directory 8 to the NPCC membership for ballot approval. At the RCC meeting, there was a presentation on the preliminary results from the SS38 WG under-frequency load shedding program assessment. By end of June baseline cases are expected to be established. They will then re-run simulations with a number of load model representations. The assessment is slated to be completed by the end of the year.

The NERC OC, PC, and CIPC met this week. There will be a July 10th technical workshop on the gas infrastructure risk at the NERC office in Atlanta. The OC and PC voted to disband NERC Essential Reliability Services Working Group (ERSWG) and the DER Taskforce because their scope of work has been completed. A Technical DER Group will be formed. The NERC State of Reliability report is up for a NERC BoT vote on June 12. The report will be presented at a FERC Technical Conference on July 31.

11.2. FERC Resilience Case – Discussion – M. Sasson – Attachment #11.2

M. Sasson – presented material in the attachment on the NYSRC website. Discussion took place after the slide presentation.

A number of members of the EC noted that New York currently has rules in place to take care of any resilience issues that may occur. There are a number of organizations that are constantly looking at resilience and reliability of the system across the state and into other regions. There was a consensus among the EC members that since different types of disturbance events occur in different parts of the country this is a topic that should not be handled on the national level but on a regional level. It was determined that NYSRC will wait to see what the FERC orders before deciding on any action. Any updates on proposed FERC orders on Resilience will be given at the time they are released.

12. NYISO Status Reports/Issues

12.1. NYISO Comprehensive System Planning Process – Z. Smith - Attachment #12.1

Z. Smith reviewed the highlights of his written report in attachment #12.1. He noted that FERC has accepted NYSIO's remaining tariff changes to bring it into compliance with FERC Order 1000.

12.2. NYISO Markets– E. Nelson - Attachment #12.2

On behalf of Rana Mukerji, E. Nelson reviewed the highlights of attachment #12.2.

E. Nelson reported that stakeholders approved an approach for reflecting Capacity Exports from Localities in the 2017/2018 Capacity Markets, encouraging ongoing analysis and development of markets rules for enhancing the modeling treatment for future years. NYISO has implemented the approved methodology to recognize that an exporting generator continues to operate within its Locality. The current established Locality Exchange Factor (LEF) approach used for the Capacity Markets is rooted in a deterministic power flow analysis that accounts for the increase in effective transfer capability into the Locality that result from counter flow due to exports to the respective neighboring Control Areas. The deterministic approach supports reliability while providing an appropriate market signal in the Locality if exports do indeed occur.

NYISO had been working with GE since 2016 to explore multiple probabilistic techniques and has been unable to identify a viable alternative probabilistic methodology that possesses the desired transparency and stability characteristics while sustaining reliability. Fundamentally, it appears that GE MARS is not structured to model the impact of a relatively small sale, modeled in significantly more detail than the rest of the system, with any degree of accuracy or stability. NYISO has become convinced that the stability and transparency of the current approach are preferable to a probabilistic approach.

NYISO has communicated with stakeholders that although it was important to complete this research, further work on this effort is unlikely to yield an implementable methodology and that continued investigation of a probabilistic approach is not warranted at this time.

M. Sasson requested to have the following comment noted in the minutes to reflect ConEd's view regarding the NYSIO decision.

. “Establishment of a Probabilistic LEF This is not the right forum or time to debate this issue with the NYISO. I will just refer to my statement at BIC. We were disappointed that the NYISO made its decision to not consider our proposal any further before we had the opportunity to present and discuss it with NYISO stakeholders. We believe that our proposal is technically solid and does not have the technical drawbacks GE mentioned.”

E. Nelson pointed out that the stakeholders always have the option to determine which projects the NYISO's limited resources should be applied to through the NYSIO Project Prioritization process.

12.3. NYISO Monthly Operations Report –W. Yeomans – Attachment #12.3

W. Yeomans reviewed the highlights of the May Operating Report in attachment #12.2. He noted that the peak load was 24,441MW, that there had been 5.4 hours of thunderstorm alert, no NERC TLR level 3 curtailments

12.3.1. NYISO Summer 2018 Capacity Assessment – Attachment #12.3.1

W. Yeomans reported reviewed attachment #12.3.1 noting the expected 1,599 MW of capacity surplus an increase over the 2017 forecast.

13. NAESB Status Report – B. Ellsworth – nothing to report

14. Visitor Comments – None

15. Adjournment of the EC Open Meeting

Executive Committee Meeting #230 was adjourned at 12:07 P.M.

16. Future Meeting Schedule

Meeting	Date	Location	Time
#231	July 13, 2018	Colonie Country Club	9:30 AM