

Minutes
New York State Reliability Council, LLC (NYSRC)
Executive Committee (EC) Meeting No. 248
December 6, 2019
New York Independent System Operator
10 Krey Boulevard, Rensselaer, NY 12144

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 – EC Vice Chair |
| Rich Bolbrock, P.E. | 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 |
| Tim Lynch | NYSEG and RG&E – Member |
| Rick Brophy | NYSEG and RG&E – Alternate Member - Phone |
| Bruce Fardanesh | NYPA – Member |
| Curt Dahl, P.E. | PSEG-LI– Member |
| Mike Mager | Couch White (Large Customer Sector) – Member |
| Matt Schwall | Independent Power Producers of NY - Wholesale Sellers Sector – Member |
| Mark Younger | Hudson Energy Economics - Wholesale Seller - Alternate Member |
| Chris Wentlent | Municipal & Electric Cooperative Sector – Member |

Other Attendees:

| | |
|---------------------|--|
| Paul Gioia Esq. | Whiteman, Osterman & Hanna, LLP – NYSRCCounsel |
| Al Adamson | NYSRC Treasurer and Consultant – Phone |
| Howard Kosel | Consolidated Edison Co. of NY, Inc – ICS Chair |
| Phil Fedora | Northeast Power Coordinating Council, Inc. |
| Diane Burman | NY Public Service Commission |
| Leka Gjonaj | NYS Department of Public Service |
| Josh Boles | New York Independent System Operator |
| Carl Patka | New York Independent System Operator |
| Robert Pike | New York Independent System Operator |
| Zach Smith | New York Independent System Operator |
| Ruby Chan | Central Hudson Gas & Electric |
| Herbert Schrayshuen | Power Advisors, LLC – EC Secretary |
| Erin Hogan | NY Department of State – Utility Intervention Unit |
| Brian Krall | East Coast Power & Gas, LLC – Phone |
| Matt Picardi | Shell Energy |
| Mariann Wilczek | PSEG-LI - Phone |
| Norman Mah | Consolidated Edison Co. of NY - Phone |
| Scott Leuthauser | Hydro Quebec – Phone |
| Allen Ackerman | Customized Energy Solutions - Phone |

“*” Denotes part-time participation in the meeting

1. **Introduction** – R. Clayton, EC Chair called the NYSRC Executive Committee Meeting No. 248 to order at 9:30 a.m. on December 6, 2019. A quorum of 13 Members and Alternate Members of the NYSRC EC was established.
 11. **Identification of Visitors** – Visitors in the room and on the phone were identified.
 12. **Requests for Additional Open Session Agenda Items** – No additional agenda items were requested.
 13. **Request for Executive Session Agenda Items** – No additional agenda items were requested.
 14. **Report on Executive Committee meeting of October 10, 2019** – R. Clayton stated that in the previous EC Executive Session there was continued discussion regarding the NY PSC Resource Adequacy Order – Case #19-E-0530, staffing, EC member subcommittee compensation program, and the open NPCC Board position. R. Clayton congratulated Mayer Sasson for his acceptance into that role.
 15. **Declarations of Potential “Conflict of Interest”** – There were no declarations of new potential conflicts of interest identified.
 16. **Chairman’s Minute** – R Clayton announced A. Adamson has decided to remove himself as the NYSRC ICS consultant. A. Adamson said a few words and publicly announced his decision to step away from ICS activities but still is continuing with RSS, RCMS and Treasurer. R. Clayton expressed the appreciation of the NYSRC for his service.

2. Meeting Minutes/Action Items List – H. Schrayshuen

21. Approval of Minutes for Meeting No. 247 (November 2019) – Attachment #2.1 – H. Schrayshuen introduced the revised draft minutes of the November 7, 2019, which included all comments received as of November 27, 2019. M. Sasson proposed a change in section 4.2 requesting a sentence stating that the preliminary Base Case IRM was 19%. M. Sasson also requested that in section 5.1, strike “IRM” and replace it with “Resource Adequacy” to accurately describe the goal of the study. P. Gioia made an editorial change to section 5.1. R. Clayton made an editorial change to 4.1. M. Domino made a motion to approve the minutes of Meeting #247 including 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 #247 posted on the NYSRC website.

22. Review of Outstanding Action Items List – Attachment #2.2 – H. Schrayshuen reviewed and updated Attachment #2.2 based on the EC member comments. Action item #227-2, the report on the Indian Point Deactivation received a due date of March 13, 2019. R. Clayton reported on AI 237-20, stating that there will be revision to the NYSERDA Transmission report early in 2020. For action item #247-3, H. Kosel stated that ICS clarified that the Long Island energy storage system capacity amount was corrected in the final base case.

3. Organizational Issues

3.1. Summary of Receipts & Disbursements

3.1.1. Statement of Cash Receipts and Disbursements – A. Adamson -

Attachment #3.1.1 - A. Adamson presented Attachment #3.1.1 – Statement of Cash Receipts and Disbursements for November 2019, noting the end of month balance of \$136,375.09 includes a \$25,000.00 prepayment. A. Adamson is projecting the yearend total expenses to be under budget.

3.1.2. 2020 NYSRC Cash Flow – A. Adamson – Attachment #3.1.2 – A. Adamson

presented the 2020 NYSRC Cash Flow chart to show the projected calls for funds for 2020.

3.1.3. Proposal for the 2019 Financial Audit – A. Adamson – A. Adamson stated that Slocum, DeAngelus & Associates submitted a proposal to conduct the 2019 NYSRC audit including preparation of the Federal tax forms for \$3,800. This is an increase of \$100 from the 2018 Audit engagement. A. Adamson proposed that the EC accept this proposal. R. Bolbrock made a motion to accept the 2019 financial audit proposal from Slocum, DeAngelus & Associates. The motion was seconded by M. Domino and unanimously approved by the EC members in attendance (13 – 0).

3.1.4. First Quarter 2020 call for funds – A. Adamson – A. Adamson proposed a first quarter 2020 call for funds of \$5,000 for each member’s membership fee and an additional \$25,000 per Transmission Owner. P. Gioia stated that during a review of the Operating Agreement he did note that the Call for Funds action does require a vote by the EC. M. Sasson made a motion to approve the requested call for funds of \$5000.00 per Affiliated Member and an additional \$25, 000.00 per Transmission Owner for a total of \$195,000.00. The motion was seconded by F. Pace and unanimously approved by the EC members in attendance (13 - 0).

32. Other Organizational Issues – M. Sasson stated that now that he is on the NPCC Board, he would provide a standing NPCC Board of Trustees related report in the EC agenda. R. Clayton announced the NYSRC has started discussions with a potential consultant to represent the NYSRC EC at the ICS.

4. Installed Capacity Subcommittee (ICS) Status Report/Issues – H. Kosel, ICS Chair

41. ICS Chair Report – Attachment #4.1 – H. Kosel reviewed attachment #4.1 – Summary of ICS meeting #226 on December 2, 2019. H. Kosel stated on November 15, 2019, Somerset (686 MW, Zone A) submitted notice to the PSC of its intent to retire the generating unit prior to summer 2020. ICS and NYISO conducted a special Tan 45 IRM assessment to assess the reliability impact which resulted in an 18.9% IRM or a -0.1% decrease from the draft IRM report’s Final Base Case IRM. ICS recommends the EC adopt the Somerset retirement “Special Sensitivity Case” as the new Final Base Case for the 2020 IRM Study. R. Clayton asked for clarification on why the removal of a major generating plant resulted in a decrease to the IRM. H. Kosel stated that removing this capacity from Zone A lifts a constraint limiting movement of energy to other parts of the state. M. Sasson stated the notice of retirement requested that Somerset may retire as early as February 2020.

ICS started its review the High Renewables White Paper. ICS will review the whitepaper with the EC in January 2020. ICS also discussed potential additional white papers and studies for 2021.

Relating to the Somerset retirement, M. Younger asked Z. Smith of the NYISO “given what he knows today and noting that a deactivation study has not been completed, does he see any future resource adequacy concerns?” Z. Smith stated that once a full deactivation notice is received from the Somerset owners - the

NYISO will perform a generator deactivation study under its tariff to identify reliability needs (if any), but as of today he does not see a potential reliability need. Z. Smith and R. Bolbrock discussed the timeline of a Generator Deactivation Study. R. Clayton asked whether with the Somerset retirement would the number of Western New York Emergency Transfer Declarations decline? M. Younger responded that the Somerset unit almost never runs, the capacity factor is less than 5% over the past year, and therefore it is unlikely there would be a change in the number of emergency declarations due to the retirement of the Somerset plant.

- 42. Review and approval of final Technical Study Report - NY Control Area Installed Capacity Requirement May 2020 – April 2021 and Appendices – Attachment #4.2a & 4.2b** – C. Wentlent proposed a motion to accept the ICS recommendation of adopting the Somerset Special Sensitivity Case result as the new ICS 2020 Base Case. The motion was seconded by M. Mager and unanimously approved by the EC members in attendance (13 – 0). H. Kosel stated that this approval will result in certain changes to the report. A. Adamson stated that he and J. Adams will make the necessary changes to the report and the appendices. H. Schrayshuen noted that he will make a note on the webpage that the IRM Base Case has changed. (AI-248-1) R. Clayton asked the EC if they were comfortable voting on an IRM and approving the report with the appropriate changes without seeing them beforehand. R Bolbrock reminded the group the pointed out the recent change was 0.1% which is not significant when looking at the system as a whole. M. Sasson agreed with this point.

Z. Smith stated that when looking back to the 2018 RNA there was a scenario of a zonal capacity at risk, for Zone A 1,400 MW could have been removed before having a LOL event. Referring back to AI –247-5 R. Clayton asked for verification of completion on the UCAP footnote. A. Adamson stated that on page 23 he made the change in the table. This change completes AI-247-5. P. Gioia requested that a footnote be added on page 3 defining UCAP. After some discussion the EC accepted wording provided by M Younger, “UCAP is a generators capacity derated for impact of forced outages”, on page 3 and in section 8. There was an editorial change on page 3.

A. Adamson identified the specific changes to the IRM report that would have to be made due to the change in the base case. All of the references 19.0% would be changed to 18.9% with the corresponding changes to the LCRs. Footnotes would be removed on pages 3,12, and 20. On page 12, Somerset would be added to the list of retired generating units. On page 20, the Parametric Table would be changed by adding a new line “removing coal” to illustrate the -.1% decrease, capacity additions not to change. On page 21 the last paragraph discussing the special sensitivity case would be removed. On Table 7-1: Sensitivity Cases – 2020 IRM Study, number 7 would change to “Somerset 686 MW unit remains in service” with a .1% increase in the % Change from Base Case column and the referencing footnote would be changed. H. Kosel stated calls to EOPs and a list of all the sensitives and the Tan 45 curves would be updated. C. Dahl made a motion to approve Final Technical Study Report - NY Control Area Installed Capacity Requirement May 2020 – April 2021 and Appendices with all of the proposed

changes. The motion was seconded by M. Sasson and unanimously approved by the EC members in attendance (13 – 0). The EC recognized H. Kosel, A. Adamson, John Adams, the NYISO and ICS for their efforts in this year’s report.

- 43. 2020 -2021 Final IRM Voting Process – Attachment #4.3** – P. Gioia reviewed the voting procedures, and there was a full discussion on the Final IRM voting process outlined in Policy 5: (Discussion, Straw Poll, and IRM Voting). There was a brief discussion on a waiver to the current policy of voting in increments of 0.2% above or below the set Base Case, in this case 18.9%, to allow a vote of a 0.1% increment. M. Mager suggested either abiding by the current policy or adopting a policy change allowing a vote with 0.1% increments in future years and not just this year. M. Mager moved to adopt a change in the policy that allows the EC to vote on an IRM within 0.1% of the Base Case. The motion was seconded by M. Schwall and unanimously approved by the EC members in attendance (13 – 0). Nine affirmative votes are needed to approve a Final IRM.

R. Clayton pointed out that some line items in Table 7-1: Sensitivity Cases -2020 IRM Study were completed using the full Tan 45 analysis. M. Sasson discussed the difference in the methodology between the Tan 45 method and the non-Tan 45 method. He stated that it would be helpful in the future to have two tables. One table would present the sensitivity case results (non-Tan 45 method) and another table to present the Tan 45 results. This would allow the EC members and others to better consider the precision of the study results, and weight their recommended IRM decision appropriately. M. Younger stated that this topic was discussed by the ICS and he agreed that the tables and the sensitivities methodology should be explained in greater detail. R. Bolbrock pointed out that the Table is intended to assist in the application of judgement relative to the IRM vote. After more discussion it was decided that the ICS should in the future consider splitting the Sensitivity Table into two tables and explain the relative precision of the methods underlying the sensitivity and full Tan 45 results. (AI-248-2)

M. Mager stated that he was comfortable with the new base case IRM and advocated for the 18.9% IRM base case as the final IRM. He noted that the IRM study report gets better every year. R. Bolbrock stated that he would advocate adopting a 19.0% IRM base case, noting it is only a 30 MW difference from the 19.9% base case and the 19.0% whole number does not overstate the actual precision of the process.

The Straw Poll vote resulted in two possible IRM results with seven members voting for the base case of 18.9% and six members voting for 19.0%. Round One of the ballot produced 11 votes for 18.9%.

P. Gioia recapped the four proposed voting procedures changes that were discussed during the IRM vote. First, the voting increments will be changed to 0.1% (from .2%). Second, after the Straw Poll there will be a vote on the potential IRM with the highest number of straw poll votes, if there is a two way tie, there will be a vote for both numbers again. Third, if the first ballot does not result in nine votes, the EC will vote on the IRM with the second highest number of votes

from the Straw Poll. Fourth, if the second option does not receive nine votes, then another vote will be taken. R. Clayton asked P. Gioia to revise the IRM balloting guidelines for discussion in a future EC meeting. (AI-248-3)

- 44. Approval of Resolution for the 2020-2021 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 18.9%, which equates to an ICR of 1.189 times the forecasted NYCA 2020 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, 2020 to April 30, 2021 Capability Year at 18.9%.

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

- 45. Other ICS Issues** – R. Clayton recognized H. Kosel, NYISO Staff, and the ICS. R. Bolbrock also stated that H. Kosel did an outstanding job in 2019. R. Clayton noted that ICS has a new incoming chair and an outgoing consultant and proposed a call to discuss the ICS transition. E. Hogan stated that with these changes the ICS might want to review the ICS process document that was undertaken but not completed several years ago. R. Clayton asked A. Adamson to locate the document and review it before the transition phone call. (AI-248-4)

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

- 51. RRS Status Report Discussion Issues – Attachment #5.1-** R. Clayton reported on attachment #5.1 providing a summary of RRS meeting #244, which took place on December 3, 2019. There are currently four PRRs under development. PRR 128 is tabled pending completion of the NPCC A-10 revision. R. Clayton stated that PRR 143, Loss of Gas Supply, has been withdrawn pending discussion with the submitter of the PRR. PRR 145 – Review of Resource Adequacy, Long Term is currently in development. PRR 147 – is a clarification of the NYCA IRM, this might be withdrawn after the wording for PRR 145 is developed. PRR 146 – B.2 Transmission Planning Assessments, the RRS is considering specifying the special studies (*e.g.* dynamics studies) for generator or energy storage unit interconnection. This PRR is currently under development.
- 52. List of Potential Reliability Rule Changes – Attachment #5.2** – R. Clayton stated that the table in Attachment #5.2 is up to date.
- 53. Other RRS Issues** – None to report.

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

- 61. RCMS Status Report – Attachment #6.1** - R. Clayton reported on attachment #6.1, a summary of the RCMS Meeting #238 on December 3, 2019. It was reported that RCMS found the NYISO in full compliance for Real Time Operations of the NYS BPS (C8: R1) for October 2019. RCMS also found the NYISO in full compliance for LSE ICAP Requirements (A.2: R2), TO System Restoration Plans (F.1: R2), and Black Start Provider (F.1: R3). R. Clayton stated the only outstanding items for

2019 are the November 2019 and December 2019 operating reports. The 2020 Compliance Program will be presented in January. R. Clayton praised the NYISO's efforts and cooperation in working with RCMS.

6.2 2019 Reliability Compliance Program – Attachment #6.2 – R Clayton stated scorecard is up to date.

6.3 Other RCMS Issues – None to report.

7. NYISO Status Reports/Issues

71. NYISO Comprehensive System Planning Process – Z. Smith – Attachment #7.1 – Z. Smith reported that the NYISO is continuing work on the 2020-2021 Reliability Planning Process cycle. Local Transmission Plans were presented by the Transmission Owners as ESPWG meetings in October and November. Those plans are posted on the NYISO website. The NYISO is working on the 2020 RNA, which will include a 70% renewable energy by 2030 scenario related to a similar scenario analysis in the CARIS economic study report. The next Interregional Planning Stakeholder Advisory Committee meeting will be held on December 9, 2019.

72. NYISO Markets Report – R. Mukerji - Attachment #7.2 – R. Pike presented on behalf of R. Mukerji. R. Pike reviewed attachment #7.2. highlighting the NYISO's efforts in the Demand Curve Reset. Currently the NYISO consultants are reviewing the costs of different technologies that are capable of supplying capacity, are evaluating which technologies will be evaluated for establishing the Cost of New Entry (“CONE”) in the demand curves.

73. NYISO Monthly Operations Report – W. Yeomans - Attachment #7.3 – R. Pike presented on behalf of W. Yeomans. R. Pike presented attachment #7.3. For the month of November there was a Peak Load of 21,324 MW on November 13, 2019. There were no hours of Thunder Storm Alerts and no hours of NERC TLR level 3 curtailment. There was one major emergency on 11/7/2019. The event started at minute 4 when the power flow on Central East VC exceeded its 105% Voltage Transfer Limit. This event was terminated at minute 6. There were two reserves activations. R. Clayton asked about the 10 emergency transfers declared. R. Pike stated that the details on those declarations will be outlined in the full November Operations Report. This will be circulated by H. Schrayshuen when the report is published.

8. Distributed Energy Resources (DER) – G. Smith

81. Report on DER Activities – Attachment #8.1 – G. Smith stated that NERC System Planning for Integration of DER (SPIDER) working group met on November 27 and 28. MISO and ERCOT are conducting assessments of the impact of a high penetration of renewable resources. NERC is working on a guideline on interconnection requirements. There were some technical presentations, updates on modeling DER and update on simulation and studies. There was a technical paper on impacts of existing protections practices.

The next NPCC Regional Standards Committee (RSC) meeting and DER Forum are scheduled to occur on February 12 and 13, 2020. The NY ITWG meeting is scheduled to occur at NYSERDA on December 18, 2019. R. Clayton asked to have the NERC material distributed when available. (AI-248-5)

82 Other DER Issues – None to report.

9. Environmental Status Report/Issues – C. Wentlent – C. Wentlent reviewed attachment #9.1, a summary of the NYSRC/NYSDEC/NYSDDS/NYSERDA/NYISO conference call on November 14, 2019. C. Wentlent pointed out that NYSERDA will now be a regular attendee on the call. C. Wentlent stated that the DEC is still working through the public comments on the Peaker Rule. The DEC is moving forward with RGGI program review rulemaking including working on draft express terms and SAPA documents. The goal is to have RGGI in place before January 2021. The next NYSRC/DEC call is scheduled for January 16, 2019, approximately one week after the Governor’s 2020 State of the State Address.

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

10.1. NERC Standard Tracking – A. Adamson – Attachment #10.1 – A. Adamson stated the NYSRC voted affirmative for TPL-007-3. A. Adamson stated that balloting will open 12/3-12/12 for Standards Alignments with Registrations: FAC-0002-3, IRO-010-3, MOD-031-3, MOD-033-2, NUC-001-4, PRC-006-4, TOP-003-4. There changes are administrative changes to the standards. Balloting opens for a modification to CIP-002-6 on 12/6/19, and balloting opens 12/9/19 for a Technical Rational for Reliability Standards: IRO-001-4, IRO-002-6, IRO006-EAST-2 IRO-008-2, IRO-009-2, IRO010-2, IRO-014-3, IRO017-1, IRO-018-1. This standards development project will remove the technical basis for the standard from the standard document and place it in another location. A. Adamson stated he does not have any reservations voting “affirmative” for the administration changes but has sent the email out requesting feedback on all ballots.

11. State/NPCC/Federal Activities – M. Sasson/P. Fedora

11.1. NPCC Report – M. Sasson – M. Sasson stated that the NPCC Board approved his term to complete the term of M. Forte for 2020. M. Sasson attended the December 4th NPCC Board Members meeting and noted that the NPCC Board is concerned about generating resources dependent on natural gas. Other NPCC Board concerns revolve around DER, and cyber security. The A-10 Document revision is delayed and now expected to be presented at the NPCC RCC in February 2020.

P. Fedora stated that at their December 3rd meeting the NPCC Reliability Coordinating Committee (RCC) approved the 2019-2020 NPCC Winter Reliability Assessment, Directory #4 revision to be submitted for NPCC member ballot and an Ontario Type One Special Protection System (SPS) . At the dinner following the RCC meeting M. Bouche of Hydro Quebec Trans-Energy gave a presentation on the 75 years of Hydro Quebec. At the December 4th Annual meeting FERC and NERC representatives presented their joint report of the cold weather event of January 17, 2018 and reviewed the recommendations from that report. There was mention of NERC creating standards on cold weather preparation.

The NPCC Governmental and Regulatory Affairs Advisors Group December 3rd meeting topics dealt with DER activities.

At the December 4 NPCC General meeting, the theme was “Reliable Transformation of the Power Grid”. There were presentations on: Digitalization of the Grid by Hydro-Québec;

Reliability and a Greener Grid in the Power Trends 2019 report by the New York ISO; the Ontario Initiatives - Distributed Energy Resources Integration from the Ontario IESO, the New England Regional 2019 System Plan by ISO New England; and the Natural Gas Outlook by Northeast Gas Association.

P. Fedora noted that M. Sasson can remain in his role as the alternate representative for NYSRC on the NPCC Reliability Coordinating Committee.

11.2 NERC Report – P. Fedora – P. Fedora stated that the upcoming NERC Joint PC/OC session is having a presentation on follow-up from the Electromagnetic Pulse (EMP) Task Force. There will be more discussion on the Reliability and Security Technical Committee implementation plans. There will be a presentation on NERC’s 2019 Winter Reliability Assessment. There is also a Probabilistic Analysis Forum scheduled for December 11-13 at NERC in Atlanta. The notice of the Probabilistic Analysis Forum was sent out to the EC for information.

12. NAESB Activities – B. Ellsworth – B. Ellsworth reported that the NAESB Annual Meeting is December 10 and 11. B. Ellsworth will report on the NAESB Annual Meeting at the next EC meeting.

13. Visitor Comments – No comments were offered.

14. Adjournment of the EC Open Meeting

The Open Executive Committee Meeting #248 was adjourned at 12:20pm.

15. Future Meeting Schedule

| Meeting | Date | Location | Time |
|----------------|------------------|---|-------------|
| #249 | January 10, 2019 | Wolferts Roost Country Club Van Rensselaer, Albany, NY 12204 | 9:30 AM |