

**Final Minutes**  
**New York State Reliability Council, L.L.C. (NYSRC)**  
**Executive Committee**  
**Meeting No. 169 – May 10, 2013**  
**Albany Country Club, Voorheesville, NY**

**Members and Alternates**  
**in Attendance:**

Mike Mager, Esq.	Couch White, LLP (Large Customers' Sector) – Member - Chair
Ray Kinney	New York State Electric & Gas/RG&E – Member - Phone
George Loehr	Unaffiliated Member
William H. Clagett	Unaffiliated Member
Bruce Ellsworth	Unaffiliated Member
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
Scott Leuthauser	HQ US - Alternate
Mayer Sasson	Consolidated Edison Co. of N.Y. – Member – Vice Chair
Joe Hippius	National Grid, USA – Member
Arnie Schuff	New York Power Authority – Member
Tom Duffy	Central Hudson Gas & Electric – Alternate
Curt Dahl	LIPA – Alternate
Chris Wentlent	Constellation – Alternate - Phone*

**Others:**

Al Adamson	Consultant & Treasurer
Paul Gioia, Esq.	Counsel
Roger Clayton	Electric Power Resources, LLC – RRS/RCMS Chair
John Adams	New York Independent System Operator (NYISO)
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Wes Yeomans	New York Independent System Operator (NYISO)
Edward Schrom	NYS Department of Public Service
Don Raymond	Executive Secretary
Bob Boyle	New York Power Authority – ICS Chairman*

**Visitors – Open Session:**

Herb Schrayshuen	Power Advisors, LLC
Phil Fedora	Northeast Power Coordinating Council (NPCC)

“\*” Denotes part-time

**Agenda Items – (Item # from Meeting Agenda)**

**I. Executive Session** – An Executive Session was requested to discuss compensation.

**II. Open Session**

**1.0 Introduction** – Chairman Mager called the NYSRC Executive Committee (Committee) Meeting No.169 to order at 9:30 A.M. on May 10, 2013 at the Albany Country Club, Voorheesville, NY. The Executive Committee agreed to re-schedule its October 11, 2013 meeting to Thursday, October 10, 2013.

**1.1 Meeting Attendees** – All Members and/or Alternate Members (or representatives) of the NYSRC Executive Committee were in attendance with the exception of Mr. Smith.

**1.2 Visitors** – See Attendee List, page 1.

**1.3 Requests for Additional Agenda Items** – None

**1.4 Declarations of “Conflict of Interest”** – None

**1.5 Executive Session Topics** – See item I above.

**2.0 Meeting Minutes/Action Items**

**2.1 Approval of Minutes for Meeting No. 168 (April 11, 2013)** – Mr. Raymond introduced the revised draft minutes which included all comments received to date. Following discussion, Mr. Ellsworth moved for approval of the draft minutes. The motion was seconded by Mr. Bolbrock and unanimously approved by the Executive Committee Members in attendance – (12 to 0). The Executive Secretary will post the minutes on the NYSRC website – **AI #169-1.**

**2.2 Action Items List** – The Committee reviewed the Outstanding Action Items list and accepted removal of the following items:

<u>Action Item #</u>	<u>Comments</u>
166-5	The notice of member selection was posted on April 16, 2013.
166-10	The Policy 5 update was approved at the April 11, 2013 Executive Committee meeting.
167-2	Mr. Adamson described the requirements for electronic payments at the April 11, 2013 Executive Committee meeting.
167-3	Mr. Adamson provided the Treasurer’s Procedures at the May 10, 2013 Executive Committee meeting.
168-5	Mr. Gioia sent an email describing the member selection process on April 28, 2013.

**3.0 Organizational Issues**

**3.1 NYSRC Treasurer’s Report**

**i. Summary of Receipts & Disbursements** - Mr. Adamson provided the Summary of Receipts and Disbursements which showed a balance of \$168,500 at the end of April 2013. He noted receipt of two TO payments of 30,000 each in March 2013 toward the 2<sup>nd</sup> Quarter Call-For-Funds. The remaining four payments were made in April 2013.

Mr. Adamson indicated that after the last Executive Committee meeting, he sent an email to all the TOs which included the basic information that is necessary to make electronic payments. He also requested comments. LIPA and Con Ed have responded. Procedurally, the Call-For-Funds letters will provide all the information necessary to make electronic payments (optional).

Mr. Adamson requested that the TOs (Executive Committee members) using the electronic payment

option send Colleen Campoli and him an email after each payment indicating the date and amount of the payment –**AI #169-2**. Policy 3 will be updated at the end of the 3<sup>rd</sup> Quarter after experience is gained.

- ii. **Treasurer Duties** – Mr. Adamson noted that the Executive Committee requested at its March 7, 2013 meeting that he documents for the record the Treasurer duties in case he is unavailable for a period of time. He reported that the statement of duties is completed. Mr. Gioia requested that the document becomes an attachment to the modified Policy 3 – **AI #169-3**.

### 3.2 Other Organizational Issues -

- i. **2011-12 Biennial Report** – Mr. Adamson introduced the final 2011-12 NYSRC Biennial Report and indicated that multiple copies are available for distribution by the TOs, other members and participants. Mr. Mager agreed to prepare a transmittal letter. Mr. Mager and other Executive Committee members congratulated Mr. Adamson and Carol Lynch for a Report that is very well done. Copies will be sent to the NYISO Board, NYSERDA, NPCC, NERC, and the PSC. Mr. Patka agreed to provide Mr. Adamson with the NYISO’s contact list for NYS policy makers.
- ii. **Membership Terms** – Mr. Gioia reminded the Executive Committee that the terms of Executive Committee members and Officers expire on July 31, 2013. The new two year terms will begin August 1, 2013. He sent out an email on April 28, 2013 summarizing the actions to be taken. With respect to the TOs, each member should send a letter to the Executive Secretary indicating its member and alternate for the next term – **AI #169-4**. Letters have been received from two of the TOs and the remainder are due by May 31, 2013. Regarding the other affiliated members, a notice must be posted with respect to the procedures adopted by the NYISO for appointment of the wholesale sellers, large consumers and municipals/cooperatives representatives. The posting on both the NYSRC and NYISO websites as well as the NYISO tie-list has been done. Responses are required by May 14, 2013 for the municipal/cooperatives to coincide with its annual meeting. The wholesale sellers and large consumer must respond by May 31, 2013. Mr. Gioia added that he canvassed the unaffiliated members and each is willing to serve another term. No other nominations for unaffiliated membership have been received. Also, the Officers serve one term without restriction on the number of terms served. The practice has been for the Chair to serve two one year terms and then the Vice Chair becomes the Chair. Dr. Sasson has agreed to serve as Chairman. No other nominations for Chairman have been received. One nomination for Vice Chairman has been received (Mr. Smith) – **AI #169-5**. Voting will take place during the June 13, 2013 Executive Committee meeting.

### 4.0 Installed Capacity Subcommittee Status Report/Issues

- 4.1 **ICS Chairman’s Report** – Mr. Boyle reported that ICS met on May 1, 2013. He highlighted the ICS discussion including the following topics:

- (a) the application of Policy 5 rules for external control areas results in an LOLE value that is much higher than 0.1 for the PJM external area. The reason is that EOPs are excluded by Policy 5 in the external area LOLE calculation. Since SCRs are now a much greater proportion of the resource base for areas such as PJM, their inclusion with EOPs results in a LOLE as high as 0.45. Therefore, the NYISO is proposing to bring the area’s LOLE closer to 0.1 LOLE. NYISO has an action item to develop language for inclusion in Policy 5 for review by ICS prior to the June 5<sup>th</sup> meeting. Several ICS members expressed reservations regarding this change.
- (b) Erin Hogan (NYSERDA) presented the preliminary list of renewable projects to the ICS and the NYISO. She asked the members to assist in verifying the list of projects to include in the IRM study this year. She cautioned that due to an upcoming PSC ruling on RPS, it will be difficult to

determine which projects would materialize at this time since no new contracts can be awarded before the ruling. The TOs were requested to respond to Ms. Hogan prior to the June 5<sup>th</sup> ICS meeting.

- (c) It is expected that the APA EFORD deviation final results, wind shape white paper, and multi-year load shape modeling results and white paper will all be presented at the next ICS meeting on June 5th.
- (d) Donna Pratt (NYISO) presented the 2012 summer SCR performance with voluntary participation included, along with matching CBL calculation results. She said 94.8% of the obligated MWs reported CBL data this summer, as compared to approximately 70% the previous summer. The obligated ACL response from SCR was 87.5% during mandatory events. The response for voluntary events was only 34.4% due to a lack of reporting obligation. The NYISO presented updated SCR 2012 event response and an estimate of the 2014 IRM model value based on the same assumptions that were applied for the 2013 IRM study. These assumptions include de-rates from translation factors, effective capacity values, and fatigue factors. Using the same methodology, the model value of SCR MWs that would be included in the 2014 IRM study would be 1,030 MW. Mark Younger expressed concern about the performance difference between mandatory and voluntary events. The NYISO was asked to consider additional de-rates to SCR to capture this difference.
- (e) Tim Duffy (NYISO) reported that the ESPWG is undertaking a study to evaluate the applicability of the Unified Methodology (or Tangent 45 approach) for assessing the ICAP metric within the context of the NYISO's economic planning process (i.e., CARIS). The NYISO has asked the ICS to act in an advisory role by reviewing the scope, the analysis, and potential implications for Policy 5 modifications, if deemed necessary. NYISO will be drafting the scope and reviewing it with ESPWG prior to bringing it to ICS for comments.
- (f) John Adams (NYISO) indicated that the FERC filing for New Capacity Zone was made on April 30, 2013. The comment period ends on May 21, 2013.

#### **4.2 Other ICS Issues – Nothing additional to report.**

### **5.0 Reliability Rules Subcommittee Status Report/Issue**

**5.1 RRS Status Report & Discussion Issues –** Mr. Clayton reported that the joint RRS/RCMS meeting was held on May 2, 2013. Two separate meetings were held, each with its own agenda and minutes. Mr. Clayton introduced the List of Potential Reliability Rule Changes and noted that PRR #97, BPS Facilities; B-R6 & B-M4 is under development. He gave a presentation on PRR #113, System Restoration at the March 7, 2013 Executive Committee meeting. The primary intent of PRR #113 is to require existing units that have black start capability, but do not presently provide this service to participate in the black start program when needed to provide assurance that the NYCA system will be restored as promptly as reasonably possible.

Messrs. Clayton and Adamson have developed a template that embodies all of the NYISO comments and those of Mr. Gioia. During RRS review, it became clear that only ConEd and LIPA have black start units which led to the possibility of having a local Rule. ConEd has instituted its own rules that require all new or repowered units to install black start capability if proven to be necessary by ConEd studies. Dr. Sasson added that the rule is part of the NYISO Tariff and the Article 10 process. ConEd and LIPA studies would be required to identify units needed to participate in the black start program with NYISO concurrence that the unit identified would provide material benefit to the relevant SRP.. Exemptions are possible through the NYISO provided they can be justified to the NYISO. Currently, Messrs. Clayton, Adamson

and Gioia are investigating potential modifications to the template.

## **5.2 Status of New/Revised Reliability Rules**

### **i. Proposed NYSRC Reliability Rules Revision**

#### **a. List of Potential Reliability Rules (“PRR”) Changes**

#### **b. Status of New/Modified Reliability Rules**

##### **1. PRRs for EC Final Approval**

- None

##### **2. PRRs for EC Approval to Post -**

- None

##### **3. PRRs for EC Discussion**

- None

## **5.3 NPCC/NERC Standard Tracking**

**i. NERC Standards Development** – Nothing new to report.

**ii. NPCC Standards** – Nothing new to report.

## **5.4 Other RRS Issues**

**i. Rules Enhancement Plan** – Mr. Clayton indicated that the Rules Enhancement Plan (REP) will be initiated by Mr. Adamson and will be discussed at future RRS meetings.

## **6.0 Reliability Compliance Monitoring Subcommittee (RCMS) Report/Issues**

**6.1 RCMS Status Report & Discussion Issues** – Mr. Clayton reported that RCMS met on May 4, 2013 following the RRS meeting.

**6.2 2013 New York Reliability Compliance Program** – Mr. Clayton reported that RCMS found the NYISO to be in full compliance for the following Measurements:

- (a) C-M12, Disturbance Recording Device Installation and Data Reporting Requirements, and
- (b) F-M3, Reporting Resource DMNC Test Results to the NYISO.

The G-M1, NYISO Requirements for Maintaining the NYCA System Restoration Plan, compliance documentation received from the NYISO on 4/25/2013 was revised by the NYISO and returned on 5/1/2013. The documentation was again found to be incomplete and in error. In accordance with the NYSRC lateness policy, the NYISO was given 30 days to correct the documentation to avoid a non-compliance finding.

**6.3 Other RCMS Issues** – Nothing additional to report.

## **7.0 Key Reliability Issues**

**7.1 Defensive Strategies** – Nothing new to report.

## **8.0 State/NPCC/Federal Energy Activities**

**8.1 NPCC Board of Directors** - Mr. Forte provided a written report summarizing the NPCC Board of Directors (BOD) input to the May 8, 2013 NERC Representatives Committee and the May 9, 2013 NERC Board of Trustees meetings. Prominent among the inputs were the following:

- NPCC supports the expansion of the current FFT approach to medium level violations and the development of a “Find-Fix and Record” as being appropriate priorities for the Reliability Assurance Initiative (RAI) project.
- NPCC supports NERC’s Section 215 approved criteria and sub-criteria including FERC’s directed modifications. NPCC believes that the criteria describes activities that are based on a reasonable interpretation of the broad scope of activities contemplated by Section 215 of the FPA.
- NPCC supports the continuation for 2014 of the operation and funding of the ES-ISAC under NERC as a necessary and appropriate component of NERC’s Section 215

responsibilities, with the understanding that an alternative structure and funding mechanism be considered for future years.

**8.2 NPCC Report** – Mr. Fedora reported that the NPCC media release for the 2013 Summer Reliability Assessment is scheduled for May 14, 2013. Messrs. Schwerdt and Fedora will present the results of the probabilistic and deterministic outlook for the Summer period followed by questions from interested parties. ISO-NE has already issued its press release which noted the 50% dependency on natural gas for generation. However, in the summer the conflict with residential use for heating is significantly less. Most of the concern is pipeline management. An email has been sent to Mr. Clapp (NYISO) in order to coordinate with any NYISO releases.

The load is expected to be flat across NPCC relative to last summer due primarily to energy efficiency and demand response programs. Also, the Point LaCrosse nuclear plant in New Brunswick will be returning to service and the Hudson–ConEd 345kv interconnection with PSE&G will begin operation providing emergency assistance in both directions. In addition, the transmission system in the vicinity of Springfield, MA has been reinforced.

There was a training session on May 2, 2013 for all Regions that will be responsible for implementing the Rules of Procedure (RoP) regarding the notification of self determined BES elements. The Standards Drafting Team (SDT) is finalizing the “Reference Document” for the revised BES definition.

Requirements for submitting an “Exception”, a description of the web based “tool” and guidelines for the acceptance of the “Exception” requests were presented at the training session. As a result, NERC Legal has developed a document for Regional Management review regarding NERC’s position on how to treat Directives E1 and E3 from the FERC Order 773a. The SDT and Bulk Electric Process Working Groups are meeting during the week of May 20, 2013 to finalize their documents. User Acceptance Testing for the web-based “tool” will be during the 1<sup>st</sup> week in June 2013. There is a NPCC Standards and Compliance workshop at the end of May 2013 in Cooperstown, NY. After May 2013, NERC will be holding training webinars.

## **9.0 State/Federal Energy Activities**

**9.1 CARIS** – Modeling continues to refine the Base Case, by benchmarking the model results to 2011 actual congestion, LBMPs power flows, and generator outputs. Coordination with the ESPWG continues to finalize the modeling assumptions and scenarios. Market Participants have concerns with the NYISO’s proposed treatment of units submitting mothball and retirement notices post-CRP, and the NYISO is considering its response. Also, the NYISO committed to work with the ESWP and NYSRC on studying the use of a Tan45 analysis in calculating the CARIS 1 ICAP metric.

## **9.2 Interregional Transmission Studies**

**i. EIPC Study** – On April 29, 2013, EIPC announced it has completed the transmission analyses as part of an electric system transmission planning effort funded by the U.S. Department of Energy (DOE). The Report is posted at <http://eipconline.com/Phase II Resources.html>

Phase II continues with a natural gas study that contemplates investigating the increasing reliance on natural gas for generating electricity. An RFP for the gas study will be issued by the end of the 2<sup>nd</sup> Quarter.

**ii. IPSAC Study** – An IPSAC WebEx meeting was held on April 24, 2013 to consider FERC Order 1000 and the Northeast Planning Protocol. The NYISO Interregional Planning Task Force is meeting bi-weekly to discuss NYISO stakeholder concerns and comments on the Protocol, and to discuss revisions to the NYISO OATT Attachment Y. The FERC Order 1000 filing deadline is July 10, 2013. On April 18, 2013 FERC “conditionally accepted” the NYISO regional compliance filing. Revisions to the compliance filing are due August 16, 2016.

**9.3 Other Studies/Activities** – Nothing additional to report.

## 10.0 Other Items

### 10.1 NYISO Operations Report – Mr. Yeomans provided the NYISO Operations Report for April 2013.

The peak load occurred on Wednesday, April 3, 2013 at 20,210Mws versus the all time winter peak of 25,541Mws on Monday, December 20, 2004. There were no Major Emergencies declared during the month. Alert states were declared on 15 occasions; 11 times for system frequency. There were 0 TLR Level 3s declared for a total of 0 hours. On 8 occasions reserves were activated, 4 for ACE. Mr. Yeomans noted that one of the Ramapo PARs will be out of service this summer.

### 10.2 North American Energy Standard Board (NAESB) – Nothing new to report.

## 11.0 Visitors' Comments – None

## 12.0 Meeting Schedule

<u>Mtg.</u> <u>No.</u>	<u>Date</u>	<u>Location</u>	<u>Time</u>
#170	June 13, 2013	Albany Country Club, Voorheesville, NY	9:30 A.M.
#171	July 12, 2013	Albany Country Club, Voorheesville, NY	9:30 A.M.

The open session of Committee Meeting No.169 was adjourned at 1:30 PM.