

**Draft Minutes**  
**New York State Reliability Council, L.L.C. (NYSRC)**  
**Executive Committee**  
**Meeting No. 178 – February 14, 2014**  
**Conference Call**

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

Mayer Sasson	Consolidated Edison Co. of N.Y. – Member – Chair
Curt Dahl, P.E.	LIPA – Member – Vice Chair
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
Mike Mager, Esq.	Couch White, LLP (Large Customers' Sector) – Member
Peter Altenburger	National Grid, USA – Member
Jim McCloskey	Central Hudson Gas & Electric – Member
George Smith	Unaffiliated Member
Chris LaRoe	Independent Power Producers of NY (IPPNY) – Member
Arnie Schuff	New York Power Authority – Member
Ray Kinney	New York State Electric & Gas/RG&E – Member

**Others:**

Al Adamson	Consultant & Treasurer
Erin Hogan, P.E	NYSERDA – ICS Chair
Roger Clayton	Electric Power Resources, LLC – RRS/RCMS Chair
Henry Chao	New York Independent System Operator (NYISO)
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Wes Yeomans	New York Independent System Operator (NYISO)*
Howard Tarler	New York Independent System Operator (NYISO)
Edward Schrom	NYS Department of Public Service
Don Raymond	Executive Secretary

**Visitors – Open Session**

Phil Fedora	Northeast Power Coordinating Council (NPCC)
Mark Younger	Hudson Valley Economics
Rick Brophy	New York State Electric & Gas/RG&E
Chris Wentlent	Constellation
Keven Jones, Esq.	Hunton & Williams, LLC for NYISO*

“\*” Denotes part-time

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

- I. **Executive Session** – Chairman Sasson announced two Executive Sessions to discuss Black Start issues and Compensation matters.
- II. **Open Session**
- 1.0 **Introduction**– Chairman Sasson called the NYSRC Executive Committee (Committee) Meeting No.178 (Conference Call) to order at 9:30 am on February 14, 2014.
- 1.1 **Meeting Attendees** – All Members and/or Alternate Members (or representatives) of the NYSRC Executive Committee were in attendance.
- 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** – Two Executive Sessions were held to discuss Black Start issues and Compensation matters.
- 2.0 **Meeting Minutes/Action Items**
- 2.1 **Approval of Minutes for Meeting No. 177 (January 10, 2014)** – Mr. Raymond introduced the revised draft minutes which included all comments received to date. There being no additional comments, Mr. Loehr moved for approval of the revised draft minutes. The motion was seconded by Dr. Sasson and unanimously approved by the Executive Committee – (13 to 0). The Executive Secretary will post the minutes on the NYSRC website – **AI #178-1**.
- 2.2 **Action Items List** – The Executive Committee reviewed the Outstanding Action Items list and accepted removal of the following items:

<u>Action Item #</u>	<u>Comments</u>
174-4	Dr. Sasson gave a presentation on ConEd’s latest Black Start analysis at the January 10, 2014 Executive Committee meeting.
176-5	The R&D Project Request Form was presented by Mr. Smith at the January 10, 2014 Executive Committee meeting.
177-2	A revised template was presented at the February 14, 2014 Executive Committee meeting by Messrs. Dahl and Smith.
177-5	Comments were provided to NPCC on January 22, 2014 by Mr. Clayton with input from Ms. Hogan and Messrs. Duffy and Adamson.
177-6	The 2013 Reliability Compliance Program Highlights were presented by Mr. Clayton at the February 14, 2014 Executive Committee meeting (Conference Call).

- 3.0 **Organizational Issues**
- 3.1 **NYSRC Treasurer’s Report**

- i. **Summary of Receipts & Disbursements** - Mr. Adamson discussed the Summary of Receipts and Disbursements which showed a surplus of \$165,000 at the end of January 2014. Member receipts of \$100,000 were received in January 2014 toward the 1<sup>st</sup> Quarter Call-for-Funds of \$165,000 issued in December 2013. An additional \$30,000 has been received in February 2014 completing the 1<sup>st</sup> Quarter Call-for-Funds.
  - ii. **2013 Audit** – Mr. Adamson indicated that Ms. Campoli and he have provided the Auditor, DeAngelus & Assoc, with the records necessary for preparing the 2013 Audit. Mr. Adamson has reviewed and commented on a draft of IRS Form 1090 and the draft Audit Report. The final Audit Report is expected to be ready for presentation to the Executive Committee at its March 14, 2014 meeting.
- 3.2 Vice Chair Report** – At the September 12, 2013 Executive Committee meeting, Dr. Sasson indicated that he had asked Mr. Dahl (Vice Chair) to investigate a number of specific issues. Status report(s) were given on the item(s) below:
- i. **Role of Research** – Mr. Dahl introduced the revised R&D Project Request Form (or Template) that he and Messrs. Smith and Duffy prepared for future potential R&D projects to provide additional structure to the R&D proposal process. Revisions have been made to clarify the NYSRC portion of the funding and provide a summary project schedule. The Form presented was filled out by Mr. Smith for the MDMS Project using information in the EnerNex proposal. Mr. Dahl moved that the revised R&D Project Request Form be approved for use by all future proposed R&D projects. The motion was seconded by Mr. Clagett and unanimously approved by the Executive Committee – (13 to 0).
- 3.3 Other Organizational Issues** –
- i. **Compensation Considerations** – The discussion was held in Executive Session.
- 4.0 Installed Capacity Subcommittee (ICS) Status Report/Issue**
- 4.1 ICS Chair Report** – Ms. Hogan, Chair of ICS, reported on the ICS action items many of which are summarized under Lessons Learned below. An exception is Emergency Operating Procedures (EOPs) for a 5% remote voltage reduction. ICS is collecting information to assess whether there is degradation in response for extended voltage reductions. A white paper may be necessary. Ms. Hogan emphasized ICS’s sensitivity regarding the NYISO manpower required for white papers. Mr. Chao asked that white papers be requested only when absolutely necessary. The Executive Committee concurred. Ms. Hogan indicated that Lessons Learned are reviewed by ICS to identify improvement areas and possible white papers that could require changes to Policy 5. Areas of improvement for the following lessons learned will be evaluated.
- (a) Communications between the NYISO staff and ICS Chair particularly during critical periods,
  - (b) The minimum number of MARS iterations required to achieve a 95% confidence limit,
  - (c) Valuing neighboring control area SCR resources assistance to NYCA,
  - (d) Evaluate the modeling of overhead transmission line outages, and
  - (e) Evaluate the data base quality assurance process.
- Ms. Hogan and Messrs. Adamson, Adams, and Vitale held a conference call to develop a scope and schedule for the proposed “IRM Process Guide”. The first step is to review existing documents, Policy 5 and IRM reports to identify areas where additional documentation is warranted – **AI #178-2**.
- 4.2 2015-16 IRM Study Milestones** – Ms. Hogan introduced the “2015 IRM Study Process Milestones”

providing the date for completion of nearly 80 separate milestones between February and December 2014. The Executive Committee accepted the schedule and actions.

#### 4.3 Other ICS Issues – Nothing additional to report.

#### 5.0 Reliability Rules Subcommittee Status Report/Issues

5.1 RRS Status Report & Discussion Issues – Mr. Clayton reported that the joint RRS/RCMS meeting was held on January 30, 2014. Two separate meetings were held, each with its own agenda and minutes.

#### 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 -

- **PRR #117** - Mr. Clayton introduced PRR #117, List of NYS Bulk Power System Facilities, which requires the NYISO to provide a list of bulk power system facilities. There are two related issues: (i) what facilities belong on the list? and (ii) where should the list be published? The required facilities are defined in the glossary of the Reliability Rules as generally generators at 300Mw and above and transmission at 230kV and above.

The list that the NYISO is defining as NYS Bulk Power System (BPS) facilities comports with the NPCC A-10 List which is CII protected. RRS decided to defer changing the glossary definition pending further review of NPCC Directory 1 – **AI #178-3**.

The concern regarding where the list is published is CII requirements. Therefore, RRS removed the last sentence in the wording of the Proposed Measurement Change which requires the NYISO to publish the BPS list in “the Gold Book”. Also, words were added to the Full Compliance Statement requiring the NYISO to provide the NYS BPS list to the NYSRC when requested.

With the changes noted above, the RRS recommended Executive Committee approval to post for comment. Mr. Loehr moved for approval to post PRR #117 for comment. The motion was seconded by Mr. Altenburger and unanimously approved by the Executive Committee – (13 to 0).

- **PRR #REP-08** - Mr. Clayton introduced PRR #REP-08, D-R1: Establishing the Minimum Level of Operating Reserve, which is a re-formatting of Section B of the Rules. The only new language is a statement of the intent of the Rule which was taken from NERC BAL-002. RRS recommends that the Executive Committee approve PRR #REP-08 to post for comment. Mr. Clagett moved for approval of the re-formatted PRR. The motion was seconded by Mr. Altenburger and unanimously approved by the Executive Committee – (13 to 0).

##### 3. PRRs for EC Discussion

- None

#### 5.3 NPCC/NERC Standard Tracking

i. **NERC Standards Development** – Mr. Adamson noted that the NYSRC voted NO on the first ballot of PER-005-2 (Training) based on advice from the TOs. However, the proposed standard passed in the initial NERC ballot. In the final NERC ballot, the NYSRC and most TOs voted NO, but again PER-005-2 passed the NERC ballot and has been adopted by NERC.

Mr. Smith inquired regarding the status of PRC-004 (System Protection Coordination). Mr. Adamson indicated that the balloting is not until early March 2014 and that he is waiting to hear the NPCC position. So far the Executive Committee has provided Mr. Adamson with 1-YES and 2-NO votes. Mr. Adamson agreed to forward the NPCC position to the Executive Committee members –

**AI #178-4.**

- ii. **NPCC Directory 1** – Mr. Clayton reported that Mr. Duffy provided additional comments which were included with those reported on at the January 10, 2014 Executive Committee meeting and submitted to NPCC. A response has yet to be received from NPCC.

**5.4 Other RRS Issues** – Nothing additional to report.

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

- 6.1 **RCMS Status Report & Discussion Issues** – Mr. Clayton reported that RCMS met on January 31, 2014 following the RRS meeting.

- 6.2 **2013 New York Reliability Compliance Program Highlights** – Mr. Clayton introduced the end of year 2013 report, 2013 Reliability Compliance Program Highlights. He recognized Jim Grant (NYISO) as a key participant in the excellent cooperation that exists between RCMS and the NYISO. RCMS found the NYISO to be in full compliance for all the compliance measurements identified for review in 2013. There was only one compliance review approval delayed because of incompleteness. However, it was completed within the 30 day grace period. Following discussion regarding the need for approval, Mr. Clagett moved for approval of the re-formatted PRR. The motion was seconded by Mr. Altenburger and unanimously approved by the Executive Committee – (13 to 0).

- 6.3 **2014 New York Reliability Compliance Program (NYRCP)** – Mr. Clayton introduced the new 2014 New York Reliability Compliance Program (a.k.a. the Scorecard) and noted that the due days for compliance reviews were derived in conjunction with the NYISO. The Program assumes PRR #116 is enacted (I-M7 and I-M8). Mr. Bolbrock moved for approval of the 2014 NYRCP. The motion was seconded by Mr. Clagett and unanimously approved by the Executive Committee – (13 to 0).

- 6.4 **Other RCMS Issues** – Nothing additional to report.

**7.0 Key Reliability Issues**

- 7.1 **Defensive Strategies** – Mr. Smith reported that the kick-off meeting for the MDMS Project is scheduled for Tuesday, February 18, 2014 beginning at 10:00 am. This will be an opportunity for the participants to meet and participate in a preliminary discussion of the Project. The meeting will be chaired by EnerNex. Mr. Gioia noted meeting recently with Bob Catell, past head of Brooklyn Union Gas and later Keyspan. He is now the head of the Advanced Research Technology Center at SUNY Stonybrook, the Chairman of the Smart Grid Consortium in New York, and a member of the NYSERDA Board. The Research Technology Center at Stonybrook is looking into new and innovative ideas with respect to the electric system and system protection against blackouts and other extreme events. At the request of Mr. Smith, Mr. Gioia agreed to provide contact information for Mr. Catell – **AI #178-5**. Mr. Patka added that the NYISO is involved with the Smart Grid Consortium.

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

- 8.1 **NPCC Board of Directors (BODs)** – Mr. Forte provided the NPCC Board of Directors Policy Input to the NERC Member Representatives Committee and the NERC Board of Trustees at their February 2014 meetings. Questions should be directed to Mr. Forte or Dr. Sasson.

- 8.2 **NPCC Report** – Mr. Fedora reported that in regard to the Bulk Electric System, the Standards Drafting Team (SDT) has posted its reference documents for the application of the filed BES Definition. The comment period closes on Thursday, February 27, 2014 at 8:00 pm. If there are questions or additional examples, this is the opportunity to have them considered by the SDT. The final reference documents will become official once FERC rules on the BES Definition. This ruling must be made by March 31, 2014 in order to preserve the July 1, 2014 BES effective date. The plan looking forward assumes that FERC will meet the March 31, 2014 date.

Additional guidance documents will be posted on the NERC BES website, for example, documents to help the registered entities submit their self determined BES notifications and exceptions based on the new

Definition. By the end of February 2014, NERC will post its schedule for training in the use of the new software named BES Notification and Exceptions Tool (BESnet). NPCC is holding its own training at the next NPCC Standards and Compliance Workshop in Cooperstown, NY the last week of May 2014. Preceding the Workshop on May 27, 2014, there will be a presentation on the BESnet system followed by classroom training on the mechanics of using the software.

Mr. Loehr asked if there were groups wishing to expand resource adequacy beyond assessments of the reliability impacts of planned resource capacity and projected reserve margins. Mr. Fedora responded that the NERC Staff raised the issue of declining reserve margins when developing its goals for 2014. Mr. Chao added that FERC issued a white paper last week on the same topic which may have influenced NERC. FERC had the Brattle Group investigate the “value” of reserve margins in the defined Regions for various criteria. Mr. Bolbrock note that the Brattle Group has investigated ERCOT and calculated a so called “optimum economic reserve margin”. Mr. Chao is familiar with the ERCOT study and agreed to make it and the FERC white paper available to the Executive Committee.

- 8.3 State Energy Plan** – Ms. Hogan indicated that comments on the Energy Plan are due March 31, 2014. Public Hearings are being held currently. She noted that the proceedings will focus on distributed energy resources and offered to have a person from NYSERDA’s Research Group give a presentation to the Executive Committee on its work regarding micro-grids for critical services. The Project Manager feels that a June 2014 timeframe would be appropriate. In addition, Ms. Hogan offered to provide an outline for a presentation on the micro-grid concept by the March 14, 2014 Executive Committee meeting **AI #178-6**. Dr. Sasson will provide assistance as needed.

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

- 9.1 CARIS** - The NYISO staff is working with the ESPWG to define “Lessons Learned” from the 2013 CARIS 1 process, identify updates to the Economic Planning Manual, and develop the 2014 CARIS 2 data base. The NYISO staff presented its analysis of the Hurdle Rates at the February 6, 2014 ESPWG meeting.
- 9.2 Order 1000** – The FERC Order 1000 Interregional Compliance Filing was submitted on July 10, 2013. Regional compliance filings were submitted on October 15, 2013. Process manuals will be revised and new processes will be implemented beginning in 2014. The NYISO staff is preparing revisions to the CARIS and Reliability Process manuals. They will be presented to the ESPWG in February and March 2014.
- 9.3 2014 RNA** - The TO’s LTPs were presented in October 2013. No formal comments were received by the NYISO or reported by the TOs. Links to the LTPs can be found on the NYISO website. All TOs provided updated modeling information by January 13, 2014 for use in the 2014 Gold Book, the FERC 715 filing, and for use in the 2014 RNA. The 2014 RNA will be the first RNA to be performed according to the new Order 1000 planning requirements.
- 9.4 Interregional Transmission Studies**
- i. EIPC Study** – EIPC members created a 2018 and a 2023 roll-up integration summer peak power flow case for the Eastern Interconnection. The roll-up Model Report discusses the gap analysis, gap solutions (enhancements), and linear transfer analysis. The Report was posted December 6, 2013 at <http://www.eipconline.com/non-DOE-Documents.html>. Stakeholder comments were due January 31, 2014. EIPC members will review comments and consider revisions to the Roll-up Model Report. In 2014, EIPC will perform power flow analyses of scenarios to be selected with input from stakeholders. The scenarios currently proposed include winter and spring peak. The scenario analysis is expected to begin in April 2014. The Gas-Electric System Interface Study will be performed by Levitan & Associates. The Study timeline includes a baseline assessment of the existing system to be completed by April 4, 2014. An evaluation of the capability of the gas system to satisfy the needs of the electric system will be in draft form by July 11, 2014. The identification of gas-side contingencies that could impact electric

reliability will be in draft form by December 13, 2014. A draft review of dual fuel capability is expected on September 5, 2014. The draft report is scheduled for a February 17, 2015 delivery to stakeholders.

A Stakeholder Steering Committee (SSC) webinar was held on January 31, 2014 to discuss the Gas-Electric Study. The next SSC webinar is scheduled for February 28, 2014. The NYISO Interregional Planning Task Force meetings will be scheduled throughout 2014 to provide updates.

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

**10.0 Other Items**

**10.1 NYISO Operations Report** – Mr. Yeomans provided the NYISO Operations Report for January 2014. The peak load occurred on Tuesday, January 7, 2014 at 25,738Mws an all time winter peak load. There were no Major Emergencies declared during the month. Alert states were declared on 35 occasions; 18 times for low system frequency. There were no TLR Level 3s declared. There were two NERC/NPCC Reportable DCS events: (a) at 21:18 on January 6 a SAR and RPU were initiated for loss of Indian Pt. 3 loaded at 1080Mws. ACE crossed zero and the RPU was terminated at 21:23. The SAR was terminated at 21:40 and (b) at 20:52 on January 22, an RPU/SAR was initiated for loss of Astoria Energy CC1 and CC2 loaded at 540Mws. ACE crossed zero, the RPU was terminated at 21:00, and the SAR was terminated at 21:06.

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

**11.0 Visitors' Comments** – None

**12.0 Meeting Schedule**

<u>Mtg. No.</u>	<u>Date</u>	<u>Location</u>	<u>Time</u>
#179	Mar 14, 2014	Albany Country Club, Voorheesville, NY	9:30 A.M.
#180	Apr 10, 2014	Albany Country Club, Voorheesville, NY	9:30 A.M.

The open session of Committee Meeting No.178 was adjourned at 1:00 PM.