Executive Director Report

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**Save the Date!!!**

Now that the MEUA’s Annual Conference has been canceled, we look forward to the September 17th virtual meeting scheduled from 9:30AM-Noon.

We have some important items to attend to and want to bring the membership up to date on several issues.

Also included in the virtual meeting will be the finalization of the by-law amendments and the election process for the Executive Committee. Meeting materials will be sent out shortly.

This year’s election will have two positions for the Executive Committee.

One will be for a 5-year term and the other will be for a 4-year term.

Owen McIntee and Larry Kilburn are finishing up their terms on the committee.

If interested, please fill out the nomination form that will be sent out to all members. If anyone has any questions about serving on the Executive Committee, please contact one of the current members, Andrew Thompson, Westfield, Bill Whitfield, Wellsville, Nancy Mitchell, Hamilton, Owen McIntee, Spencerport, Larry Kilburn, Arcade, or contact the MEUA office.

**LTA Update**

NYPA has notified the MEUA office that all 51 municipal systems and co-ops have signed the negotiated extension for the hydro contract. The Long-Term Agreement is now extended through September 1st 2040.

Thank you to all the municipals for getting their resolutions executed and sent in.

**RSR & COS Meeting**

A virtual meeting was recently held with NYPA to review the rate stabilization reserve and the cost of service as it pertains to our hydro rates. A lot of information was given during this 3-hour call. The information will be reviewed and questions forwarded back to NYPA officials for their answers. I will keep you updated as this process continues.

As summer moves along, it appears that this July will be the warmest on record in Central, NY. The Syracuse area tied a record with 43 straight days of the temperature being at least 80°.

Schools statewide are all filing their re-opening plans with the state. It will be interesting to see how this all works out moving forward. Some area schools will have students each day of the week, and others have chosen a hybrid plan where students will attend classes 4 days a week with 1 day set aside for cleaning the facilities. Other schools are also looking into full-time distance learning curriculums. The makeup will depend on school building size and the availability to keep proper social distances and cleaning protocols in place.

Hope you are all doing well and staying safe. This sure has been a strange past four months.

Thank you.



**Chris Wentlent: 2020 August NYISO Report**

I hope everyone is enjoying their summer period and all families are safe. By next column, many families will be dealing with sending children off to college or back to school. Take these moments to enjoy your families to the fullest. My August 2020 Report follows:

**NYISO Report**

**Creditworthiness** – NYISO informed NYMPA that they were bringing the re-evaluation of credit requirements to the upcoming August 2020 Billing Accounting Credit Working Group (BACWG) meeting. Currently, each one of our municipal systems receives $1M dollars of unsecured credit. The NYISO is considering a change that would prevent any municipal system that does not have an investment grade rating or provides an audited annual financial statement from unsecured credit eligibility. Mark Cordeiro and I had a discussion with the NYISO credit group in July 2020 and provided additional documentation of how the PJM market system has handled their equivalency requirements. Our position is that any system that provides an annual report to the New York State Department of Public Service should continue to receive the unsecured credit. The NYISO Credit Group stated they will investigate our information and get back to us. We will report further on this matter in a future News & Views.

**NYISO 2020 Project Priority Process**

The NYISO conducted their survey in late June. NYMPA/MEUA submitted surveys for seven of our municipal systems. The initial results of the stakeholder survey were announced in July 2020. Our priority project list attempted to meet several objectives including improved transmission and congestion outcomes, improve market efficiency in other areas, reduce our market costs, hold resources accountable and prepare our markets for the upcoming change in resources including intermittent resources and energy storage.

NYMPA/MEUA submitted eight projects for consideration. Five projects were recommended for inclusion in the 2021 NYISO Project listing, three projects were initially rejected. The NYISO will not finalize their proposed project list until August 2020 after stakeholders have one additional opportunity to provide any further input. Accordingly, there is a possibility that the status of a rejected project might change. If this occurs, we will provide a further update in the next News & Views.

**NYISO Reliability Planning Process:**

The 2020-2021 Reliability Planning Process cycle has started with the 2020 Reliability Needs Assessment (“RNA”), which will evaluate the system to determine the reliability needs and potential market based and regulated backstop solutions necessary to maintain system reliability for the period 2021-2030.

The RNA base case reflects the expected future status of simple-cycle peaking turbines based on compliance plans submitted by generation owners for the DEC Peaker Rule. The RNA will include an evaluation of potential regulatory impacts within the planning horizon, including the target of 70% of energy consumption sourced from renewable resources by 2030 (“70x30”).

The NYISO presented preliminary Base Case findings at the Electric System Planning Working Group (ESPWG) on June 19, which identified preliminary resource adequacy and transmission security Reliability Needs in the New York City area during the 2024-2030 study period. The NYISO will consider updates, such as updated Transmission Owner local transmission plans or generator development plans, which may reduce or eliminate the Reliability Needs. The NYISO will draft an RNA report for review with stakeholders through September.

The NYISO is targeting final stakeholder review and approval of the RNA in October, followed by NYISO Board of Directors approval in November.

**NYISO Public Policy Transmission Planning Process**

***Western New York Public Policy***

The NYISO has executed a Development Agreement with NextEra Energy Transmission New York, Inc. for its Empire State Line Proposal 1 for the Western NY Public Policy (WNYPP) Transmission Need. NextEra filed its Article VII siting application with the NYPSC in August 2018 (Case No. 18-T-0499), which was approved by NYPSC on June 16, 2020.

***AC Transmission***

The selected projects for the AC Transmission Public Policy Transmission Needs are a joint proposal by LS Power Grid New York and the New York Power Authority (NYPA) (Project T027) for Segment A (Central East), and a joint proposal by National Grid and New York Transco (Project T019) for Segment B (UPNY/SENY).

On August 20, 2019, LS Power and NYPA filed an Article VII siting application for Segment A with the NYPSC (Case No. 19-T-0549) that was deemed complete by the NYPSC on December 18, 2019. On October 18, 2019, New York Transco filed an Article VII application for Segment B with the NYPSC (Case No. 19-T-0684) that was deemed complete on February 10, 2020. The development agreement for Segment B was accepted by FERC on March 10, 2020, and the development agreement for Segment A was accepted by FERC on April 16, 2020. Both segments continue to work through the Article VII Transmission Planning Process at the New York State Department of Public Service.

The NYISO will initiate the 2020-2021 Public Policy cycle on August 3, 2020; proposals for transmission needs driven by public policy requirements will be due October 2, 2020 and will subsequently be filed with the PSC. (Current)

**NYPA Moses Adirondack Project** – the project is currently under construction; it is expected to take up to three years to compete. Accordingly, during construction, it is expected one of the MA1 or MA2 lines will be out of service.

**Transmission – Other**

***NYPA recently submitted Petitions*** at the NYSPSC to expedite transmission upgrades in the North Country including the NGRID upgrade to Edic/Porter and WNY Upgrade. Both petitions identify a host of infrastructure upgrades.

***Northern NY* Project** consists of the following components:

* **Phase 2 completion of NYPA’s Smart Path Moses-Adirondack Rebuild** as outlined in NYPA’s Article VII application.
	+ The remaining portion of double circuit 230 kV lattice structures in Massena and the remaining connection to Adirondack Substation in Croghan (approximately 8 miles in total) will be retired and rebuilt with single circuit tubular steel poles at 345 kV, as contemplated under the project's Article VII certificate.
	+ Rebuild and/or expansion of the existing Moses and Adirondack substations from 230 kV to 345 kV.
* **Rebuild and upgrade of NG AP 1&2** (National Grid’s Adirondack to Porter 230 kV transmission lines #1 & 2) to 345 kV.
	+ For each circuit, the existing 230 kV horizontal wood H-frames spanning approximately 55 miles are proposed to be rebuilt with single circuit tubular steel poles in a delta configuration at 345 kV with a double bundle conductor and optical ground wire (“OPGW”) functionality.
	+ Rebuild and/or expansion of the existing Chases Lake, and Porter substations from 230 kV to 345 kV.
* **Rebuild and upgrade of NYPA’s Moses to Willis 230 kV transmission lines #1 & 2 to 345 kV.**
	+ For each circuit, the existing 230 kV horizontal wood H-frames spanning approximately 37 miles are proposed to be rebuilt with single circuit tubular steel poles in a delta configuration at 345 kV with a double bundle conductor and OPGW functionality.
	+ Rebuild and/or expansion of the existing Moses and Willis substations from 230 kV to 345 kV.
* **Rebuild and upgrade of NYPA’s Willis to Patnode 230 kV circuit.**
	+ The existing 230 kV horizontal wood H-frames spanning approximately 8.75 miles are proposed to be rebuilt at 230 kV utilizing tubular steel poles.
* **Rebuild and upgrade of NYPA’s Willis to Ryan 230 kV circuit.**
	+ The existing 230 kV horizontal wood H-frames spanning approximately 6.5 miles are proposed to be rebuilt at 230 kV utilizing tubular steel poles.
* **Additional Scope items and Substation Improvements.**
	+ Additional affected substations and improvements to be identified during the project’s facilities study. Anticipated ancillary upgrades include but are not limited to protection and control upgrades at interconnecting substations, terminal and equipment upgrades, and other affected system upgrades as anticipated with this type of transmission investment.

**Projected Project Benefits**

NYPA estimates the project will result in approximately 7.5 terawatt-hours (“TWh”) of avoided renewable curtailments annually, starting in 2025. NYPA’s analysis also projects that the Northern NY Project will result in significant production cost savings, emissions reductions, and decreases in congestion. The environmental and congestion relief benefits of the project are even more substantial than the production cost savings, even without considering the project’s necessity to comply with the CLCPA Targets. The project is estimated to result in over $447 million in annual congestion savings in Northern New York. Approval of the project is contingent on the New York State Public Service Commission acceptance of the petition. Stakeholders have an opportunity to comment.

***Western NY Project (WNYEL) -*** The WNYEL Project consists of several discrete elements that will upgrade assets currently owned by National Grid, NYSEG and NYPA that are required to reduce or eliminate existing curtailment of renewable and carbon emission-free generation, facilitate the siting of new renewable generation in the Western region of New York State, and reinforce the bulk transmission system to accommodate the transfer of approximately an additional 600 MW of renewable resources across the Western region of the State to load centers.

Specifically, the **WNYEL Project** consists of the following project components:

* **Rebuild Packard-Huntley-Gardenville**: Reconductoring two 42-mile Packard Huntley-Gardenville 230 kV circuits owned by National Grid and converting the existing double-circuit-common-tower structures to single-circuit-single-tower structures.
* **61&64 Line Separation:** Tower separation of National Grid’s Line #61 between Niagara and Packard and NYSEG’s Line #64 between Niagara and Robinson Road (both at 230 kV) to be undertaken in a joint NYPA/National Grid right of way. Double-circuit- common-tower structures will be converted into two separate single-circuit-single-tower structures.
* **62&76 Line Separation:** Tower separation of (i) National Grid’s Line #62 between Niagara and Packard and (ii) National Grid’s Line #76 between Packard and Beck (both at 230 kV), to be undertaken in a joint NYPA/National Grid right of way. Double circuit-common-tower structures will be converted into two separate single-circuit-single tower structures.
* **South Ripley PAR:** Installation of a new Phase Angle Regulator (“PAR”) at National Grid’s South Ripley substation to control the flow from PJM to the New York Control Area (“NYCA”) through the Erie-South Ripley 230 kV circuit.
* **Ancillary System/Network Improvements.** Additional affected substation improvements are anticipated at the Niagara, Packard, Huntley, Gardenville substations, as well as other affected local substations to be identified during the WNYEL Project’s facilities study. Anticipated ancillary upgrades and improvements include but are not limited to protection and control facilities at interconnecting substations, terminal and equipment upgrades, and other affected system improvements as anticipated with the proposed transmission investments.

Collectively, these components of the WNYEL Project will resolve limitations due to double circuit contingencies on the 230 kV transmission circuits leaving the Niagara Power Project that limit transmission capability on that part of the system and pose reliability issues for the addition of renewable generating capacity to the system in that area. The separation of the double circuit segments onto different structures will allow the NYISO to eliminate double circuit contingency operational restrictions and operate these transmission facilities more efficiently and at higher transfer ratings. Importantly, these benefits accrue for all hours of operation – during both peak and off-peak hours.

National Grid is actively pursuing tower separation and reconductoring of its 115 kV circuits from Niagara to Packard, and the WNYEL Project would completely resolve all other double circuit contingency issues in the area and create approximately 600 MW of additional transfer capability, which could be used for renewable power injections in the area. Additionally, the addition of the South Ripley PAR would enable greater control of power flow between the PJM and New York control areas and allow flows over the PJM-NYCA interface to be optimized. The PAR, with its ability to control power flow, can be used to address these inadvertent and costly loop flows, and would reduce the need for costlier control actions such as generation re-dispatch and/or transmission loading relief actions following contingencies. By enhancing the controllable exchange of power between the two regions, the South Ripley PAR will increase import capabilities from Ontario into New York and enable increased flows of renewable power from Western New York eastward. Historically, the NYISO has closely monitored loop flows around Lake Erie as an operational indicator. The PAR will provide the NYISO an additional tool for correcting these loop flows, which impose unnecessary and inefficient congestion costs on New York consumers. Furthermore, under certain operating conditions, the PAR will enhance the usable range of a new PAR that will be installed at the Dysinger substation as part of a Public Policy Transmission Need (“PPTN”) project, NextEra Energy Transmission New York, Inc.’s Empire State Line Project, which was selected in response to the Commission’s designation of a public policy transmission need in Western New York.

Approval of the project is contingent on the New York State Public Service Commission acceptance of the petition. Stakeholders have an opportunity to comment.

**New York State Public Service Commission**

**NYSDPS Resource Adequacy Technical Conference was held on Friday, July 10.**

The purpose of the technical conference was to review the findings in a recent Brattle Report which outlined five different options for the NY Capacity Market. Over two hundred people participated in the Technical Conference. The presentation provided an outline of each Resource Adequacy structure being considered, and estimated consumer cost impacts.

**The following RA Structures were discussed:**

* ***ICAP Market Status Quo*** – current ICAP market with current rules.
* ***ICAP Market with Expanded Buyer Side Mitigation (BSM)***– Same as above with expanded BSM including full NYCA system like recent order in PJM market.
* ***Centralized Market for Resource Adequacy Credits (RACs) without BSM*** – State determines rule setting. No BSM. Market applied by NYSPSC. PSC determines if any uneconomic capacity needs to be addressed
* ***LSE Contracting for RACs*** – no centralized market, complete bi-lateral design to meet 1 in 10 reliability standards.
* ***Co-optimized Capacity and Clean Energy Procurement*.** State entity would procure RACs and RECs for LSEs in a joint, co-optimized auction.

The overwhelming majority of the webinar was spent on capacity and energy market related material and questions.

***The summary of conclusions was:***

By 2030 relative to a No ‐BSM scenario, estimated customer costs increase by:

* *$0.4‐0.9 billion/year under Status Quo BSM* (~12%‐20% of statewide capacity costs or ~24%‐34% of Zones G‐J capacity costs), range depending on load growth and exemptions
* *$1.3‐2.8 billion/year under Expanded BSM* (~35%‐63% of statewide capacity costs), range depending on load growth and nuclear resource retention

This reflects costs of over‐procuring capacity because mitigated policy resources would not be accounted for in the capacity market. Next steps in the process are to receive additional questions about the specific presentation and report via an established website. The NYSDPS did not outline next specific process steps within the proceeding during the webinar.

**New York State Public Service Commission Approves July 2020 Electric Vehicle Make Ready Order**

The actions taken by this Order primarily support a growing battery electric vehicle market and support existing and expected plug-in hybrid electric vehicles for investor owned utility (IOU) service territories. The Whitepaper proposes an estimated aggregate EV Make-Ready Program budget of $582 million through 2025, which represents approximately 70 percent of the total anticipated make-ready costs of $828 million.

The Make-Ready Program would cover up to 90 percent of the eligible costs needed to prepare a site for EV charging if all eligibility criteria are met, or 50 percent of the costs if the station does not meet the public accessibility or standardized plug eligibility requirements.

The respective Make-Ready Utility Incentive budgets are as follows:

* $233,659,418 for Consolidated Edison,
* $21,140,800 for Central Hudson,
* $63,754,000 for New York State Electric & Gas,
* $112,118,100 for Niagara Mohawk,
* $19,261,600 for Orange and Rockland, and
* $30,549,700 for Rochester Gas and Electric.

Make Ready incentive budgets are set using per-plug average costs of $11,298 for Level 2 chargers in Con Edison’s service territory, $6,000 for Level 2 chargers outside of Con Edison’s service territory, $100,109 for DC Fast Chargers in Con Edison’s service territory, and $55,000 for DC Fast Chargers outside of Con Edison’s service territory. Each utility’s share of plugs would be established using the percent of light-duty vehicle registrations in each service territory.

PSC Staff proposes that the utilities identify potential host sites using available load-serving capacity, and work with developers to provide site interconnection capabilities overlaid with local traffic pattern maps to further pinpoint the most useful sites. The private market would be expected to build, own, and operate the EV charging stations to foster a competitive environment and drive down EV customer costs.

**NYPA Role**

The Commission finds that developing the charging network in areas where EV demand will not quickly support private charger installations is a task suitable for a public entity like NYPA. NYPA shall be eligible to access Make Ready Program incentives. Projects developed by NYPA are required to meet the same eligibility criteria and program requirements identified in the Eligibility Criteria section of this Order. NYPA will submit, within the first five years of the program start and every year thereafter, an assessment of the feasibility, and plans as appropriate, for divesting all or part of the fast charging stations built under this program. It is the Commission’s expectation that all such charging stations will be divested within 10 years.

The Commission rules that, where a proprietary plug type is collocated at a station with an equal number of commonly accepted standardized plug types of equal or greater charging capacity, that station shall receive the 90 percent make-ready incentive.

Where a station with proprietary plug types is not collocated with an equal number of commonly accepted standardized plug types of equal or greater charging capacity, that station shall receive the 50 percent make-ready incentives

**IEEP - Next Steps**

The IEEP recently finalized its EV Strategy after consultation with our members. The IEEP will continue to consider DCFC and Level 2 applications that make economic sense and align with the respective municipality strategy. Currently, we are evaluating DCFC applications in our municipal systems located on major interstate highways, and tourist destination locations. In addition, we will continue to work with all our systems on Level 2 charging applications per their requests. As part of the analysis, we ensure the local municipal electric department is involved to technically select the best location for any equipment.

**NYSERDA and NYPA Renewable Energy RFP**

***On July 21, NYSERDA and NYPA released respective RFPs for the following:***

* **NYSERDA** - Nation-Leading Offshore Wind Solicitation Seeks Up To 2,500 Megawatts of Renewable Energy and a Complementary Multi-Port Infrastructure Investment, Totaling More Than $400 Million in Public and Private Dollars for Port Infrastructure in New York Since Last Year; and Sends a "Buy-Clean" Demand Signal for Advanced Materials
* **NYSERDA and NYPA** release nation's largest coordinated solicitations for land based large-scale renewable energy projects by a U.S. state, under the State's ambitious Clean Energy Standard. Together, the combined solicitations from NYSERDA and NYPA seek to procure over 1,500 megawatts of clean, renewable energy, enough to power nearly 500,000 homes. Applicable land-based projects selected will be fast-tracked to construction under groundbreaking legislation passed in the budget to vastly accelerate renewable energy siting to ensure the projects are developed responsibly and quickly so the state meets its CLCPA mandate.
* **RFP bids** are required in the fall timeframe, with awards likely late 2020 or 1H 2021.

**Employment Advertisements**

**Rouses Point: Line Helper/Line Worker**

The **Village of Rouses Point** is seeking a full-time worker for our electric department.

This is a non-competitive civil service position involving installing and maintaining overhead and underground electric distribution lines, and assisting in other public works activities. Classification as helper or worker depends on qualifications and experience.

Minimum qualifications: high school diploma or equivalency diploma (helper); and four (4) years of experience (worker) working on a power distribution system.

This is a union position with state retirement benefits; paid vacation, holidays, sick and personal time; health, vision, and dental insurance. Education, certification and promotion opportunities. Salary: $16.48/hr. helper; $26.01/hr. worker. For an application call 518-297-5502

ext. 333.

**Springville: Lineman Electric Division**

Candidates must have a thorough knowledge in high voltage electric power distribution systems and/or experience as a journeyman line worker.

Candidates should have knowledge of the construction, maintenance, and repair of high voltage electric distribution systems and related equipment; thorough knowledge of the principles of electricity, thorough knowledge of standard safety measures and devices used in handling high voltage electrical circuits; ability to climb poles and towers; ability to plan and supervise the work of apprentices; ability to understand and carry out oral and written instructions; physical strength and endurance.

 The Village of Springville is a union shop with salaries based off contract. The Village also offers excellent municipal benefits.

Applications available at [www.villageofspringvilleny.com](http://www.villageofspringvilleny.com) front page employment.

Additional information call 716-592-4936 ext 1589.

Duane Boberg, Superintendent of Public Works. Taking applications until September 25, 2020.

**Marathon: Linemen**

The **Village of Marathon**, an equal opportunity employer, is accepting resumes for an Electric Utility Worker (Lineman). Minimum qualifications are high school graduation and journeyman lineman certification. This work consists of erection, installation and maintenance of overhead and underground electric distribution systems. Work requires rigid observance of safety protocol, working during inclement weather conditions, climbing utility poles and handling high voltage. Supervision and inspection may be exercised over work while in progress and upon completion.

The successful candidate may, from time to time, be assigned to other duties consistent with the operation of a municipal electric utility. Salary will be dependent on relevant experience. The Village of Marathon offers a competitive benefits package.

Resumes must be submitted to Village of Marathon, P.O. Box 519, Marathon, NY 13803 or may be dropped off at the Village Office, 18 Tannery Street, Marathon, NY. Please contact Eric Leet at 607-849-6795 or email marathonpower@stny.rr.com with any questions.