Municipal Electric Utilities Association of NYS

News and Views

March 2018

MARCH MUTUAL AID EVENT

MEUA's points of Interest

- Since 1930
- President Larry Kilburn
- Office located in Syracuse New York

Executive Committee

2017-2018

- President– Larry Kilburn
- President/Elect-Owen McIntee
- VP/Treasurer-Andrew Thompson
- VP/Sec.– Bill Whitfield
- Trustee– Nancy Steedman
- Trustee- Brent Bodine
- Trustee- Jeff Dobbins

Municipal Members

Akron-Andover-Angelica-Arcade-Bath-Bergen-Boonville-Brocton-Castile-Churcville-Endicott-Fairport-Franfort-Greene-Groton-Hamilton-Holley-Ilion-Lake Placid-Little Valley-Marathon-Massena-Mayville-Mohawk-Penn Yan-Philadelphia-Plattsburgh-Richmondville-Rouses Point-Salamanca-Silver Springs-Skaneateles-Solvay-Spencerport-Springville-Theresa-Tupper Lake-Watkins Glen-Wellsville-Westfield

Newsletter Contents

Friday, March 2nd, New York State was hit with a Nor'easter snow event that triggered a mutual aid response for our members.

Heavy, wet snow accumulated from early Friday morning in Saturday morning, March 3rd.

Salamanca was hit hard and mutual aid was provided from Westfield & Arcade to help them get restored.

Friday Afternoon, Fairport Municipal sent 3 two-man crews to the Steuben Co-op as they had outages throughout their system. Also, crews from Arcade, Bergen, Churchville, Holley and Spencerport reported to the Hornell area for NYSEG to help with restoration there.

Endicott went to Elmira to help NYSEG crews in that area.

On Saturday, March 3rd, MEUA crews from the Lake Placid, Massena and Tupper Lake responded to the Central Hudson territory in the Poughkeepsie, NY area.

On Sunday, March 4th, crews from Little Valley, Springville and Westfield responded to the Hamburg, NY area for National Grid outages there.

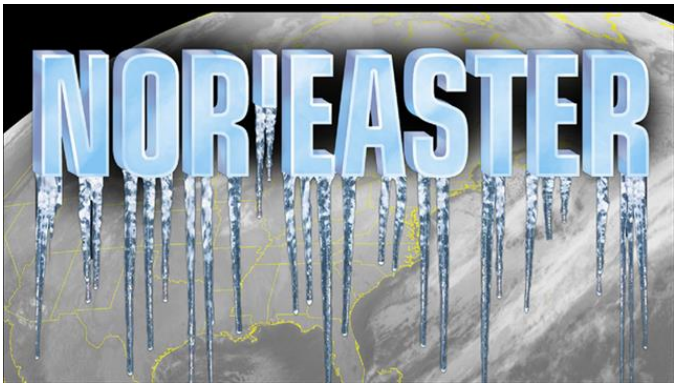
Today, March 5th, additional crews from Massena and Plattsburgh left early to report to Mechanicsville, NY for NYSEG.

Some areas received up to 17" of snowfall which caused poles, lines and trees to come down creating approximately 600,000 outages.

Several MEUA municipals had their own issues and could not respond to the mutual aid events.

The mutual aid protocol worked well and I would like to thank our regional liaisons for helping pull this all together.

Jeff Livingston-Central Region, **Joe Chimino**-Western Region, and **Kimball Daby**-Northern Region liaisons— worked hard to see available crews were set up to respond and did an outstanding job along with Owen McIntee whose knowledge and experience has proved to be very valuable over the last few days.



As of March 5th, at noon, all crews were still engaged with the work outages, which is down to approximately 120,000- mostly downstate.
Thank you to those municipals that could respond to the call for mutual aid.

April 11 & 12, is the MEUA's Semi-Annual Conference. Please register to attend this informative event.

Thank you.

Mayor Nancy Steedman to Receive Award

Churchville Mayor and MEUA Executive Committee member Nancy Steedman will receive the Greater Churchville Region's Chamber of Commerce: Citizen of the Year Award, on March 8th at the Chamber Annual Dinner.

One of Nancy's proudest accomplishments has been to help facilitate Churchville receiving of $1 million in grant money. She also has helped in the process of having Churchville identified as a Clean Energy Community resulting in the village receiving $100,000 to be used for energy efficiency.

Congratulations Mayor Nancy on receiving this prestigious award.

February 2018 NYISO Report – Chris Wentlent

NYISO January 2018 Results – the NYISO experienced severe cold weather conditions during the first week of January 2018 which impacted the average LBMPs for the month. LBMPs averaged $99.55/MWh for the entire statewide system substantially higher than January 2017 when they averaged $40.07/MWh. The upstate region, except for Zone F; Capital Region experienced Day Ahead and Real Time prices lower due to existing generation fuel diversity in upstate, imports from PJM, IMO and Hydro Quebec and transmission congestion experienced at Central East from higher energy demand from downstate and New England. The higher energy prices were driven by higher natural gas and oil prices. Natural Gas pricing averaged $17.94 /MMBtu for Transco Zone 6 (New York City). Natural gas prices were up 369% year-over-year. Electrical marginal energy prices did not increase as much as the gas prices primarily because the NYISO energy market systems selected lower-cost resources – mostly dual-fuel units capable of operating on lower cost fuel oil. During the extreme cold weather, the NYISO depended heavily on nuclear, hydro, fuel oil and available wind supply to meet system demand. With respect to our neighboring RTO/ISOs; Hydro Quebec recorded a new all-time system peak of 39,710 MWs on January 6 and New England experienced high energy pricing due to its higher dependence on natural gas generation resources. The January market conditions are an example of when NYMPA's supply policy provides price protection against high energy market price volatility due to severe weather conditions and fuel availability constraints.

NYISO Public Policy Initiatives – in January 2018, the NYISO and New York State Public Service Commission jointly released it expected work plan that explores the options to incorporate the cost of carbon dioxide into wholesale energy markets with the goal of contributing to achieving New York State's public policies, while providing the greatest carbon reduction at the least cost to consumers and provide appropriate price signals to incent investment and maintain grid reliability. The joint NYISO/New York State Public Service Commission work plan is expected to conclude in December 2018 with a possible firm proposal in the 1Q of 2019. Key issues to be discussed in calendar year 2018 include:

- **Track 1** – Straw Proposal Development: how to price carbon into the wholesale energy market.
- **Track 2** – Wholesale Energy Market Mechanics & Interaction with Other Wholesale Market Processes; such as emissions leakage between markets, measuring emission rates, capacity markets and credit implications.
- **Track 3** – Policy Mechanics; including how to establish a carbon dioxide emissions charges
- **Track 4** – Interaction with Other State Policies and Programs such as Clean Energy Standard, RGGI and distribution level programs.
- **Track 5** – Customer Impacts; including allocation of polluter pay rents to load serving entities.

On a longer-term perspective, as part of its Reliability Planning Process (RPP) the NYISO released its preliminary Reliability Needs Assessment (RNA) schedule which will study a ten-year period from 2019-2028. The RNA will be based on information from the 2018 Gold Book, 2018 FERC 715 filing, historical data, and market participate data. The first part of the process is to finalize key assumptions, topology and additional scenarios to study. The initial study assumptions will be finalized by April 1, and second pass assumptions by July 6. The draft report will be discussed in the July-August timeframe. Ultimately, the Management Committee will vote on the RNA in September and NYISO Board approval is expected in October 2018. MEUA/NYMPA will participate in the process throughout calendar year 2018 to ensure the study is complete and includes necessary upcoming environmental requirements, asset additions/retirements, transmission upgrades, and all upcoming state public policy programs such as NY SUN, energy storage, Clean Energy Standard

including Off Shore Wind (OSW) are properly factored into the analysis.

I look forward to the opportunity to represent MEUA/NYMPA before New York Independent System Operator and New York State Reliability Council. The organization has a rich, established reputation and it is a privilege to serve your needs.

What's a Nor'easter: Top 5 Facts

1. **Nor'easters Span Thousands of Miles** Nor'easters and other extra-tropical storms can have diameters that reach thousands of miles. This puts vast areas of coastline at risk for damage. Unlike hurricanes which typically span 300 miles, nor'easters often have diameters of 3-4 times the size, impacting much larger areas of coastline. With this increase in diameter more homes and property become susceptible to damage as the size and potential of a storm intensifies.

2**. Nor'easters Hang Around for Days**
The forward speed of nor'easters is usually much slower than hurricanes. This means that the storm's duration is greatly increased. A coastal storm that lingers for days and through multiple tide cycles has the potential to do immense damage. The slower wind speed, though at first glance disarming, is one reason a nor'easter can remain in one area and cause such tremendous destruction. Structures are battered day after day by wind-driven rain as the persistent storms slowly follow their course.

3**. Nor'easters Occur Every Year**
The Northeast sees one hurricane make landfall every five years, while annually we have 20-40 nor'easters. Beginning in October and ending in April, the nor'easter season runs for seven months. The frequency of nor'easters is much higher than hurricanes and out of the 20-40 annual storms, at least two are severe.

4. **Nor'easters Aren't Taken Seriously Enough**
Due to the frequency of nor'easters, it is crucial to prepare for the ferocity of these storms. Despite this, coastal inhabitants do not heed warnings for nor'easters. Nor'easters have the potential to cause massive amounts of damage, however they are often dismissed as low risk events. Compounded by a lack of universal rating scales (such as the Saffir-Simpson Hurricane Scale), nor'easter data is rarely compiled in a way that demonstrates their ability to generate damage.

5. **Nor'easters Cause Billions of Dollars of Damage** Although a hurricane may cause more damage in a single event, the cumulative damages from nor'easters can outweigh hurricanes. While hurricanes rarely make landfall in the Northeast, nor'easters batter New England year after year, causing billions of dollars of damage. Massive amounts of precipitation and storm surge combined with severe winds strike coastal areas throughout the storm. Wind-borne debris compromises structures as windows and entryways are breached and internal pressurization threatens to detach roofs. All of these factors combine to cause immense damage.

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Please email or fax over name or address changes

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Thank you