

Final Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Executive Committee
Meeting No. 142 – February 11, 2011
Albany Country Club, Voorheesville, NY

Members and Alternates
in Attendance:

George C. Loehr	Unaffiliated Member – Chair
Curt Dahl, PE	LIPA - Alternate – ICS Chair
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member - Phone
William H. Clagett	Unaffiliated Member
George Smith	Unaffiliated Member
Mike Mager, Esq.	Couch White, LLP (Large Customers' Sector) – Member - Vice Chair
Mayer Sasson	Consolidated Edison Co. of NY, Inc. – Member
Michael Forte	Consolidated Edison Co. of NY, Inc. – Alternate
Joe Hipius	National Grid, USA – Member
Ray Kinney	New York State Electric & Gas/Rochester Gas & Electric – Member
Tom Duffy	Central Hudson Gas & Electric – Member*
Arnie Schuff	New York Power Authority – Member
Paul DeCotis	LIPA - Member
Glenn Haake	Dynegy Inc. – Alternate*
Chris LaRoe	IPPNY (Wholesale Sellers) – Member

Others:

Paul L. Gioia, Esq.	Dewey & LeBoeuf LLP - Counsel
Al Adamson	Consultant – Treasurer
Roger Clayton	Electric Power Resources, LLC – RRS Chairman
Rick Gonzales	New York Independent System Operator (NYISO)*
Wes Yeomans	New York Independent System Operator (NYISO)
Henry Chao	New York Independent System Operator (NYISO)
John Adams	New York Independent System Operator (NYISO)
Carl Patka, Esq.	New York Independent System Operator (NYISO) - Counsel
Kristin Bluvas, Esq.	New York Independent System Operator (NYISO) – Counsel*
Edward Schrom	NYS Department of Public Service - Phone

Visitors – Open Session:

Philip Fedora	Northeast Power Coordinating Council – Phone*
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“*” – Denotes part time attendance at the meeting.

Agenda Items – (Item # from Meeting Agenda)

I. **Executive Session** – An Executive Session was not requested.

II. **Open Session**

1.0 **Introduction** – Chairman Loehr called the NYSRC Executive Committee (Committee) Meeting No.142 to order at 9:30 A.M. on February 11, 2011 at the Albany Country Club. Mr. Haake indicated that he will be leaving Dynegy, Inc. in two weeks. Mr. Loehr, on behalf of the Executive Committee, thanked Mr. Haake for his many contributions to the success of the NYSRC.

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. Ellsworth.

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

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

1.4 **Declarations of “Conflict of Interest”** – Mr. Clayton noted that he no longer represents NRG.

1.5 **Executive Session Topics** – None

2.0 **Meeting Minutes/Action Items**

2.1 **Approval of Minutes for Meeting No. 141 (January 7, 2011)** – Mr. Raymond introduced the revised draft minutes which included all comments received to date. Following discussion, Dr. Sasson moved for approval of the draft minutes. The motion was seconded by Mr. Clagett and unanimously approved by the Executive Committee Members – (12 to 0). The Executive Secretary will post the minutes on the NYSRC web site – **AI #142-1**.

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>
96-7	Loss of gas supply is now a standard consideration in the Annual Transmission Assessment.
117-5	An explanation of UCAP vs. ICAP is a standard item in the IRM Report.
139-2	Mr. Gioia provided comments on the CAC’s Interim Report on February 7, 2011.
139-6	Mr. Gioia provided version 29 of the Reliability Rules Manual to the PSC on January 7, 2011.
140-3	Mr. Dahl led a “lessons learned” discussion on the 2010 IRM process at the February 11, 2011 Executive Committee meeting.
141-3	Potential options for RCMS Chair were discussed during the February 11, 2011 Executive Committee Meeting.
141-4	Mr. Gioia provided NYSRC comments in the PSC IRM Proceeding on February 1, 2011.
141-6	Duplicate of Item #140-5.
141-7	A letter was sent to Mr. Whitley, NYISO CEO, on February 1, 2011 explaining why a non-compliance letter was not issued.

3.0 Organizational Issues

3.1 NYSRC Treasurer's Report

- i. **Summary of Receipts & Disbursements** - Mr. Adamson presented the Summary of Receipts and Disbursements which showed a balance of \$150,300 at the end of January, 2011. He added that the January 2011 receipt of \$65,000 fulfilled the 1st Quarter 2011 Call-for-Funds of \$115,000.
- ii. **2010 Audit** – Mr. Adamson reported that he and Colleen Campoli, NYSRC Accountant, have provided the NYSRC financial records to Slocum, DeAngelus & Associates, P.C., the NYSRC auditor. Also, the Auditor sent letters to the affiliated members requesting the amount of their payments to the NYSRC in 2010. The 1099 forms for 2010 were sent out in early January 2011. The Audit Report for 2010 is expected by the March 11, 2011 Executive Committee meeting.

3.2 Other Organizational Issues –

- i. **Code of Conduct** – Mr. Raymond reminded the Executive Committee and Subcommittee Members, Alternates, and certain others, as documented in the Code of Conduct that the signed Code of Conduct Forms were due on February 11, 2011. The Chairmen of ICS, RRS, and RCMS were asked to provide the Forms for their respective Subcommittees as soon as possible.
- ii. **Recognition Plaque** – Nothing new to report.
- iii. **Control Center Financing Letter** – Mr. Gioia reported that in January 2010, the NYISO submitted a petition to the PSC for approval of long term financing for its proposed new control center. The NYSRC submitted a letter in support of that petition. However, the PSC did not act on the petition. On December 21, 2010, the NYISO resubmitted its financing petition and has asked the NYSRC to submit a letter in support of the current petition. Mr. Gioia indicated that he has reviewed the letter previously submitted by the NYSRC and it appears that, with necessary updating, the substance of a letter in support of the current petition could be the same. He requested that the Executive Committee members provide any comments to him by Tuesday, February 15, 2011. Comments in the PSC proceeding must be submitted by February 28, 2011.
- iv. **Merging RRS & RCMS** – Mr. Loehr reiterated the difficulties RCMS is having with member support at scheduled meetings. Furthermore, with the recent resignation of Mr. Fanning as Chairman, Mr. Loehr requested at the last Executive Committee meeting that options be forwarded to him regarding the future of RCMS. Also, Mr. Clayton, Chairman of RRS, noted that the RRS workload is expected to be light for the foreseeable future and suggested that he could chair joint meetings of both Subcommittees.
Mr. Loehr indicated a preference for combining RRS and RCMS based upon responses to his request, at least in the short term. Mr. Hipius noted that the RRS workload could increase due to the restructuring of NPCC Directories by the CP-11 Working Group. Following further discussion, Mr. Mager moved that RRS and RCMS meet jointly under the Acting Chairmanship of Mr. Clayton until directed otherwise. The motion was seconded by Dr. Sasson and unanimously approved by the Executive Committee members in attendance – (12 to 0). Nat'l Grid and ConEd indicated that they would send two representatives, thereby covering both Planning and Compliance disciplines.
- v. **2009-2010 Biennial Report** – Mr. Adamson presented a summary, Tentative Report Organization and Issues for the 2009-2010 Biennial Report. Input from the Executive Committee has been included. The report will include sections on (a) NYSRC Organization and Mission, (b) Compliance Monitoring, (c) Relationship with NPCC and NERC, (d) Installed Capacity Requirements, and (e) Challenges Looking Forward. It is expected that the Executive Committee will review the initial draft in March 2011, and review and approve the final draft in April 2011. The report is scheduled for printing in May 2011. Mr. Adamson requested receipt of any additional comments by February 15, 2011 – **AI #142-2**.

4.0 Key Reliability Issues

4.1 Defensive Strategies – Mr. Smith indicated that the NYISO has narrowed the number of bidders on the NYISO Controlled Separation Study. The NYISO and final bidders are currently in competitive bidding negotiations. The final bid award is expected by the end of February 2011.

Next, Mr. Smith introduced the Executive Committee to Frequency Excursions Monitor via FNET, which is a summary of work done by Professor Yilu Liu at Virginia Tech through funding from the National Science Foundation. Mr. Smith explained that FNET (Frequency NETWORK of PMUs) is low cost, samples at 1440 Hz, and provides phase and frequency measurements every 100 msec. with frequency being accurate to 0.0005 Hz. FNET is comprised of about 40 PMUs in the Continental United States and another 6 in Canada. Measurements are collected via a Phasor Data Concentrator and frequency vs. time can be displayed in graphic form or a color coded gradient display across the United States. Some of the FNET applications, in addition to real-time visual awareness, include a) event location triangulation and event size estimate, b) post-disturbance scenario reconstruction, c) adaptive under-frequency load shedding using wide-area frequency information as input, d) wide-area FACTS, PSS/HVDC control and coordination using FNET as input for damping inter-area oscillations, and e) studies of the propagation of frequency disturbances and speed of electromechanical wave travel in power systems. Mr. Gonzales noted that the NYISO currently receives FNET input for situational awareness information.

Mr. Smith hopes to have Mr. Dejan Sobajic, manager of the NYISO's DOE Smart Grid Projects, present the “state-of-the-art” of PMUs to the Executive Committee in the near future.

4.2 NPCC Defensive Strategy Activities – Nothing new to report.

4.3 Smart Grid – Status of NYISO Activities – See Item 4.1 above

4.4 Interregional Transmission Studies

i. EPIC Study – Mr. Adams reported that the 2020 Roll-up powerflow case is completed and may be obtained through a request sent to Zack Smith of the NYISO. The Roll-up Model Report is being revised to include gap analysis, gap solutions and the linear transfer analysis. The macroeconomic scenarios and models are under development. Flowgates for use in CRA’s economic analysis will be developed based on input from each participating area and guidance from the linear transfer analysis results.

EIPC and CRA have sponsored various webinars, meetings and numerous conference calls to address a variety of stakeholder questions, involving: scenario planning, the CRA models and input assumptions, and the transmission methodology. The baseline infrastructure case has been developed from the Roll-up case based on stakeholder input regarding project assumptions. There were no changes to the New York system.

The latest Stakeholder Steering Committee Meeting was held February 7-8, 2011 in Arlington, VA and included a joint meeting of the Scenario and Modeling Working Groups.

ii. IPSAC Study – Mr. Adams reported that an IPSAC webinar will be held on March 30, 2011. Registration information is available on the NYISO calendar. The NYISO/ISO-NE/PJM data inputs and assumptions have been coordinated in the IREMM model for inter-area production cost studies including the role of energy efficiency and its effects on the planning process in each of the ISO/RTOs.

The 2011 Northeast Coordinated System Plan will include the following metrics: a) production costs, b) load serving entity energy expense and c) congestion by constraint. A draft report is expected in the second quarter of 2011.

iii. NPCC – Nothing new to report.

4.5 TOs’ Strategic Transmission and Reliability Study (STARS) – Mr. Dahl noted that STARS Group has been asked to review some of the recommendations in the Climate Action Council’s (CAC’s) Interim Report. In particular, STARS will investigate the economic impacts of selected

recommendations from a transmission perspective.

4.6 Spain's Operating Experience with Wind Power – Mr. Gonzales summarized his trip to Spain with an EPRI delegation to the Power Delivery and Utilization International meeting. The meeting was held in Madrid Spain at the control center of RED Electrica, the primary utility in Spain. A number of utilities from the USA and FERC representatives were in the delegation. Most importantly, Mr. Gonzales reported ample opportunity for discussion with International system operators regarding their extensive experience with wind integration. The first control center in the world specifically for renewables (CECRE) is located adjacent to the main control center. About 30 miles from Madrid there is an Iberdrola control center that monitors the performance of a large percentage of the wind turbines in Spain and manages the dispatch instructions sent from CECRE. Mr. Gonzales noted that the GE simulated hi-tech renewables control center in Schenectady, NY is very similar to the Iberdrola monitoring center.

Spain's installed capacity is about 93GWs serving a peak load of 40Gws; an IRM of more than 100%. In the last 20 years Spain has installed 30GWs of combined cycle and 20Gws of wind resources. All wind resources have low voltage ride through capability. However, 12Gws of wind production output is the most seen at any instant largely due to substantial distribution of wind resources across the country. The lowest output recorded is 164MW. In 2009, the record contribution to supply per hour was 54%. Approximately 14% of Spain's annual demand is met by wind. Interconnection capability is largely 400-600Mws with France. The combination of demand coverage requirements and resource variability contribute to system balancing challenges due to lack of downward reserve. In New York, negative dispatch prices when wind is the marginal resource have been effective in preventing similar situations. Visibility and controllability are more pronounced issues in Spain than New York due to a large proportion of wind interconnections (39%) on the distribution system. From January 2009 forward, Spain's power factor has been from .98 to .99 inductive. The system operator may issue instructions to modify the power factor of the wind turbines. In conclusion, Mr. Gonzales noted a) renewable resources penetration will continue in Spain for several years, b) CECRE and the renewable resources control centers concept adds to the security of supply, c) system operations is highly dependent on being able to regularly cycle a large number of combined cycle units and d) challenges for 2011 include voltage control with set-points issued by the CECRE and improved balance feasibility through increased interconnections, storage capacity, accuracy of renewable forecasting and demand side management.

Next, Mr. Gonzales presented Wind Integration in the NYISO's Markets & Operations, previously prepared and presented by Emilie Nelson, Manager, Operations & Analysis, at the NYISO during a FERC briefing in October 2010. Wind power capacity in NYCA has grown to 1275Mws in 2009, an increase of 300% from 2008. Furthermore, an additional 8,000Mws of wind proposals have been submitted to be studied for grid interconnection. All existing wind power is located west of the Total-East interface and only 1360Mws (Long Island) of the proposed wind power is located east of Total-East.

Mr. Gonzales indicated that the NYISO implemented a centralized wind forecasting system in 2008 (Day Ahead and Real-Time). In May 2009, FERC approved the NYISO as the first grid operator to fully integrate wind resources within its economic dispatch process. This achievement provides benefits that include a) identifies and uses the most efficient resources to address reliability (transmission) limitations while minimizing the wind energy limitation and duration, b) incorporates wind plant dispatch instructions into energy market clearing price (LMP), and c) minimizes the need for less efficient, out-of-market actions to maintain reliable operations.

Regarding the proposed wind power, Mr. Gonzales noted that in 2009, the NYISO studied the impact of integrating up to 8000Mws of wind resources on system regulation requirements. This included the analysis of the variability of load and wind (net system variability) at specified wind penetration levels and forecasted load levels. The NYISO concluded that: a) no significant increase in regulation

requirements is needed until the system reaches a 3500MW wind penetration level (about 10% of peak load), and b) after 3500MW, an increase in the regulation requirements of approximately 10% (25Mws) is needed for every 1000Mw increase in wind penetration up to 8000Mws (about 23% of peak load). Mr. Gonzales recommended that the Wind Study be presented to the Executive Committee – **AI #142-3**.

Mr. Gonzales indicated that currently, the NYISO is improving its ability to monitor and manage significant regional wind plant output ramp events by requiring meteorological data from plants to be transmitted directly to NYISO every 30 seconds and collecting meteorological data (wind speed and direction) within 5 km of each wind turbine.

5.0 Installed Capacity Subcommittee Status Report/Issues

5.1 ICS Chairman's Report and Discussion Issues – Mr. Dahl summarized the February 2, 2011 ICS Conference Call as shown below:

a) 2011 IRM Study Lessons Learned

ICS finalized the proposed 2012 IRM Process Milestone Schedule. The updated process enhances NYSRC IRM study in several areas including: a) advancement of major aspects of the IRM study process, b) improved handling of non-standard modeling enhancements (e.g. EFORd true-up), c) improvements in Q/A of MARS input data, and d) improvements in sensitivity testing procedures. Following Executive Committee approval (anticipated at the February 11, 2011 meeting) it was agreed ICS will revise Policy 5 to reflect the schedule and process updates – **AI #142-4**.

b) 2012/13 IRM Study

ICS reviewed a first draft of the 2012/13 IRM Assumptions matrix. Several long lead time items and modeling changes were identified for further study/review including updated transmission topology, EFORd true-up, SCR modeling issues, wind model, and external contracts. As specified in the draft 2012 IRM Process Schedule, a white paper will be developed over the next few months to support all non-standard modeling updates in advance of Executive Committee IRM Assumptions Matrix approval. A request for updated transmission topology was sent to the TPAS Chairman, Mr. Leuthauser, on February 8, 2011.

c) Request for NYISO Assessment of SCR Performance (NYSRC May 2010 request to NYISO)

NYISO representatives indicated they will begin development of a scope and work plan to support the requested SCR Performance evaluation for discussion at the March ICS meeting. ICS noted the importance in obtaining a response to the SCR Assessment request in sufficient time to inform the 2012/13 IRM study.

ICS also discussed concerns associated with the new calculation/aggregation methodology for determining the SCR baseline. It was indicated the NYISO may limit the reporting of hourly performance data. It was agreed that Mr. Dahl would write a letter requesting the NYISO collect the full set of data associated with SCR events so the NYSRC can perform a complete assessment of performance.

d) New Lower Hudson Valley Locational Zone

ICS discussed how a new locational zone might be incorporated into the IRM/LCR Unified Methodology framework used for establishing present resource adequacy requirements. It was agreed that Mr. Dahl would request the NYISO staff and GE to attend the March 2011 ICS meeting to discuss: i) preliminary quantitative results that were previously provided to NYISO market participants and ii.) next steps concerning how to proceed with the joint effort.

e) IRM MARS database for LIPA and Con Edison based on "Information Use Agreement"

The NYISO confirmed GE is on schedule to resolve database encryption issues in the February 2011 timeframe. ICS noted the importance of this initiative to support enhanced Q/A activities for the next IRM cycle.

5.2 2011 IRM Study Filing – Status - Mr. Gioia noted that the 2011 IRM Report was filed with FERC on December 16, 2010 and a copy was provided to the PSC. The PSC has “noticed” a proceeding to review the IRM with comments due February 12, 2011. Mr. Gioia will prepare NYSRC comments – **AI #141-4.**

5.3 2011 IRM Report – Lessons Learned - Mr. Dahl reminded the Executive Committee that as a consequence of the delays which hindered a timely approval of the 2011 IRM Report, ICS was directed to review the IRM development process and recommend changes that will improve: a) handling of non-standard modeling enhancements (e.g. EFORD true-up), b) improving Q/A of MARS input data, and c) improving the sensitivity testing procedure. Based on points raised in Dr. Sasson’s December 21, 2010 letter to the Executive Committee and input from the NYISO, Mr. Dahl presented the ICS Proposed 2012 Study IRM Process Milestones for Executive Committee approval. The proposed ICS IRM study process is generally consistent with Con Ed recommendations (per M. Sasson letter dated 12/21/10) and the NYISO proposed a future IRM study work plan. Key proposed process changes are highlighted below:

- (a) Identify minor (standard) vs. major (non-standard) potential modeling enhancements (February).
- (b) Prepare white papers on potential non-standard modeling enhancements (March).
- (c) Based on white papers (see March), identify non-standard modeling enhancements which have been developed sufficiently for potential 2012 study use, and those that need an additional year before being fully implemented (June).
- (d) Calculate IRM impacts of potential non-standard modeling enhancements using 2011 base case assumptions and IRM sensitivity test methodology (June).
- (e) NYISO & GE conduct preliminary data quality assurance reviews (June).
- (f) Masked/encrypted input data provided to TOs for data quality assurance review (July).
- (g) NYISO, GE and TOs conduct data quality assurance reviews (August).
- (h) ICS approves preliminary base case IRM (September).
- (i) NYISO begins sensitivity testing based on preliminary base case (September).
- (j) ICS review of all study results (November).

During discussion, the Executive Committee agreed to a suggestion by Mr. Mager to move item (c) above to June rather than April as originally proposed.

Dr. Sasson moved for approval of the proposed milestones contingent upon the inclusion of Mr. Mager’s suggestion. The motion was seconded by Mr. Mager and unanimously accepted by the Executive Committee members in attendance – (12 to 0).

5.4 Other ICS Issues – Nothing additional to report.

6.0 Reliability Rules Subcommittee Status Report/Issue

6.1 RRS Status Report & Discussion Issues – Mr. Clayton introduced the List of Potential Reliability Rules Changes – Outstanding and noted that PRRs #106, G-M3: Revised Blackstart Measurement, received final approval at the January 7, 2011 Executive Committee meeting. Also, he noted that there will be a joint meeting of RRS and RCMS on March 3, 2011.

6.2 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

6.3 NPCC/NERC Standard Tracking

i. **NERC Standards Development** – Mr. Adamson directed attention to the NERC Reliability Standard Development Tracking Summary and, noted that the results of the TPL recirculation balloting is expect in the next few days.

6.4 Other RRS Issues

i. **LOG-MOB Rules** – Mr. Clayton pointed out that the new NO_x RACT emission limits will become effective July 2014. The new emission limits are approximately 40% lower than existing limits for boilers. Gas Turbine limits remain the same although the averaging timeframe will now be one hour. Currently the old gas turbines in NYC are part of an emission rate bubble plan with large boiler units. Some generators have said that the new NO_x RACT emission limits will be problematic as the generators will be forced to choose between a) observing the LOGMOB local reliability rules and violating emission limits or b) violating the LOG-MOB local reliability rules and observing emission limits. Liam Baker (US Generating Co.) has suggested the units will simply choose to shutdown.

Mr. Clayton suggested that a clear metric, which identifies the scope of the problem, is needed to get the attention of State level decision makers. Mr. Chao indicated that the NYISO 2010 RNA examined the amount of generation capacity that could be removed from a zone without violating the LOLE criterion. For Zone J, this removable capacity is 1000Mws. If the in-City capacity affected by the NO_x regulation is about 4000Mws, as estimated by Liam Baker, Mr. Chao stated that clearly there will be reliability problems. The Executive Committee asked Mr. Clayton to form a small working group made up of the NYISO, ConEd and NYSRC participants to identify the most plausible metric and devise a schedule to complete any necessary work - **AI #142-5**.

ii. **DEC Meeting** – See previous item. Also, Mr. Clayton reported that a meeting of the NYSRC/DEC Working Group was held on January 31, 2011. A study, such as noted in item 6.4i, was suggested. P. Carney offered that the study should be done in coordination with the NYISO, and utilities, such as the Con Edison natural gas sector, as well as Keyspan. He suggested that the Con Ed gas distribution system be reviewed within the context and/or prior to conducting a study. In addition, it was noted that NYSERDA has natural gas modeling capability under the state energy planning process, as well as possible resources from the New York City Energy Task Force. Mr. Clayton agreed to bring the proposal up at next NYSRC Executive Committee meeting for consideration.

Lastly, Mr. Clayton received approval from Mr. Loehr to ask Roger Caiazza (EEANY) to present his work analyzing the impacts of the new environmental regulations to the Executive Committee – **AI #142-6**.

7.0 Reliability Compliance Monitoring Subcommittee (RCMS) Report/Issues

7.1 **RCMS Status Report & Discussion Issues** – Mr. Adamson reported that RCMS met via a conference call on March 10, 2011.

7.2 **2010 New York Reliability Compliance Program (NYRCP) Report** – Mr. Adamson summarized the annual RCMS report, 2010 NYSRC Reliability Compliance Program. In 2010, fifty eight NYSRC measurements were maintained. Each year's Reliability Compliance Program includes compliance reviews of most NYSRC measurements. Compliance with the NYSRC Reliability Rules is reviewed and evaluated in accordance with NYSRC Policy 4-4, Procedure for Monitoring Compliance with NYSRC Reliability Rules. Another major reference document for the reliability compliance monitoring process is the NYSRC Compliance Template Manual (CT Manual) which includes a compliance template for each measurement.

Highlights of the NYSRC 2010 Reliability Compliance Program include: (a) Improvements in the quality of forced Outage and transmission system data, (b) Revision of the Emergency Restoration Manual, (c) A non-compliance finding for violation of Measurement G-M3, and (d) Completion of a NYCA transmission and resource adequacy assessments. In addition to complying with the NYSRC Rules, the NYISO must also comply with all mandatory NERC standards and NPCC criteria. RCMS has oversight responsibility concerning NYISO compliance with these standards and criteria. During 2010, as a part of the NERC/NPCC Standards Compliance Program, NPCC reviewed NYISO compliance relative to 64 NERC standards and all criteria included within four NPCC Directories, as well as one additional NPCC criterion. NPCC found that the NYISO was in full compliance with all standards and criteria in the Program. Also, during December 2010, NERC conducted a comprehensive on-site compliance audit which evaluated NYISO compliance with 38 NERC standards. The audit found that all NERC standards reviewed were in full compliance. RCMS expects to review a report describing the results of the audit in early 2011. The following conclusions were reached by RCMS with regard to the NYSRC 2010 Reliability Compliance Program:

- (a) The NYISO and market participants were found to be in full compliance with 40 NYSRC measurements that were assessed by RCMS in the 2010 NYSRC Reliability Compliance Program. The NYISO was found in non-compliance with one measurement, G-M3. In addition, NPCC found the NYISO in full compliance with all NERC standards and NPCC criteria that were assessed in 2010,
- (b) RCMS has set a goal to revise Policy 4 in 2011, and
- (c) NYISO compliance documentation for two 2010 Reliability Compliance Program compliance reviews were received late or incomplete. Non-compliance findings were not assessed because the required documentation was received within a 30-day grace period allowed by NYSRC policy. RCMS will extend its efforts to making the NYISO aware of compliance documentation requirements and due dates at several levels to further encourage on-time compliance documentation submissions.

The Executive Committee accepted the Report and thanked Mr. Adamson and RCMS for an exceptional document.

7.3 2011 Proposed Reliability Compliance Program (NYRCP) – Mr. Adamson introduced the proposed Reliability Compliance Program for 2011 (a.k.a. the Scorecard). A meeting was held with NYISO staff on January 26, 2011 at which time RCMS and the NYISO reached agreement on the compliance review schedule and compliance documentation requirements. Following discussion, Mr. Clagett moved for approval of the proposed NYRCP for 2011. The motion was seconded by Mr. Mager and unanimously approved by the Executive Committee members in attendance – (12 to 0).

8.0 State/Federal Energy Activities

8.1 NYISO 2010 Comprehensive Reliability Planning Process (CRPP) – Mr. Adams reported that the 2010 Comprehensive Reliability Plan was approved by the NYISO Board at its January 2011 meeting. It is posted on the NYISO website.

The Congestion Assessment and Resource Integration Study (CARIS) II MAPS database was delivered to GE for review. GE worked with NYISO staff to perform clean up of the modeling and has completed its review stating “that the most recent version of the CARIS baseline database represents a reasonable representation of the NYISO system.” CARIS II studies for the Leeds-Athens PARs project are proceeding with ten years of base case modeling. The NYISO will provide the base case results to the developer and to the ESPWG after confirmation that they are ready for modeling of the project cases. CARIS I – 2011 has begun. Initial presentations to and discussions with ESPWG began in January 2011.

8.2 Other Studies/Activities – Nothing additional to report.

9.0 NYISO Status Report/Issues

9.1 NYSERDA – Update – Nothing new to report.

9.2 NPCC Report – Mr. Forte noted that the restructuring of the NPCC Board of Directors is proceeding under the direction of the Board’s Governance Committee.

9.3 FERC 100kV “Bright Line” – Status – Mr. Fedora reported that the NERC Definition of Bulk Electric System Drafting Team and Observers met February 9 – 11, 2011 at NRECA offices in Arlington, Virginia. The Drafting Team reviewed the process that NERC uses for Standards development. The Standard Authorization Request (SAR) was revised to clarify that the purpose is to “Revise the definition of Bulk Electric System (BES) and to develop criteria for exceptions”. Exceptions include both exclusions and inclusions from the BES definition.

The Drafting Team worked on drafting the BES Exception Criteria to be used in the consideration of comments received to the SAR. There were 82 sets of comments, including comments from more than 175 different people from approximately 129 companies representing all the NERC Industry Segments. Each Drafting Team member was given the assignment of drafting a response to the comments received for one of the 13 SAR questions, to be reviewed by the entire Drafting Team at the next meeting, scheduled for March 2 – 4, 2011. A project schedule was discussed leading to an initial posting of the Definition for industry comment in April – May 2011 with an Initial Ballot in October 2011. Following NERC BOT approval in December 2011, the Definition would be filed with FERC in January 2012. A parallel effort to revise the NERC Rules of Procedure to describe a process and methodology for exceptions to the Definition is being conducted by NERC, closely coordinated with the activities of the Drafting Team.

10.0 Other Items

10.1 NYISO Operations Report – Mr. Yeomans reported that for January 2011, the peak load occurred on Monday, January 24, 2011 at 24,342Mws versus the all time winter peak of 25,541Mws on December 20, 2004. There was one Major Emergency declared on January 2010 for exceeding the Central-East VC limit by more than 5%. Thirty eight TLR Level 3s were declared for a total of 460 hours. Also, clockwise Lake Erie circulation appears to have returned.

10.2 North American Energy Standards Board – Nothing new to report.

11.0 Visitors’ Comments – None

12.0 Meeting Schedule –

Mtg. No

Date

Location

Time

#143	Mar. 11, 2011	Albany Country Club, Voorheesville, NY.	9:30 A.M.
#144	Apr. 7, 2011	Albany Country Club, Voorheesville, NY.	9 :30 A.M.

The open session of Committee Meeting No.142 was adjourned at 3:30 P.M.

