

Final Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Executive Committee
Meeting No. 150 – October 14, 2011
Albany Country Club, Voorheesville, NY

Members and Alternates
in Attendance:

Mike Mager, Esq.	Couch White, LLP (Large Customers' Sector) – Member - Chair
Curt Dahl, P.E.	LIPA - Alternate – ICS Chair - Phone
Bruce Ellsworth	Unaffiliated Member
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
William H. Clagett	Unaffiliated Member
George Smith	Unaffiliated Member
Mike Forte	Consolidated Edison Co. of N.Y. - Alternate
Arnie Schuff	New York Power Authority – Member
Joe Hippius	National Grid, USA – Member
Thomas Duffy	Central Hudson Gas & Electric – Member
Chris LaRoe	IPPNY (Wholesale Sellers) – Member
Ray Kinney	New York State Electric & Gas/Rochester Gas & Electric – Phone
Paul DeCotis	LIPA

Others:

Paul Gioia, Esq.	Dewey & LeBoeuf, LLP - Counsel
Al Adamson	Consultant – Treasurer
Roger Clayton	Electric Power Resources, LLC – RRS/RCMS Chairman
Carl Patka, Esq.	New York Independent System Operator (NYISO)
Kristin Bluvas, Esq.	New York Independent System Operator (NYISO)
Wes Yeomans	New York Independent System Operator (NYISO)
John Adams	New York Independent System Operator (NYISO)
Edward Schrom	NYS Department of Public Service
Don Raymond	Executive Secretary

Visitors – Open Session:

Phil Fedora	Northeast Power Coordination Council
Erin P. Hogan P.E.	NYSERDA
Scott Leuthauser	HQ US
Dean Ellis	Dynegy
Matt Renninger	Energy Curtailment Specialists, Inc.
Jim DeAndrea	TC Ravenswood

“*” Denotes part-time attendance

Agenda Items – (Item # from Meeting Agenda)

I. Executive Session – None

II. Open Session

1.0 Introduction – Chairman Mager called the NYSRC Executive Committee (Committee) Meeting No.150 to order at 9:30 A.M. on October 14, 2011 at the Albany Country Club.

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” – Mr. Clayton reported that he has been retained by West Point Partners, LLC to provide consulting services on 2*1000Mw HVDC transmission lines from New Scotland and Leeds into Buchanan. In discussion with Mr. Gioia, he agreed not to participate in NYSRC related discussions that may affect the interests of his client.

Also, Mr. Ellsworth reported that he was asked to come back to the New Hampshire Public Utility Commission as a Special Commissioner on a single docket involving five small (10Mw) and one large (85Mw) wood burning generators stemming from a recent Public Service of New Hampshire rate case decision. Messrs. Mager and Gioia are comfortable in the understanding that Mr. Ellsworth’s responsibilities with the NHPUC will have no connection to New York State.

1.5 Executive Session Topics – None

2.0 Meeting Minutes/Action Items

2.1 Approval of Minutes for Meeting No. 149 (September 9, 2011) – Mr. Raymond introduced the revised draft minutes which included all comments received to date. Mr. Gioia provided additional clarifying comments. Following further discussion Mr. Ellsworth moved for approval of the draft minutes contingent upon inclusion of Mr. Gioia’s comments. The motion was seconded by Mr. Bolbrock and unanimously approved by the Executive Committee Members in attendance – (13 to 0). The Executive Secretary will post the minutes on the NYSRC web site – **AI #150-1**.

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>
140-2	Mr. Dahl indicated that the encrypted MARS data was provided to ConEd and LIPA in September 2011.
144-3	Mr. Dahl indicated that the locational impact of removed capacity in the IRM calculation was analyzed in August 2011.
146-4	Mr. Clayton reported that there are no UVLS schemes that adversely impact NYCA reliability.
148-3	Mr. Gioia reported having reviewed the FERC RFP during the September 9, 2011 Executive Committee meeting.
149-1	The final minutes of Executive Committee meeting #149 held on September 9, 2011 were posted on October 16, 2011.
149-3	The Smart Grid article was circulated on September 23, 2011.
149-4	Comments on the BES Definition and Exceptions Procedure were provided to Mr. Clayton by September 29, 2011.

3.0 Organizational Issues**3.1 NYSRC Treasurer's Report**

- i. Summary of Receipts & Disbursements** - Mr. Adamson introduced the Summary of Receipts and Disbursements which showed a balance of \$109,000 at the end of September, 2011. He noted that the 4th Quarter Call-for-Funds is complete and a year end surplus of \$88,000 is projected.
- ii. 2011 Audit** – Mr. Adamson reported that a “request for quote” for the 2011 audit was sent to Slocum, DeAngelus & Associates, P.C. The quote received was \$2895.00, only \$110.00 above last year’s cost. Given the NYSRC’s excellent experience with Slocum, DeAngelus & Associates, P.C. and the reasonable quote, Mr. Adamson requested their selection to perform the 2011 audit. Following discussion, Mr. Mager moved for approval. The motion was seconded by Mr. Bolbrock and unanimously approved by the Executive Committee – (13 to 0).

3.2 Other Organizational Issues

- i. Accounting Policy 3** – Mr. Gioia introduced a revised Policy 3, Accounting Procedure, which incorporates the “Guidelines for Annual Compensation Report” approved by the Executive Committee during its September 9, 2011 meeting. Further, he suggested additional words to clarify that the Compensation Committee’s annual report will be prepared and circulated to the Executive Committee prior to the July meeting of each year. Following discussion, Mr. Clagett moved to approve the revised Policy including the clarification suggested by Mr. Gioia. The motion was seconded by Mr. Ellsworth and unanimously approved by the Executive Committee – (13 to 0). Mr. Adamson agreed to revise and post Policy 3 on the NYSRC website – **AI #150-2**.
- ii. RLC Consulting Agreement** – Mr. Gioia requested that the Executive Secretary provide him a copy of the RLC Engineering Agreement – **AI #150-3**.
- iii. Biannual Filing** – Mr. Gioia informed the Executive Committee that the NYSRC’s biannual registration with the Department of State was filed.

4.0 Key Reliability Issues**4.1 Defensive Strategies** – Mr. Smith reported that on September 22, 2011, EnerNex gave a presentation to the DSWG on the Controlled Separation System feasibility study. EnerNex has received the information it needed from the NYISO including production simulation hourly data, the 2015 PSSE loadflow and dynamic model and the 2010 SPS list noting the 11 SPSs in the NYCA. Also presented was the simulation automation approach that is currently in progress.

EnerNex proposed extreme contingencies to be used to analyze the NYCA coherency patterns. These patterns will likely be dependent on the contingency under consideration as well as the generation/load dispatch conditions. Both internal and external contingencies will be considered. The NYISO will provide additional extreme contingencies to EnerNex.

EnerNex will provide the initial results of the coherency assessment for review during the October 27, 2011 Webinar. The next face to face meeting is planned for December (date TBD) when interim results for the NYISO dynamic system characterization will be presented. Also, Eric Allen, who has done a great deal of work on the Blackout Study and is now with NERC (formerly with the NYISO) has accepted an invitation to join the DSWG.

4.2 NPCC Defensive Strategy Activities – Mr. Fedora reminded the Executive Committee that the SS-38 Working Group is performing the NPCC Blackout Study which includes Task 5 pertaining to defensive strategies. The Working Group is reviewing its draft report and recommendations which are due to the NPCC-RCC for its November 29, 2011 meeting. A status report should be available for the NYSRC Executive Committee’s meeting on December 2, 2011.

4.3 TransCanada Blackstart Status – Mr. Forte reviewed the background information regarding various filings with FERC and the PSC regarding TC Ravenswood’s participation in the ConEd Blackstart Program as presented by Dr. Sasson during the Executive Committee’s September 9, 2011 meeting. He further reported that on September 27, 2011, FERC issued its decision: (a) denying all pending requests for waivers and (b) ordering that discussions of tariff issues be carried out through the NYISO stakeholder process. Mr. LaRoe added that the FERC Order allows TC Ravenswood to withdraw from the ConEd Blackstart Program since it had given one year notice.

On September 28, 2011, the PSC granted ConEd’s Petition for a Declaratory Ruling requiring notice and consent by the PSC before exiting the ConEd Blackstart Program and rejected all generator legal arguments. The PSC Ruling indicated: (a) generally, the adoption of NYSRC rules by the NYPSRC is consistent with the 2005 EAct authorizing New York to have stricter reliability rules and (b) specifically regarding Blackstart Service with the adoption of Version 3 of the Rules incorporating the Blackstart Service provisions on December 24, 2007:

In approving the NYSRC Blackstart Service provisions, we required the NYISO and Transmission Owners to maintain plans “designed with a priority of minimizing the time to restore the system, while allowing the system operator flexibility to respond to as found system conditions.” In particular, we required restoration plans that “include requirements necessary to ensure that the quantity and location of Blackstart Facilities in the [New York Control Area] are sufficient and that they can perform their intended functions as specified in the coordinated [New York Control Area System Restoration Plan].” We further adopted regulations related to capability, training, and restoration simulations. (Page 1

Mr. Mager noted that jurisdictional issues between FERC and the PSC, which have yet to be definitively resolved, may come to the forefront here. Mr. Schrom indicated that the PSC has clear authority over the generators by virtue of the Agreements signed upon the sale (deregulation) of the generation. Mr. Gioia advised that if the PSC prevails there may not be an NYSRC reliability issue. However, if TC Ravenswood is allowed to withdraw from the Blackstart Program, the NYSRC must examine whether its Rule requiring that the NYISO provide an effective Blackstart Program is being satisfactorily implemented by the current voluntary program under the NYISO Tariff. Mr. Patka indicated that the NYISO would be happy to discuss the issue at RCMS. However, the state of the law is unclear since FERC has not granted waivers to keep the TC Ravenswood steam units in the NYISO's black start program, yet the PSC has issued an order indicating that a black start provider cannot abandon that service without its permission, and that order has not been stayed or appealed. Thus, while the exact status of the TC steam units is yet to be resolved, it appears that the TC Ravenswood steam units will be required to provide blackstart service until they receive PSC permission to cease that service. Mr. Gioia advised that the NYISO must still take responsibility for providing an effective Blackstart Program. Mr. LaRoe questioned ConEd and the NYISO as to whether they believe the TC Ravenswood units were still in the blackstart program. Both ConEd and the NYISO responded that they believe that they are.

Mr. Clayton noted that Measurement G-M3, Blackstart Provider Requirements, is scheduled for compliance review at the November 3, 2011 RCMS meeting.

4.4 Definition of Bulk Electric System and Exceptions – Mr. Fedora reported that the initial ballot period FERC has established a filing deadline of January 25, 2012 for all portions of the Project. closed on October 8, 2011 at 8:00 p.m. The second draft of the BES Definition was approved with 71.7% of the vote. The Drafting Team will be meeting October 18-20, 2011 to address the comments received. The Technical Criteria for an Exception Request was approved with 64.0%. The comments received will also be addressed by the Drafting Team. It is expected that many of the comments will be deferred to Phase 2 of the Project. Following the NERC Board meeting on November 4, 2011, the comments will be re-circulated and a second ballot taken. FERC has established a filing deadline of January 25, 2012 for all portions of the Project.

5.0 State/ NPCC Federal Energy Activities

5.1 NPCC Report – Mr. Forte reported that the NPCC Board met September 20, 2011. The Board reviewed the NERC Compliance Enforcement initiative which is designed to improve utilization of NERC and Regional resources and minimize time. Dubbed Find, Fix, Track and Report (FFTR) the initiative will address violations of reliability standards that have minor impact on reliability. Under FFTR, minor violations will be referred to as “Issues” and there will be no penalty, sanction or formal mitigation plan. FFTR Issues will be addressed quickly as will the mitigation action without disclosure of the entity’s name. NERC filed FFTR and 114 Issues with FERC on September 30, 2011.

Also the Board reviewed the status of: (a) the Cost Effectiveness Analysis Procedure (CEAP) which is posted for review and comment by NPCC Members, and (b) Directories 5, 9 and 10. The revisions to the Directories are intended to conform with the required NERC format. NPCC Membership approval is expected by the end of 2011.

5.2 FERC RFP – Economics of Resource Adequacy Standards – Mr. Gioia reported that FERC has not yet selected a consultant to evaluate the economic implication of the Resource Adequacy Standards.

5.3 NYSRC/DEC Meeting – Mr. Clayton reported that the NYSRC/DEC group met on October 4, 2011. The primary discussion focused on the proposed EPA Cross State Air Pollution Rule (CSAPR). The NYS DEC and generators have challenged the validity of the analysis supporting the proposed Rule and the data on which it was performed. There was verbal input on October 4, 2011 indicating that New York would be given some relief via “technical corrections”. October 7, 2011 was the deadline for filing litigation or a petition for reconsideration and action to preserve rights for litigation on the Federal Implementation Plan.

The NYSRC/DEC group held a conference call on October 13, 2011 to discuss EPA’s proposed revisions to CSAPR which give “technical correction” to a number of States including New York. New York’s allowances for seasonal NO_x increased by 23%, annual NO_x increased by 20% and SO₂ allowances increased for 2012 and 2014 by 13% and 19%, respectively. The foregoing increases are in line with the requests of the DEC and the generators. Other proposed changes included a delay in the implementation of penalties until 2014 and a provision to allow further revisions to the final CSAPR State allowances.

Mr. Carney (NYISO-Project Manger-Environmental Studies) gave a presentation during the October 13, 2011 Conference Call indicating the impacts of the “technical corrections”. For example, the total SO₂ allowance allocation in 2012 is 30,852 Tons. Under a Best Demonstrated Performance and Fuel Switching scenario in 2012, SO₂ emissions are projected to be 24,104 Tons. Annual NO_x and Ozone season NO_x emissions are expected to be very close to the allowance allocations under the same scenario. On October 12, 2011, EPA announced in the Federal Register that a public hearing will be held on October 28, 2011 in Washington, DC for the proposed rule, “Revisions to the Federal Implementation Plan to Reduce Interstate Transport of Fine Particulate Matter and Ozone” which was posted on the EPA’s website on October 6, 2011.

6.0 Installed Capacity Subcommittee Status Report/Issues

6.1 ICS Chairman’s Report and Discussion Issues – Mr. Dahl summarized the August 30, 2011 ICS regular meeting and September 6, 2011 conference call as shown below:

(a) 2012/13 IRM Study

The NYISO is performing sensitivity tests based on the preliminary IRM/LCR curve results discussed at the September 9, 2011 Executive Committee meeting. Eleven of eighteen sensitivity cases approved by the Executive Committee have been completed. Generally, the results are consistent with the preliminary IRM result. The NYISO reported that it is pursuing parallel

approaches for the development of the EFORD transition rates sensitivity which is consistent with the APA methodology. The NYISO reported the set up for this particular sensitivity has proven to be more technically challenging than first believed.

LFTF Load Forecast – The LFTF presented the October 2011 load forecast update to the ICS for use in the development of the “final” IRM/LCR curves. The 2011 summer peak experience when normalized for weather was within about 70Mws of forecasted value. Based on revised regional growth factor forecasts from the individual TOs, the system is anticipated to grow at approximately 1% resulting in a revised 2012 forecast of 33,335Mws. This is slightly higher than the previous Gold Book forecast of 33,182Mws.

GE/TO Quality Assurance Data Review - The NYISO released encrypted binary MARS files which masked confidential input assumptions to the Transmission Owners. The NYISO has received comments from General Electric and the Transmission Owners. A conference call took place on October 12, 2011 to discuss the NYISO’s response.

Also, ICS has initiated drafting of the main body and appendices for the 2012 IRM Report.

(b) SCR Analysis

ICS discussed NYISO feedback on its March 1, 2011 request for SCR data to support the IRM analysis. ICS had requested the NYISO provide information on SCR performance during tests and hours of SCR events for both CBL and the new ACL capacity accreditation methodology. Also, ICS questioned the current EDRP deration factors given the recent performance (albeit based on a very limited sampling of data). ICS further discussed development of a draft reliability rule which would require performance information be collected to establish the accuracy of reliability models for SCR resources. The draft rule is consistent with existing Measurement GM-4 and requires the NYISO to report on the collection of demand side data.

In response, the NYISO indicated that it already collects the data requested by the ICS for SCR suppliers that request energy payments. Given that the majority of SCR suppliers request energy payments and the information is readily available, ICS agreed to hold off on issuance of a draft detailed rule until it could review a sample and make a determination on the veracity of the NYISO proposal. The NYISO agreed to provide this information at the November 2011 ICS meeting. There was ICS agreement on the need to move forward with a general rule requiring the NYISO to provide the requested demand side data.

(c) New Capacity Zones – Dave Lawrence (NYISO) presented the ICS with information regarding the new FERC approved process for creating new capacity zones. The process requires that the methodology be based on “as found” system conditions and performed coincident with the demand curve reset (every 3 years) ~ year 2014 or before. The NYISO has a project in 2012 to rewrite auction software to reflect the design of new capacity zones. The NYISO indicated that the new capacity zones will be consistent with the IRM/LCR Tan45 calculation. The NYISO committed to continued discussion with NYSRC regarding implementation of new capacity zones – **AI #150-4**.

6.3 IRM Sensitivity Cases – See Section 6.1(a).

6.4 Other ICS Issues – Nothing additional to report.

7.0 Reliability Rules Subcommittee Status Report/Issue

7.1 RRS Status Report & Discussion Issues – Mr. Clayton reported that the joint RRS/RCMS meeting occurred on October 6, 2011. Two separate meetings were held, each with its own agenda and minutes. Mr. Clayton introduced the List of Potential Reliability Rules Changes – Outstanding and noted that PRR #52, Generator Governor Response, PRR #97, BPS Facilities, PRR #109, SCR Performance Data, and PRR #110, B-R1 Post Contingency Thermal Criteria are under development. PRR #107, Revision of Compliance Elements, and PRR #108, Revision of Major Emergency Declaration in F-B1 were approved by the Executive Committee for posting for “review and comment” on September 12, 2011.

Also, Mr. Clayton noted that the Marcy-Coopers Corner 345kV line was taken out of service for high voltages during light load periods on September 23, 26, 30 and October 1-3, 2011. The NYISO is preparing a report for SOAS. Mr. Yeomans noted that the NYISO is putting together a team including NYPA and New York State Electric & Gas to address potential solutions. RRS will continue to monitor the situation – **AI #150-5**.

In addition, RRS discussed Policy 6 which documents the relationship between the NYSRC and the NYISO, NPCC and NERC. RRS is leaning toward recommending retiring the Policy. However, Mr. Gioia requested additional time to review the matter further.

7.2 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

7.3 NPCC/NERC Standard Tracking

i. NERC Standards Development – Mr. Adamson reported TPL-001-2, Assess Transmission Future has been adopted by the NERC Board of Trustees. It is now before FERC for final approval. RRS will allow NPCC to complete the necessary changes to its Directory 1 before updating the NYSRC Reliability Rules – **AI #148-4**.

Also, the NYSRC voted “yes” on both the BES Definition and the Information to Support BES Exception Requests.

ii. NPCC Standards – Nothing new to report.

7.4 Other RRS Issues – Mr. Clayton gave the Executive Committee an update on RRS’s investigation of a question raised by Mr. Bolbrock regarding whether an infrastructure addition should be allowed to degrade thermal transfer limits. He identified a number of known facts including: (a) interface limits are inherently a function of system conditions, (b) interface limits with defined system conditions are used in IRM, RNA and deliverability studies but vary from study to study, and (c) test conditions include N-0, N-1, N-1-1 contingencies for a range of load, dispatch, and seasonal conditions, each producing a different interface limit. Therefore, it may be concluded that interface limits are an outcome of applying existing criteria and not an absolute criteria unto itself. Also, Large Facility (large generators and merchant transmission SRISs) interconnections support a minimum interconnection standard (MIS) which permits the management of potential adverse reliability impacts through normal operating procedures. Transmission System Expansion (SIS) is not covered by MIS, but is treated similarly to Large Facility interconnections. Standards that apply to TO projects are being updated as part of the NYISO Transmission Expansion and Interconnection Manual.

Questions that remain to be answered include: (a) are market signals and the NYISO back stop procedures sufficient to spur investment to maintain reliability? (b) can interface limits be defined as a criterion in SRIS and SIS studies? (c) is a new rule required that defines interface limits or the degradation of interface limits? (d) should the NYSRC’s Reliability Rules include a preamble stating the desirability of maintaining/increasing interface limits? and (e) is this a market design issue that is best addressed in the NYISO Committee structure? Mr. Bolbrock expressed the view that RRS should focus on the degradation of an interface limit, not the limit itself. Mr. Hipius feels that a rule should state that the impact of a proposed facility on interface limits should be taken into consideration without prescribing how the NYISO should implement the rule. Mr. Gioia advised that in considering this issue it is important that the

Executive Committee keep in mind the separation responsibilities and functions of the NYISO and the NYSRC.

8.0 Reliability Compliance Monitoring Subcommittee (RCMS) Report/Issues

8.1 RCMS Status Report & Discussion Issues – Mr. Clayton indicated that RCMS met following the RRS meeting.

8.2 2011 Reliability Compliance Program (NYRCP) – Mr. Clayton introduced the Reliability Compliance Program for 2011 (a.k.a. the Scorecard) and reported that RCMS found the following Measurements in full compliance:

- (a) C-M13, Certification that Disturbance Recorders have been Installed and Data Reported as Required,
- (b) E-M6, Pre-seasonal Fault Duty Assessment,
- (c) E-M7, MP Evaluation of NYISO Fault Duty Assessments, and
- (d) E-M9, Reliability Rules Exception Review.

8.3 Other RCMS Issues – Mr. Clayton reported that Policy 4, the governing document for compliance and monitoring, has been redrafted. Discussions with the NYISO have resolved issues regarding the interpretation of “over sight” and the sending of non compliance letters to the NYISO. Mr. Patka confirmed the NYISO’s concurrence with the revisions.

9.0 State/Federal Energy Activities

9.1 NYISO 2010 Comprehensive Reliability Planning Process (CRPP) – Mr. Adams reported that the NYISO provided a confidential report to the developer with the results of the benefit/cost analysis for the proposed CARIS 2 Leeds-Athens PARs project. The developer requested additional supporting information for that analysis and it was provided. The developer has been asked for a decision on whether to proceed.

The 2011 CARIS I MAPS congestion results for 2011-2020 were reported to ESPWG on October 6, 2011. Substantial slippage has occurred in the schedule. Continuing discussions will include generic transmission line costs, scenarios to be studied, and assumptions for generic demand side and generation solutions.

9.2 Interregional Transmission Studies

i. EIPC Study – Mr. Chao reported that all results from the Phase I MRN-NEEM macroeconomic analysis (Task 5) are now posted at http://eipconline.com/Modeling_Results.html. The Stakeholder Steering Committee (SSC) is to select three final scenarios by the end of October 2011. Draft 3 of the Phase I report will be posted for comment by October 14, 2011. The report is expected to be finalized by January 2012.

In Phase II, the three future resource scenarios will be evaluated with fully developed transmission build-out options that meet reliability requirements (Tasks 7 & 8). Production cost analysis will be performed for each scenario based upon the power flow modeling and transmission expansion options developed under Tasks 7 & 8. High-level estimates of the capital costs of the interregional generation resources and transmission expansion options will be developed. A Phase II report is scheduled for October 2012. The next stakeholder Steering Committee meeting is scheduled to be a WebEx on October 24, 2011.

ii. IPSAC Study – Mr. Chao indicated that IPSAC will meet via WebEx on November 29, 2011. The agenda will include an update of: (a) production cost studies, (b) environmental issues, and (c) the Northeast Coordinated System Plan.

The next steps include: (a) coordination of 2011 ISO-NE/NYISO/PJM production cost models and

development of 2017 models, (b) production cost analysis with IREMM and Gridview (ISO-NE), MAPS (NYISO), and PROMOD (PJM), and (c) a draft 2011 Northeast Coordinated System Plan to be available by the 1st Quarter of 2012.

9.3 Other Studies/Activities – Nothing additional to report.

10.0 Other Items

10.1 NYISO Operations Report – Mr. Yeomans reported that for September 2011, the peak load occurred on Tuesday September 13, 2011 at 25,360Mws versus the all time summer peak of 33,939Mws on August 2, 2006. Off-peak loads were as low as 12,500Mws. Alert states were declared on 20 occasions, 17 for system frequency. There were 17 hours of Thunder Storm Alert spread over five events. No major emergencies were declared during the month. Seven TLR Level 3s were declared in the month of September 2011 for a total of 35 hours. Loop flows have averaged about 150Mws. There were NERC/NPCC reportable events on August 9, 2011 and August 14, 2011.

10.2 North American Energy Standard Board (NAESB) – Mr. Ellsworth, the NYSRC representative on NAESB, gave a presentation on the NAESB organization and activities. In 1992, the National Gas Council concluded the wholesale gas market needed a standards organization. The Gas Industry Standards Board (GISB) was formalized in 1994. In 2002, at the urging of FERC, GISB was expanded to include wholesale and retail electricity, and re-named NAESB. The organization has a membership of nearly 300, a Managing committee, Board of Directors and an Executive Committee. Most of the standards development and maintenance is coordinated by the Executive Committee supplemented by industry volunteers. NAESB is structured into Quadrants, Wholesale Gas, Wholesale Electric, Retail Gas and Retail Electric. The Wholesale Electric Quadrant (WEQ) includes transmission, generation, distribution/load serving entities, marketers/brokers, independent grid operators and end users. ConED, National Grid, ISO-NE, HQ, and the NYISO are NAESB members.

Standards can be requested by anyone. NAESB is ANSI certified and the standards are voluntary though filed with FERC. They may or may not be adopted by regulators. There are WEQ Standards addressing, for example, OASIS business practices, Interchange Coordination, Transmission Load Relief, Gas/Electric Coordination, and Demand Response.

The National Institute of Standards (NIST), under the Department of Commerce has primary responsibility to coordinate development of a framework that includes protocols and models for information management to achieve interoperability of Smart Grid devices and systems. NIST has developed fourteen Priority Action Plans (PAPs) and assigned NAESB to develop requirements and Use Cases pertinent to four of the PAPs. Other recent activities are pertinent to cyber security, FERC Order 890, parallel flow visualization and DSM standards.

In summary, Mr. Ellsworth emphasized that participation in NAESB provides opportunity to introduce/comment on reliability based issues, supplement reliability information received by the NYSRC, and raise the recognition of the NYSRC at the National level. Mr. Mager expressed the Executive Committee’s continuing support of NAESB.

11.0 Visitors’ Comments – None

12.0 Meeting Schedule

<u>Mtg.</u> <u>No.</u>	<i>Date</i>	<i>Location</i>	<i>Time</i>
#151	Nov 10, 2011	Albany Country Club, Voorheesville, NY.	9:30 A.M.
#152	Dec 2, 2011	Albany Country Club, Voorheesville, NY.	9:30 A.M.

The open session of Committee Meeting No.150 was adjourned at 2:30 P.M.

