

Final Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Executive Committee
Meeting No. 154 – February 10, 2012
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*
Paul DeCotis	LIPA - Member
George Loehr	Unaffiliated Member
Richard J. Bolbrock, P.E.	Municipal & Electric Cooperative Sector – Member
William H. Clagett	Unaffiliated Member - Phone
Mayer Sasson	Consolidated Edison Co. of N.Y. – Vice Chair
George Smith	Unaffiliated Member
Mike Forte	Consolidated Edison Co. of N.Y. - Alternate
Arnie Schuff	New York Power Authority – Member
Joe Hipius	National Grid, USA – Member
Tom Duffy	Central Hudson Gas & Electric – Member
Chris LaRoe	IPPNY (Wholesale Sellers) – Member
Ray Kinney	New York State Electric & Gas/Rochester Gas & Electric - Member
Scott Leuthauser	HQ US – Alternate

Others:

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

Visitors – Open Session:

Erin Hogan, P.E.	NYSERDA
Phil Fedora	Northeast Power Coordination Council
Chris Wentlent	Constellation
Quoc Le	Northeast Power Coordination Council

“*” Denotes part-time

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.154 to order at 9:30 A.M. on February 10, 2012 at the Albany Country Club, Voorheesville, NY.

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” – None

1.5 Executive Session Topics – None

2.0 Meeting Minutes/Action Items

2.1 Approval of Minutes for Meeting No. 153 (January 6, 2011) – Mr. Raymond introduced the revised draft minutes which included all comments received to date. There being no additional requests for changes, Dr. Sasson moved for approval of the draft minutes. The motion was seconded by Mr. Loehr and unanimously approved by the Executive Committee Members in attendance – (12 to 0). The Executive Secretary will post the minutes on the NYSRC website – **AI #154-1**.

2.2 Action Items List – The Committee reviewed the Outstanding Action Items list and Mr. Gioia requested that the following Action Items be added:

<u>Action Item #</u>	<u>Description</u>	<u>Due Date</u>
154-2	Renewal of the D & O Policy	April 6, 2012
154-3	Payment of the annual Delaware Franchise Tax	June 1, 2012
154-4	Renewal of the Liability Policy	June 15, 2012
154-5	Election of Executive Committee Officers	June 8, 2012
154-6	Issue the Compensation Report	June 8, 2012

Also, Mr. Gioia indicated that he and Carol Lynch have completed updating the NYSRC website with NYSRC filings (AI #106-3). Recently, the original NYISO Agreement, the NYSRC and NYISO/NYSRC Agreements (with signature pages), the NYSRC comments in the PSC IRM Proceedings as well as other documents as far back as 1999 were added. The original NYISO Agreement, which contains definitions that are incorporated by reference into the NYSRC and NYISO/NYSRC Agreement, and which cannot be changed with respect to those Agreements without the approval of the Executive Committee, also was added. Mr. Gioia noted the helpful assistance of Carol Lynch.

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 \$110,000 at the end of January 2012. He noted that in December 2011 there was a 1st Quarter 2012 Call-for-Funds of \$165,000. In December 2011 and January 2012, \$35,000 and \$75,000 were received, respectively. An additional \$55,000 was received in early February 2012 thereby completing the Call-for-Funds.

ii. 2012 Audit – Mr. Adamson indicated that the Forms 1099 were sent out. Also, over the past two months he and Colleen Campoli have provided various financial documents to the Auditor (Slocum,

DeAngelus & Assoc.). The auditors have not come back with any questions. Two weeks ago letters were sent to the unaffiliated members asking for their payments to the NYSRC in 2011. Mr. Adamson added that he has received and reviewed a draft of the 2011 Audit Report. His initial review did not surface any significant issues. He also indicated receipt of a draft IRS Tax Form 990 for 2012 from the Auditor for his review and comment. He noted that the audit should be completed in March 2012.

3.2 Other Organizational Issues

i. **Subcommittee Secretarial Duties** – Mr. Clayton indicated that since LIPA has volunteered to serve as RRS and RCMS secretary for 2012, the urgency regarding secretarial services for the Subcommittees has declined. However, he will prepare a secretarial schedule through 2017 for discussion at the next Executive Committee meeting – **AI #153-2**.

ii. **Policy 6 Recommendation** – Mr. Gioia indicated that there is a consensus at RRS that Policy 6 is no longer required. Therefore, Mr. Adamson requested a review by Mr. Gioia to determine whether he had an issue with its elimination.

Mr. Gioia noted that Policy 6 was created when NERC was implementing a new process for the development of Reliability Standards which included Regional Standards and Regional Differences. There was concern at the time that someone might contend that the NYSRC Reliability Rules would be subject to the NERC Standards Process and result in issues pertaining to the NYSRC Rules which are more stringent. The concern was reviewed and Policy 6, which states that the NYSRC Reliability Rules are Regional Standards which are not subject to the NERC Standards Process, was adopted by the Executive Committee.

Subsequent to Policy 6 being adopted, the 2005 Energy Policy Act was enacted. No one has subsequently contended that the NYSRC rulemaking process is subject to NERC oversight, and the Act itself explicitly states that New York can have more stringent Reliability Rules than NERC. Therefore, Mr. Gioia stated that he does not have an issue with the elimination of Policy 6.

Following additional discussion, Mr. Loehr moved that the Executive Committee approve the elimination of Policy 6. The motion was seconded by Mr. Bolbrock and unanimously approved by the Executive Committee members in attendance – (12 to 0).

iii. **Execution of Code of Conduct Forms** – Mr. Gioia indicated that the Executive Committee adopted a Resolution on May 14, 2010 requiring NYSRC personnel (including administrative personnel, Executive Committee members, and Subcommittee members) to annually certify that they have read and agree to comply with the Code of Conduct. In addition, the Unaffiliated members, Counsel, Executive Secretary, and Treasurer must indicate any potential “conflicts of interest” and, if so, what those responsibilities entail. Mr. Raymond noted that he has received the signed forms from about half of the Executive Committee members and a majority of the Subcommittee members. Mr. Mager requested that a reminder be sent to those who have not yet responded – **AI #154-7**.

4.0 Key Reliability Issues

4.1 **Defensive Strategies** – Mr. Smith reported that work by the NYISO’s vendor EnerNex on the Characterization of the New York system is complete. A report (Task 2) has been issued and was reviewed on February 1, 2012. Seven simulation cases were considered for the year 2015 comprised of variations in load, generation dispatch and interface flows. Six internal and six external disturbances were simulated using 3-phase bus faults and load impulses. It was concluded that the analysis of generation oscillations is helpful in characterizing the New York System. Coherent generation groups were identified using frequency domain analysis, though variations were noted with changing generation dispatch and disturbance locations.

Work is proceeding with the study of potential separation interfaces, the timing of separation, the placement of PMUs, and the development of candidate separation algorithms. Of particular importance going forward is the time domain analysis of key New York interfaces under stressed conditions. To

accomplish this, EnerNex has introduced a new Principle Component Analysis (PCA) approach. The approach is statistically based and analyzes the covariance between variables. One particular advantage is PCA's high computational efficiency.

Lastly, Mr. Smith noted several differences between the NYISO Controlled System Separation Study (CSSS) and the NPCC Task 5 Study: (a) CSSS has a detailed New York focus versus a sweeping investigation of the NPCC region, (b) CSSS will investigate the feasibility of separation algorithms in more detail, (c) CSSS will focus on PMU based approaches versus trigger/relay analysis, and (d) CSSS employs light and heavy load cases for 2015 versus only 2013 light load cases and the blackout case in the NPCC Task 5 Study.

4.2 NPCC Defensive Strategies Activities – Mr. Quoc Le, Manager of System Planning and Protection for NPCC, gave a presentation titled, “NPCC Task 5 Study”. He pointed out that the overall NPCC Blackout Study included six separate tasks. The final report (Task 6), prepared by the NPCC SS-38 Working Group, was issued following the completion of Tasks 1-4 and approved by the NPCC-RCC in November 2005. The remaining Task 5 was delayed due to other study work including the Under Frequency Load Shedding Study and the Overall Transmission Assessment.

The objective of Task 5 is to investigate potential mitigation measures to improve the ability of the electric system to withstand a major system disturbance. The SS-38 Working Group was also asked to review NERC technical references on power plant and transmission system protection coordination and to recommended protection functions that could benefit from including explicit or screening models in studies.

The methodology used for Task 5 included: (a) development of the Blackout case and 2013 light load cases, (b) assessment of coherent generation groups, (c) investigation of potential advanced indicators of system separation, (d) performance assessment of post contingency actions and (e) assessment of the benefit of tripping where out-of-step conditions occur. The results of the Task 5 Study support the following conclusions: (a) it is beneficial to separate the system where out-of-step conditions occur, (b) controlled system separation is preferred in the presence of a single coherent generation group, (c) a reliable advanced indicator of system separation could not be determined, though bus voltage angular velocity versus bus voltage angular acceleration and reactive power and its derivative showed some promise, and (d) uncoordinated generation protection schemes should be modeled in planning and system studies.

The SS-38 Working Group recommends further study to determine the reliability of advanced indicators for system separation. The indicators need to be specific to particular locations, regional boundaries, and interfaces. Also, the studies identified should include explicit or screening models for generator protection functions.

4.3 Definition of Bulk Electric System and Exceptions – Mr. Fedora reported that the NERC Board of Trustees approved the revised BES definition and the corresponding Rules of Procedure changes that implement the revisions at their January 2012 meeting. The filing with FERC met the January 25, 2012 deadline. FERC is expected to act between now and the third quarter of 2012.

The Drafting Team for Phase 1, the BES Definition, is moving forward to Phase 2. Under Phase 2, the Drafting Team is to address the issues raised by the industry during Phase 1 that were outside the directive given by FERC in Order 743 and 743A. A Phase 2 SAR had been posted asking for industry comments on the development of technical justification to support the revised BES Definition. The comments were due by February 3, 2012. The Drafting Team meets next on February 23-26, 2012 in San Francisco, CA to review all the comments that were received from the Phase 2 SAR posting. All comments must be reviewed and a response provided. In March 2012, the Drafting Team will develop a detailed schedule and project plan for completion.

Also, the Drafting Team was asked to develop a guidance paper on the meaning of “inclusions” and “exclusions” in the revised BES Definition.

5.0 State/ NPCC Federal Energy Activities

5.1 NPCC Report – Mr. Forte reported that the NPCC Board of Directors met on February 1, 2012. He highlighted meeting items that were provided to the NERC Board of Trustees for their February 9, 2012 meeting:

- (a) NPCC made a statement that it continues to recommend the development of risk-based standards that are focused on reliability performance,
- (b) NPCC continues to support implementation of the Find, Fix, Track, and Report (FFT) procedure and suggests that NERC use a six month status report filing to recommend that FERC act to approve FFTs filed in order to document regulatory closure with regard to Mitigated Possible Violations,
- (c) NPCC continues to recommend that requiring GO/GOPs with long generator leads to register as TO/TOPs is not an appropriate mechanism to address any potential reliability gaps, and
- (d) NPCC expressed a concern with the delay in disseminating to the industry potentially critical lessons learned from significant events and recommends that NERC prioritize the early release of such reliability related information.

5.3 TC Ravenswood Complaint – Regarding the TC Ravenswood Black Start Petition, Mr. Gioia reported that since the last Executive Committee meeting, the NYISO and ConEd have filed answers to previous filings with FERC. FERC has not acted as of yet.

6.0 Installed Capacity Subcommittee Status Report/Issues

6.1 ICS Chairman's Report – Mr. Dahl summarized the major topics from the February 1, 2012, ICS meeting as shown below:

2013/14 IRM Study

ICS discussed plans to address outstanding modeling issues from the 2012/13 IRM study including:

- a) 2002 Load Shape Modeling Methodology - NYISO presented a methodology for evaluating alternate load shapes involving testing of several historic years. After discussion, the methodology was endorsed by ICS.
- b) Resolution of APA EFORD method - NYISO gave an updated report on progress in implementing the APA EFORD transition rate methodology - To date NYISO has created transition rates for all the thermal units in NY. It is expected that all issues will be resolved by February 10, 2012 and the MARs runs done early in the next week. Additionally, the NYISO is preparing data from the two test units to go out to interested parties and to Dr. Singh for hand calculation of the transition rates. The NYISO asked APA to provide a schedule for the work. Also, the NYISO identified the necessary steps for final validation of the software.
- c) PJM Modeling Issues and Delays in Obtaining Model – It was reported that the NYISO brought the need for timely modeling updates to NPCC CP-8 for further review and discussion with neighboring regions.
- d) Assumption Matrix/ Report Template – ICS reviewed the first draft of the 2013/14 IRM assumptions matrix and identified areas requiring update. The NYISO provided its IRM report template for ICS review and comment.
- e) Schedule - ICS discussed and updated the “2012 IRM Study process milestones” to incorporate scheduling details regarding development of standard and non-standard models to support the IRM study process.

SCR Analysis

a) NYISO Study Report Status - After careful assessment, the NYISO indicated that it is necessary to contract with external resources to perform aspects of the requested SCR study. The external consultant would devote priority resources to support overall study completion by April 30, 2012. The

key elements of this report include Effective Load Carrying Capability of SCRs under various operating assumptions and information on performance and persistence of SCR resources.

b) Estimated/Actual SCR Performance – The NYISO indicated that it was putting together a written report incorporating ICS comments on its “Approach of Top-Down Estimation of Demand Response Impacts”. Also, the NYISO gave a presentation on actual 2011 SCR data. The data was based on its January 17, 2011 report to FERC. It was concluded that during 2011 summer peak period SCR performed slightly better than expectations, though EDPR resources performed significantly below projections.

PRR 109 - Special Case Resource Reporting Requirements

The NYISO discussed additional comments on the PRR 109 draft and potential procedural revisions. ICS recommended that PRR 109 be advanced to the Reliability Rules Subcommittee for further comments/consideration. The intent of ICS is to support “approval for posting” at the February 10, 2012 NYSRC Executive Committee meeting and implementation for the 2012 summer period.

Policy 5

ICS discussed an update to Policy 5. Areas for updating include: SCR performance reporting & modeling requirements, improved procedures for screening outside world data requirements, and issues related to the locational capacity requirement calculations.

2012 Locational Capacity Requirements (LCR)

It was agreed that an ICS working group would be established to review treatment of new IRM and other material assumption revisions in LCR modeling.

6.2 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 February 2, 2012. 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 #8, Reactive Load and Resource PF Requirements at BPS/LSE, and PRR #97, Create Specific NYISO Facility List(s) are still under development.

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

- Mr. Clayton introduced PRR #109, Special Case Resource Performance Data Reporting, which was discussed in detail at the January 6, 2012 Executive Committee meeting. The PRR #109 revision is to include data reporting procedures for SCRs with that of generation in the existing Rule (C-R2) and associated Measurements C-M14 and C-M15. The PRR has been reviewed by ICS and the NYISO and is recommended by RRS for posting for review and comment.

Following additional discussion, Mr. Bolbrock moved for approval to post. The motion was seconded by Mr. Smith and unanimously accepted by the Executive Committee members in attendance – (12 to 0).

3. PRRs for EC Discussion

- None

7.3 NPCC/NERC Standard Tracking

i. NERC Standards Development – Mr. Adamson reported that while FERC has not approved TPL-

001-2, Assess Transmission and Future Needs, NPCC is proceeding with the revision of Directory 1 to reflect the NERC Board of Trustees adoption of TPL-001-2. RRS is monitoring this effort closely before considering revisions to NYSRC Reliability Rules B-R1 through B-R4.

ii. **NPCC Standards** – Nothing new to report.

7.4 Other RRS Issues

i. **New Facility Impact on Transfer Limits** – Mr. Clayton introduced and discussed a report titled, Transfer Limit Trends, prepared by Zack Smith of the NYISO. Three annual reports were reviewed to develop a trend for normal and emergency transfer limits over time: (a) Summer Operating studies, (b) Installed Capacity Requirements Reports and (c) Area Transmission Reviews for approximately 5 years from the reporting date. For the period 2010-2015 each NYCA interface shows increases, some substantial, for both normal and emergency transfers except Dysinger East and Long Island Import for normal limits. The Dysinger East normal transfer limit declined only by 25Mws. In the case of the Long Island Import, the reduction of 100Mws was due to the rerating of a line element. RRS has requested this type of trend data be reported regularly by the NYISO in the future.

Following the presentation, which showed encouraging results, the Executive Committee returned to its ongoing discussion of whether there should be a Rule that forbids the addition of a new facility to the system that degrades a transfer limit(s). The consensus of the Committee supports the addition of a sentence in the introduction to the Reliability Rules Manual that encourages the thorough examination of any new facilities impact on transfer limits. RRS was asked to prepare to a specific recommendation for the March 9, 2012 Executive Committee meeting – **AI #147-7**.

ii. **Definition of Contingency** – Mr. Clayton noted that RRS has reached agreement on the definition of “contingency” in the glossary to include electric or gas since some of the basic contingencies include examining gas outages. He agreed to put the changes in PRR template format for consideration at the March 9, 2012 Executive Committee meeting – **AI #153-4**.

iii. **NYSRC/DEC Meeting** – Mr. Clayton noted that on February 7, 2012 a meeting was held with the DEC. The minutes and attachments will be emailed shortly. Executive Committee members expressed a high level of support for the value of the NYSRC/DEC meetings which include the NYISO, NYSERDA and others. The exchange of information is felt to have served all participating organizations well.

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 reported that the NYRCP is complete for 2011 with the exception of a resolution to G-M3, Black Start Provider Requirements where there was a non-compliance finding. RCMS will be recommending that non-compliance by the NYISO be waived. A 2011 NYRCP highlights report will be provided to the Executive Committee once the G-M3 issue is resolved.

8.3 **2012 New York Reliability Compliance Program** – Mr. Clayton indicated that a series of meetings was held with the NYISO to gain its concurrence with the 2012 NYRCP’s Measurement descriptions and due dates for compliance document. Mr. Patka confirmed that the NYISO concurred with the Program’s dates.

After further discussion, Dr. Sasson moved for approval of the 2012 New York Reliability Compliance Program. The motion was seconded by Mr. Loehr and unanimously accepted by the Executive Committee members in attendance – (12 to 0).

Also, Mr. Clayton reported that RCMS found the following Measurements to be in full compliance pending an acceptable revision of the 2011 NYCA Transmission Review Report:

- (a) B-M1, Thermal, voltage, stability and fault duty assessments for the planned NYCA system;
- (b) B-M2, Extreme contingency assessment for the planned NYCA system;
- (c) B-M3, Demonstration that the system is planned considering ease of restoration system;
- (d) I-M4, Consideration of local rules in transmission planning and the determination of operating Limits;
- (e) K-M2a, 2012 NYCA transmission review; and
- (f) K-M3, Extreme system condition assessment.

8.4 RCMS Report on G-M3 Non-Compliance – Mr. Clayton introduced the report titled, RCMS Review of Measurement G-M3 Compliance Violation For 2011/2012 Capability Year dated February 2, 2012. The issue of non-compliance arises from the inability of TC Ravenswood to meet the black start testing requirements for the 2011/2012 Capability Year. The report highlights four areas of action by the NYISO to secure TC Ravenswood compliance with Measurement G-M3: (a) Adequacy of the NYISO System Restoration Procedures, (b) Efforts by the NYISO to secure G-M3 Compliance for 2011/2012 Capability year, (c) Issuance of a non-compliance letter to the Provider, and (d) Other efforts by the NYISO to secure G-M3 Compliance for the 2012/2013 Capability Year. In all instances it was found that the NYISO exercised its authority properly. Therefore, in accordance with Policy 4-5 procedures, the Report recommends that the Executive Committee exercise its discretion to waive the NYISO’s non-compliance in this matter. Mr. Mager complimented RCMS/Mr. Adamson for an excellent report that makes consideration of this issue much easier.

Dr. Sasson expressed full support for the Report, but felt it was necessary to highlight ConEd’s concern that if the supplier remains non-compliant for the third year in a row there will be a need for a concerted effort on the part of the NYISO, the NYSRC and ConEd to bring this generation owner into compliance with the NYSRC rules and the NYISO Tariff. He emphasized that the reasonable actions taken to date by the NYISO are not working given the non-compliance for the last two Capability Years. Therefore, he expressed the view that other actions are in order to avoid a situation in which current black start providers ignore the Rule and simply drop out of the Black Start Program, or other Market Participants ignore other NYSRC rules with impunity.

In fairness, Mr. Gioia noted that the NYISO Tariff’s black start provisions are voluntary with one year notice. He also noted that the NYISO October 28, 2011 letter to this black start unit owner stated that the NYISO considers this unit to still be part of the Black Start Program given the PSC Declaratory Ruling. TC Ravenswood challenged this at FERC and a decision is pending. Concerning the future, Mr. Gioia noted that RCMS is reviewing the current situation. First, they are attempting to quantify the impact of a TC Ravenswood withdrawal from the Restoration Program. At that point, the NYISO and RCMS will be in a position to evaluate the Tariff provisions and the “prompt” restoration requirement within Reliability Rule G-R1 to determine whether they are adequate.

Mr. Clayton added that looking forward, RCMS will provide a report at the April 13, 2012 Executive Committee meeting on what may be done regarding TC Ravenswood for the 2012/2013 Capability Year. Also, this current RCMS Report dated February 2, 2012 makes recommendations including: (a) the update of Policy 4 to clarify the requirements for the NYISO to self-report violations to the NYSRC, (b) the update of Policy 4 to clarify and strengthen non-compliance letter requirements, and (c) a review and possible revision of the NYSRC system restoration reliability rules and related compliance templates. Completion of these recommendations will take several months.

Following additional discussion, Mr. Bolbrock moved that (a) after consideration of the RCMS report, the Executive Committee concludes that the NYISO has taken all reasonable action to secure compliance with Measurement G-M3, recognizing that the pending litigation has hindered the NYISO’s efforts to secure compliance and (b) the Executive Committee accepts the RCMS Report dated February 2, 2012 and adopts the RCMS recommendation that the Executive Committee exercise its discretion to waive the NYISO’s non-compliance in this matter. The motion was seconded by Mr. Smith and approved by the

Executive Committee members in attendance – (11 to 0,1 abstention). Mr. Gioia agreed to prepare a letter to Mr. Yeomans stating the Executive Committee’s findings and conclusions – **AI #154-8**. The RCMS Report will be attached.

8.5 Status of the 2012/13 Black Start Program – Mr. Clayton reported that RCMS has been working with the NYISO and ConEd regarding the impact if TC Ravenswood is not in the Black Start Program for the 2012/2013 Capability Year. ConEd has given RCMS several presentations including a description of the various plans they have for restoring the ConEd system in the event of a system wide blackout. At the February 2, 2012 RCMS meeting, ConEd presented the results of an analysis which assumes that the outside world is also blacked out. The results of the testing indicated that there could be 1,672Mws of load that cannot be served until TC Ravenswood is brought on line from the system. Further, the study quantified the potential for a delay in restoration of up to 5 hours. RCMS considers this to be a very serious adverse impact on reliability. Mr. Yeomans indicated that the NYISO is in agreement with the results of the ConEd study. The next issue for the NYISO/RCMS is to determine whether the NYISO Restoration Program and NYSRC Reliability Rules are adequate if it is assumed that TC Ravenswood is no longer a part of the Black Start Program.

8.6 Other RCMS Issues – Nothing additional to report.

9.0 State/Federal Energy Activities

9.1 NYISO 2010 Comprehensive Reliability Planning Process (CRPP) – Mr. Adams reported that the 2011 CARIS I draft #4 and associated appendices were presented to ESPWG during on January 29, 2012. They were discussed on January 31, 2012. It is expected that the report and appendices will be forwarded to the Business Issues Committee and Management Committee for review and approval in February 2012. Board approval would be requested in March 2012.

The preparation for the CARIS 2 studies will begin upon completion of the CARIS 1 Report. Also, preparation for the 2012 RNA began in January, 2012 with requests to transmission owners and other stakeholders for information to be used in the base case development.

9.2 Interregional Transmission Studies

i. EIPC Study – The Phase I report is posted at http://eipconline.com/Resource_Library.html/. Three final scenarios were selected: (a) national carbon constraint with increased energy efficiency/demand response/distributed generation, (b) regionally implemented national RPS, and (c) “business as usual”. The Phase II schedule is posted at http://eipconline.com/Phase_II_Resources.html/. The three future resource scenarios will be evaluated with fully developed transmission build-out options that meet reliability requirements. Currently the base cases for each scenario are being developed using macro-economic outputs from Phase I. The gap analysis will be performed using linear analysis to identify initial transmission deficiencies (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 (Task 9). High-level estimates of the capital costs of the interregional generation resources and transmission expansion options will be developed (Task 10). A Phase II report is scheduled for October 2012.

A Transmission Options Task Force (TOTF) has been formed as a forum for stakeholders to review and comment on the development of transmission build-out alternatives during Phase II. A face-to-face meeting was held on January 10-11, 2012. The next meeting is scheduled for February 22-23 in Alexandria, VA to review the base cases and gap analysis.

ii. IPSAC Study – Mr. Chao indicated that the next steps of the IPSAC study 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), (c) a draft 2011 Northeast Coordinated System Plan to be available by the 1st Quarter of 2012 and (d) continued coordination of FERC Order 1000 compliance. A teleconference is scheduled for March 30, 2012.

9.3 Other Studies/Activities – Nothing additional to report.

10.0 Other Items

10.1 NYISO Operations Report – Mr. Yeomans reported that for January 2012, the peak load occurred on Tuesday January 3, 2012 at 23,901Mws versus the all time winter peak of 25,541Mws on December 20, 2004. Alert states were declared on 12 occasions, 7 for system frequency. No major emergencies were declared during the month. Five TLR Level 3s were declared in the month of January 2012 for a total of 24 hours. There were no NERC/NPCC reportable events.

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

11.0 Visitors' Comments – None

12.0 Meeting Schedule

<u>Mtg.</u> <u>No.</u>	<i>Date</i>	<i>Location</i>	<i>Time</i>
#155	Mar 9, 2012	Albany Country Club, Voorheesville, NY.	9:30 A.M.
#156	Apr 13, 2012	Albany Country Club, Voorheesville, NY.	9:30 A.M.

The open session of Committee Meeting No.154 was adjourned at 2:45 P.M.