

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

TC Ravenswood, LLC)

Docket No. ER12-1418-000

MOTION TO INTERVENE AND COMMENTS
BY THE NEW YORK STATE RELIABILITY COUNCIL, L.L.C.

Pursuant to Rules 212 and 214 of the Federal Energy Regulatory Commission's ("Commission") Rules of Practice and Procedure, 18 C.F.R. §§ 385.212 and 385.214 (2011), the New York State Reliability Council, L.L.C. ("NYSRC"), moves to intervene in response to the March 30, 2012 submittal by TC Ravenswood, LLC ("TCR") in the above-captioned proceeding.¹

I. BACKGROUND

On March 30, 2012, TCR filed a rate schedule proposing to sell black start service pursuant to Section 205 of the Federal Power Act. TCR contends that the rate schedule was filed, in part, because a draft report of the NYSRC's Reliability Compliance Monitoring Subcommittee noted that it is critical for TCR's generating units to provide black start service to maintain the restoration capability of the systems of Consolidated Edison Company of New York, Inc. ("Consolidated Edison") and the New York Control Area.² In its filing, TCR states that it has ceased providing the service under the New York Independent System Operator's ("NYISO") tariff. TCR further states that it can

¹ Application of TC Ravenswood, LLC to Implement a Black Start Service Rate Schedule, Docket No. ER12-1418-000 (Mar. 30, 2012) ("TCR Filing").

² *Id.* at 1.

provide black start service only pursuant to its own rate schedule. In its filing, TCR sets forth the conditions under which it would be willing to provide black start service. The TCR Filing does not seek to resolve issues with respect to compensation for black start service. TCR's proposed rate schedule is directly parallel to the rates set forth in the NYISO's tariff. On April 5, 2012, the Commission issued notice that interventions, comments and protests are due by April 12, 2012.

II. COMMUNICATIONS

All communications, pleadings, and orders with respect to this proceeding should be sent to the following individuals:

Michael B. Mager
Chairman
New York State Reliability Council, L.L.C.
Couch White, LLP
P.O. Box 22222
540 Broadway
Albany, NY 12201
Telephone: (518) 320-3409
Email: mmager@couchwhite.com

Paul L. Gioia
Dewey & LeBoeuf LLP
One Commerce Plaza
99 Washington Avenue
Suite 2020
Albany, NY 12210-2820
Email: pgioia@dl.com

III. MOTION TO INTERVENE

The NYSRC was approved by an order issued by the Commission in 1998,³ and subsequent Commission orders,⁴ as part of the restructuring of the electricity market in New York State and the formation of the NYISO. In its orders, the Commission approved the NYSRC Agreement among the members of the New York Power Pool, which established the NYSRC and described its responsibilities, and the NYISO/NYSRC Agreement which established the relationship between the NYISO and the NYSRC, and outlined their respective responsibilities. The NYSRC's responsibilities include the development of reliability rules that are more stringent or more specific than Northeast Power Coordinating Council, Inc. and North American Electric Reliability Corporation standards and criteria that are necessary to meet the special requirements of New York's bulk electric system; the assessment of NYISO and market participant compliance with those reliability rules; and the adoption of the annual statewide installed capacity requirement. Given the NYSRC's responsibilities related to electricity reliability in the New York Control Area, including the promulgation of reliability rules for the NYISO's system restoration plan, it is in the public interest to approve this motion to intervene.

IV. COMMENTS

The NYSRC would like to supplement the record in this proceeding, clarify statements made by TCR in its filing, and make the Commission aware of the potential

³ *Cent. Hudson Gas & Elec. Corp.*, 83 FERC ¶ 61,352 (1998), *order on reh'g*, 87 FERC ¶ 61,135 (1999).

⁴ *Cent. Hudson Gas & Elec. Corp.*, 86 FERC ¶ 61,062 (1999); *Cent. Hudson Gas & Elec. Corp.*, 87 FERC ¶ 61,135 (1999); *Cent. Hudson Gas & Elec. Corp.*, 88 FERC ¶ 61,138 (1999).

impact of the TCR Filing on the effective monitoring and enforcement of reliability standards in the New York Control Area.

First, the TCR Filing included as an exhibit a copy of a draft report by the NYSRC's Reliability Compliance Monitoring Subcommittee ("RCMS"), entitled Evaluation of the New York Control Area Black Start Program (Ex. TCR 1). The final RCMS report was approved on April 5, 2012, and is submitted with this filing as an attachment. While the substance of the final RCMS report is virtually the same as the draft report, several of the recommendations in the draft report were revised. To the extent that the Commission finds the RCMS report and its conclusions and recommendations to be relevant to the TCR Filing, the NYSRC requests that the Commission consider the final RCMS Report, rather than the draft submitted with the TCR Filing. However, the Commission also should be aware that the RCMS report has been submitted to the NYSRC Executive Committee which will make the determination as to whether the report's findings and recommendations will be adopted.⁵

The TCR Filing states that TCR engaged in discussions with the NYISO, Consolidated Edison, and the NYSRC aimed at developing revised testing procedures for its steam units that would enable it to remain in the NYISO's black start program and notes that those discussions were not successful.⁶ The NYSRC would like to clarify that, in fact, the NYSRC did not participate in any such discussions or negotiations with TCR. The NYISO informed the NYSRC that it was engaged in discussions with TCR in an effort to have TCR resume its active participation in the NYISO's black start program.

⁵ It is anticipated that such determination will be made at the Executive Committee's April 13, 2012 meeting.

⁶ TCR Filing at 8.

However, the NYSRC did not participate in any discussions with TCR. Recently, TCR requested that the NYSRC join it in discussions with the NYISO and the New York Public Service Commission. The NYSRC expressed its willingness to participate in such discussions if TCR considered its participation to be helpful, but no such discussions have occurred.

The TCR Filing also raises a substantive issue with respect to the effective monitoring and enforcement of reliability standards in the New York Control Area. The NYSRC is authorized to promulgate reliability standards that are necessary to maintain the reliability of the bulk power system in the New York Control Area (“Reliability Rules”).⁷ The NYSRC’s Reliability Rules are directly applicable to the NYISO; however, the effective implementation of numerous Reliability Rules requires actions to be taken by participants in the NYISO’s markets. The NYSRC relies on the NYISO to ensure that its market participants take the actions necessary for compliance with the Reliability Rules through its tariffs, procedures and service agreements.⁸

The NYSRC has adopted Reliability Rules that require the NYISO and transmission owners to adopt system restoration plans to ensure the safe, orderly and prompt restoration of bulk power system in the New York Control Area following a major system disruption.⁹ The Reliability Rules and the related measurements require the

⁷ NYISO/NYSRC Agreement, Sections 3.1 & 4.1, *available at* <http://www.nysrc.org/pdf/Agreements/1999%20NYSRC%20NYISO%20Agreement%20signed.PDF>; NYSRC Reliability Rules for Planning and Operating the New York State Power System, Version 30 (Nov. 10, 2011), *available at* <http://www.nysrc.org/pdf/Reliability%20Rules%20Manuals/RR%20Manual%2030%20Nov.%2010-11%20final.pdf>.

⁸ NYISO/NYSRC Agreement, Section 3.1, NYSRC Policy 4-5, Sections 2& 7.

⁹ NYSRC Reliability Rules G-R1 (New York Control Area Restoration Plan), G-R2 (System Restoration Training and Simulation Programs).

NYISO to ensure that a party providing system restoration service maintains the critical components in its facilities, maintains appropriate training procedures for its personnel, and tests its generation facility each Capability Year to demonstrate that it will be able to perform its intended functions if called upon.

If the Commission approves a separate rate schedule for the provision of system restoration service by TCR outside the NYISO tariff, it is not clear that this important reliability service would be subject to the NYSRC's Reliability Rules or its monitoring and compliance procedures. The NYSRC, therefore, respectfully requests that, in addressing the TCR Filing, the Commission consider the potential reliability impacts of allowing an important reliability service to be provided outside the NYISO's tariff, and possibly outside the ability of the NYSRC to ensure that the service is compliant with reliability standards adopted by the NYSRC for system restoration service in the New York Control Area.

V. CONCLUSION

WHEREFORE, in view of the foregoing, the NYSRC respectfully requests that (1) it be permitted to intervene with all the rights that attend to such status; and (2) the Commission take action consistent with the comments set forth herein.

Respectfully submitted,

Paul L. Gioia
Dewey & LeBoeuf LLP
One Commerce Plaza
99 Washington Avenue
Suite 2020
Albany, NY 12210-2820
Email: pgioia@dl.com

Counsel to the New York State Reliability
Council, L.L.C.

Michael B. Mager. Esq.
Chairman
New York State Reliability Council, L.L.C.
Couch White, LLP
P.O. Box 22222
540 Broadway,
Albany, NY 12201
Telephone: (518) 320-3409
Email: mmager@couchwhite.com

Dated: April 12, 2012

