

**Joint Meeting of the
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)/
Reliability Compliance Monitoring Subcommittee (RCMS)**

**RRS/RCMS Meeting at the NYSERDA Offices
17 Columbia Circle, Albany, NY
Thursday, January 5, 2012**

Draft Minutes of RCMS Meeting No. 144

RCMS/RRS Members and Alternates:

Roger Clayton, Electric Power Resources (Chairman)
Dan Head, Con Edison (Secretary)
Larry Hochberg, NYPA
Zoraini Rodriguez, LIPA
Patrick Hession, LIPA
Roy Pfleiderer, National Grid
Jeff May, Central Hudson

Non-Voting Participants:

Alan Adamson, NYSRC Consultant
Jim Grant, NYISO
Paul Kiernan, NYISO
Edward Schrom, NYSDPS

Guests:

Paul Gioia, Executive Committee
Greg Campoli, NYISO
Meyer Sasson, Con Edison & Executive Committee (Phone)
Wesley Yeomans, NYISO
Carl Patka, NYISO
Jim Orosz, Con Edison

1. Introduction

Roger Clayton called the meeting to order at approximately 12:30 pm.

As an administrative note, items in these minutes are presented in the order in which they occurred.

1.1. Executive Session

None requested.

1.2. Requests for Additional Agenda Items

None.

2. Approval of Minutes / Action Items

2.1 Approval of RCMS Minutes #143

The minutes for meeting #143 were approved with minimal changes.

2.2 RCMS Action Items List

- Action Item 139-1. The item remains ongoing. Mr. Grant will brief the group on the amount of demand response, in MW, achieved during the state's peak load period when the data becomes available. It is expected in time for the February meeting.
- Action Item 142-1. CEII documentation was removed from the NYSRC website. This item is complete.
- Action Item 142-7. Revision of the Certification/Self-Certification forms was made an ongoing item for the entire sub-committee.

3. NYSRC 2011 Reliability Compliance Monitoring Program

3.1. 2011 Reliability Compliance Monitoring Program Summary

As of the January meeting, RCMS has completed the entire program slate, save for requirement G-M3 (Black Start Provider Requirements), which is on the agenda for later in the meeting.

3.2. November and December NYISO Monthly Operations Report

Jim Grant reported that he had submitted the November and December NYISO monthly operations report to the subcommittee electronically and then asked for questions. There were no questions.

3.3. Certification: Black Start Provider Requirements (G-M3)

The issue was tabled until later in the meeting when all parties could join the meeting either physically or via telephone.

3.4. RCMS Report to the EC on 2011 Compliance Program Highlights

Al Adamson reminded the group that RCMS produces an annual report for the Executive Committee (EC) that summarizes the compliance reviews that the sub-committee performs and notes highlights from the previous year. Mr. Adamson has begun working on this report for the February meeting, but as yet there is no formal draft prepared.

4. 2012 NYSRC Reliability Compliance Program Measurements

Al Adamson provided the group with a draft of the 2012 scorecard with the meeting materials, and although none of the required compliance documentation had been added as yet to the draft, he nonetheless sent the current working draft to the EC for their meeting, which was scheduled for Friday, January 6. At this point, the next step is to finish filling in the compliance documentation requirements and then send the new scorecard out for RCMS approval. After that, dates are set with the NYISO for certification with each requirement.

After Mr. Adamson's report, there was a brief discussion of the fact that the required compliance documentation portion of the 2012 Compliance Program summary is being made clearer. Mr. Adamson noted that he has not finished drafting the complete summary. He further noted that he plans to get this out to NYISO staff and RCMS for use in the joint meeting by the end of the next week (January 13, 2012), and that in any event, the sub-committee must have a completed 2012 Compliance Program by January 30. Therefore, the initial Program summary must be complete and dates for compliance agreed upon with NYISO needs to be prior to that. NYISO representatives will get back to Al Adamson about the specific date for the joint meeting. Mr. Adamson and Roger Clayton agreed to meet the NYISO for this purpose via conference call. As an Action Item, Mr. Adamson will get the draft compliance "scorecard" out to the NYISO and RCMS for review by Monday, January 9 (Action Item 144-1).

5. NYISO & Con Edison Responses to RCMS Questions on NYCA Black Start Program

This agenda item was tabled until after the discussion on agenda item 3.3.

6. Review of Proposed Compliance Template Changes

As an Action Item, Jeff May agreed to get the proposed template manual changes out to the committee in "red-line" for the next meeting (Action Item 144-2).

7. NYISO/NPCC/NERC Activities

7.1. NYISO 2011-12 NERC/NPCC Compliance Program Status

Jim Grant reported that the NYISO has completed the NERC/NPCC compliance program for 2011.

7.2. NPCC Standards/Criteria Development Update

This was covered during the RRS portion of the joint meeting.

7.3. NERC Standards Development Update

This was covered during the RRS portion of the joint meeting.

7.4. NPCC Compliance Committee Report

This was covered during the RRS portion of the joint meeting.

7.5. Other NYISO, NPCC, and NERC Activities

No report.

8. Reports

8.1. NYSRC EC Meeting Report

This was covered during the RRS portion of the joint meeting.

8.2. NYSRC ICS Report

This was covered during the RRS portion of the joint meeting.

3.3. Certification: Black Start Provider Requirements (G-M3)

Roger Clayton introduced the issue: as has been discussed before, TC Ravenswood failed a Black Start test for the 2011/2012 Capability Year, so that at this point, the NYISO is subject to non-compliance with measurement G-M3 (Black Start Provider Requirements). RCMS must decide whether or not the NYISO has taken all reasonable action to ensure that TC Ravenswood successfully tests its units and becomes compliant with G-M3 requirements. The committee must issue a letter to the EC with a recommendation as to whether the NYISO is noncompliant or to waive the preliminary non-compliance finding.

Al Adamson summarized the letter that RCMS sent to the EC about this same issue last year, making the point that this was now two years in a row, and that for RCMS to be an effective compliance organization, it now has to take stronger action on the issue than it took last year. Carl Patka responded by noting that the 2010 – 2011 capability period was last year, and that he and the NYISO are only concerned with the current year and capability period. He further noted that after the failed test in March 2011, TC Ravenswood refused to test the unit again, citing a recent unit outage and the potential for damage to the unit as a result of further testing. After that, the NYISO made every effort to stay in contact with TC Ravenswood about the issue and to encourage them to come back into the program. Beyond that, there was not much that the NYISO could do. Paul Gioia responded by noting that the decision to waive non-compliance is discretionary. It is therefore relevant to RCMS and the EC to ascertain whether the NYISO has taken all reasonable action to secure compliance. Mr. Patka replied that the NYISO has started meeting with other generators and with transmission owners (TOs) to try to redesign the Black Start program if such is necessary to retain other providers in the program and in compliance with the program, but beyond that, with TC Ravenswood refusing to test their units, there is not much the NYISO can do to compel them. NYISO has withheld Black Start payments, but it cannot physically force TC Ravenswood to test its units. Mr. Patka then summarized the FERC and PSC filings which Con Edison, the relevant TO, and the PSC and TC Ravenswood have filed to respectively try to force TC Ravenswood to keep its units in the program and/or allow them to leave it.

At this point, the NYISO is prepared to continue to ask TC Ravenswood to test their unit on a monthly basis. However, thus far the company has responded that they have no intention of performing testing and more to the point, they are in court over the issue in an attempt to leave the Black Start program entirely. To this, Roger Clayton responded that RCMS would like to see a letter stating in writing what the NYISO's intentions are going forward, that that might go a long way towards proving that the NYISO had taken all reasonable measures and would continue to take those measures to come into compliance with this reliability procedure. At this point, RCMS went into an Executive (closed) session. Following the closed session, Mr. Clayton recommended that RCMS recommend to the Executive Committee that it waive the NYISO's Level 1 non-compliance, based on a finding that the NYISO has done all that they could reasonably be expected to do to ensure that all generators successfully tested their units, contingent upon the receipt of the aforementioned letter. However, he added that he thought that the NYISO could have handled matters in a better, timelier way, and that RCMS should report on the issue accordingly. All members of the sub-committee agreed to this, and agreed to recommend that the Executive Committee waive the NYISO's Level 1 non-compliance, contingent upon receipt of the NYISP letter stating its intentions going forward.

NYISO members expressed relief at this outcome and noted that they looked forward to the sub-committee's recommendations. Mr. Patka stated that future issues would be easier to manage with clear guidance going forward. After that, there was discussion of the need to make Policy 4 clearer, with the result that RCMS as a whole took an Action Item to review and clarify Policy 4 on this issue (Action Item 144-3).

5. NYISO & Con Edison Responses to RCMS Questions on NYCA Black Start Program

5.1. NYISO Responses

NYISO representatives gave a presentation about the NYISO's restoration plan. The basic restoration plan relies on prompt restoration of the 345kV backbone systems that will allow major generators to synchronize to the grid quickly in order to restart the bulk electric system. Although the NYISO noted that there was no specific amount of time that this was required to take, a reasonable guess was six hours in which to get the backbone restored and begin restoring customers. NYISO representatives further noted that the NYISO can get the backbone restored with or without Ravenswood 3 but that if large units like Ravenswood 3 have to wait to start heating up until they can get station power from the bulk power system backbone, that will add several hours to the restoration process at a minimum. Thus, having large units like Ravenswood 3 in the blackstart program themselves is very useful to any potential restoration. The NYISO further noted that if Black Start units are not required to test their capabilities periodically, such capabilities are unlikely to be maintained, and this problem may well be even worse if units claim to be able to Black Start but refuse to stay in the formal program and test their capabilities. Loss of Load events are not common, so Black Start capabilities are unlikely to be exercised without the need for formal testing.

5.2. Con Edison Responses

Jim Orosz from Consolidated Edison gave a presentation on Con Edison's restoration plans. He noted that Con Ed has eight separate potential restoration plans, and that only the last one, Plan 8, does not rely on any outside connections. He then noted that the base plan was for Con Edison to restart its system in a pair of islands and to then synchronize those islands together. However, he said, it can be tricky to do this because the islands are initially very small and therefore not very stable. He noted that having a large unit like Ravenswood 3 in the Black Start program greatly aided stability because the larger units allow Con Ed to pick up more load quickly, adding inherent stability to the system. Having to wait for Ravenswood 3 to start up after a massive loss of load event will therefore add time to this process, and it will be exacerbated if the unit cannot even begin to start up until it is synchronized to one of the islands rather than capable of starting on its own.

When asked, Mr. Orosz noted that Con Edison publishes its plan annually and provides it to the NYISO and NY PSC. He specifically pointed out that he was not leaving a complete copy with RCMS due to potential security and market power considerations.

5.3. Next RCMS Actions

For the next meeting, Roger Clayton asked the NYISO, Con Edison representatives, and members of the sub-committee to review the available Black Start material and be prepared to discuss the specific impact of the Ravenswood units leaving the blackstart program at the next meeting.

9. Next Meeting #145: Thursday, February 2, 2012, 9:30 am @ NYSERDA, 17 Columbia Circle, Albany, NY.

The meeting closed at 3:30 pm.