

Meeting Minutes

**New York State Reliability Council, L.L.C. (NYSRC)
Reliability Compliance Monitoring Subcommittee
RCMS Special Meeting #2008-1 October 27, 2008
NYISO Power Control Center Offices – Guilderland, NY**

Members and Alternates:

Steve Fanning, Chairman	National Grid, USA
Jeff May	Central Hudson Gas & Electric
Jonathan Appelbaum	Long Island Power Authority - phone
Leyvi Gelman	Consolidated Edison Co. of NY - phone
Joharath Kutty	New York Power Authority - phone
Alan Adamson	RCMS Consultant
Greg Campoli	NYISO Reliability Compliance & Assessment Supervisor

Guests:

Carl Patka	NYISO Senior Attorney
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1. Introduction

Mr. Fanning chaired the meeting with introductions. This special RCMS C-M5 Compliance Report Review Meeting was held to review NYISO's comments and concerns regarding the Subcommittee's draft report to the Executive Committee on the Resource Outage Data Under-reporting Event (C-M5 Violation).

2. Review of Action Items List

- 103-2** Draft a letter to EC explaining next steps and recommendations related to C-M5 investigation – (Completion expected by 11/7/08)
- 105-2** NYISO will provide written comments on the C-M5 report by 10/20/08 –(Received)

3. Resource Outage Data Under-reporting Event (C-M5 Violation) – Draft Report to the Executive Committee

The 10/1/08 draft RCMS Report of C-M5 “GADS Outage Data Mis-Reporting” was further discussed at the meeting. Discussion began at 09:55 with a closed-door Sub-Committee session. The Subcommittee discussed several issues, some of which included the comments received from the NYISO legal counsel on 10/20/08. Upon completion of the closed-door session, Greg Campoli and NYISO legal counsel (Carl Patka) joined the meeting for further discussion. They stated that, fundamentally, we (NYISO & RCMS) both have an interest in accurate reporting of GADS data for the IRM study. NYISO believes (RCMS agrees) that they should be working with ICS to develop and implement a written procedure on how NYISO screens & replaces data for purposes of the IRM study. They expect this to provide transparency in the process and address some concerns of NYSRC. They asked RCMS to consider consolidating several of the

RCMS Minutes Special Meeting #2008-1 Approved.doc

subcommittee's issues and recommendations under a single recommendation. While the RCMS agreed that the development and implementation of a more robust data screening process is a positive improvement, it further believes that the other issues and recommendations must continue to be evaluated. The issues discussed included:

1. **Interpretation of Policy 4-4 and how RCMS must structure its' approach to the Executive Committee.** Briefly, the NYISO cannot self-certify that the 2004 noncompliant market participant was complaint with Reliability Rule C-R1. Hence, the NYISO is considered non-compliant. The RCMS report to EC will recommend **no** non-compliance letter be issued to NYISO because RCMS concluded that NYISO took all reasonable action to secure compliance.
2. **NYISO's interpretation of a non-compliance event.** Per Carl Patka's 10/20 letter to RCMS, the "NYISO considers a reportable violation of C-R2 and/or C-M5 to arise when the NYISO is unable to resolve the GADS data issues with generators, or it results in a generator being paid for capacity it was not able to produce." The NYISO has never requested an interpretation of C-M1, but RCMS intends to further discuss this interpretation as part of a future special compliance review.
3. **NYISO's ability to require Market Participants to obtain GADS training.** NYISO asserts that their Market Services Tariff does not allow them to require Generator Owners to attend GADS workshops or training, and the NYISO can only "strongly encourage" Generator Owners to do so. NYISO has witnessed increased emphasis on GADS training in the wake of this 2004 non-compliance event. Additionally, the NYISO stated that the only way they could require a GO to attend GADS training, is to initiate a Market Services Tariff change. Such a Market Services Tariff change must be initiated, vetted, and approved through the Market Participant working groups. The NYISO agreed to consider encouraging GADS training as part of the ICAP manual.
4. **RCMS's authority for submitting recommendations #4, 6, & 7.** NYISO counsel backed away from his assertion in his October 20 letter that RCMS does not have any authority for recommendations 4, 6, &7. RCMS legal counsel & EC Chairman have confirmed this authority because these recommendations are all related to compliance.
5. **Process to improve the GADS data submission screening process.** RCMS encourages this to be implemented in conjunction with ICS. RCMS would like to see that the written procedure includes a mechanism for automatic feedback and updating of the screening process. RCMS expects to be briefed monthly on this process improvement progress. NYISO is not yet sure how to accomplish this, and are experiencing difficulties with getting past MMU disclosure of possible errors to Resource Planning during on-going investigations.
6. **Immediate notification of possible errors and process for replacement of data suspected of possible errors as found through MMU audits.** One member of RCMS is aware of the recent FERC Order 719, paragraph 329, which states that the MMU should be sharing reliability information with the reliability coordinator. RCMS is concerned that the NYISO is taking the MMU independence issue too strictly.
7. **Additional 30 to 40 data submission errors found by MMU during the course of random audits.** RCMS is concerned about these data errors and how they might

relate to additional findings of non-compliance. NYISO indicated that this data could not be shared based on their being subject to confidentiality requirements. The RCMS report will continue to address this issue in its report to the Executive Committee.

In light of these issues and further discussions, A. Adamson agreed to revise the Subcommittee's draft report and issue to RCMS voting members for another round of comments by Thursday 10/30/08. RCMS is asked to immediately review and provide any comments on this draft no later than close of business on Tuesday 11/4/08 so that the revised report can be posted for the upcoming Executive Committee meeting.

4. Other Business

PRR #96 was discussed. Changes were made to streamline the levels of non-compliance in order to conform with NERC's use of the non-compliance levels. By consensus, the RCMS agreed to send PRR #96 to RRS for a recommendation to the Executive Committee to post for Market Participant comment.

5. Next RCMS Meeting

The next RCMS Meeting will be held on **Thursday, November 13th, 2008** at NYSERDA – 17 Columbia Circle, Albany at 9:30 a.m.

Jeff May prepared the minutes of this Special C-M5 Compliance Report Review Meeting.