

***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 NYSEDA Offices
17 Columbia Circle, Albany, NY
Thursday, May 31, 2012***

Final Minutes of RRS Meeting # 154

In Attendance:

RRS/RCMS Members and Alternates:

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

Non-Voting Participants:

Alan Adamson, NYSRC Consultant
Jim Grant, NYISO
Paul Kiernan, NYISO
Ed Schrom, PSC

Guests:

Paul Gioia, General Counsel (EC member)
Kristin Bluvas, NYISO
Karen Whitaker, NYISO
Brad Garrison, NYISO
Wes Yeoman, NYISO
Liam Baker, US Gen (Phone)

Agenda Items

1.0 Introduction

RRS Meeting #154 was called to order by Mr. Roger Clayton at 9:30 AM.

1.1. Executive Session

No Executive Session was requested.

1.2. Requests for Additional Agenda Items

4.3 LOG MOB presentation from Con Edison

4.4 Removal of Exception #14 – per Con Edison request

4.5 Discussion on ALR (Adequate Level of Reliability) for the BES

4.6 NYISO OP1 Voltage Limit Reference

2. Approval of Minutes/Action Items

2.1 Approval of Minutes #153

The meeting minutes were approved with changes as final. Mr. Hession will revise and issue the final minutes.

2.2 RRS Action Item List

AI 142-2: Completed. This item is on today's agenda (Agenda Item 4.3).

AI 144-3: Ongoing. Mr. Hochberg reported that the NYISO utilized the following measures due to high voltage at Coopers Corners this past month: the Marcy-Coopers Corners circuit was removed from service once, the Marcy STATCOM was utilized 15 times and the Blenheim-Gilboa units were utilized 10 times. New update, the NYISO has taken ownership of the SIS study which is looking at adding shunt reactors at Cooper's Corners. Mr. Grant volunteered to provide a status report on the SIS at the next RRS meeting (AI 154-2).

AI 146-3: Ongoing. Mr. Grant is the new responsible party and shall notify the RRS when the TEI Manual is available for review at TPAS.

AI 151-1: Completed. RIP definition is now in the new manual

AI 152-1: This item is on today's agenda (Agenda Item 4.1) and is complete.

AI 152-5: Ongoing. This item will be discussed at the next month's meeting.

AI 152-6: Completed with follow up action item (AI-154-1) to resend question on NPCC Directory 1 to NYISO to RRS.

AI 153-1: Ongoing.

AI 153-3: Completed.

3. NYSRC Reliability Rules Development

3.1 List of Potential Reliability Rules Changes

The EC approved PRR 109 changes and is considered final. The implementation plan will be discussed at the RCMS meeting later on today.

Mr. Clayton reported that the EC also approved using the word "transfer limit" in the Interface Limits study by NYISO.

3.1.1: Discussion on possible Black Start RR revisions:

TC Ravenswood has considered them as out of the Black Start program. When asked if the SRP study was redone without TC Ravenswood, Mr. Wysocki said yes. RRS asked the following questions regarding the SCR re-certification:

- Was the study performed without Astoria 4 in service?
- Will Con Edison have adequate supply?
- Will it result in any delay?

Mr. Wysocki will give RRS the basis of the re-certification including the presentation from the previous meeting (AI- 154-3).

Ms. Bluvas and Mr. Gioia reported that there is a FERC order approval regarding the black start rate schedule. This is considered an interim solution between two parties. RRS agreed that this FERC order could be considered as a positive development. TC Ravenswood requested to be under NYISO tariff and not in separate schedule. FERC said that this is better and for the interest of both parties. This is not considered a final determination as FERC also gave an option to point a settlement judge to resolve this issue, if required. Mr. Baker reported that TC Ravenswood had just agreed to have a settlement judge for this (per this morning's conference call).

TC Ravenswood stated that they will be back in the service if Con Edison will pay back the rate schedule, on the same tariff. TC Ravenswood asked for month to month basis at the current rate. RRS requested for Mr. Meyer to inform RRS on what Con Edison position is on this subject (AI 154-4).

The next step to resolve this issue is to meet with appointed judge, and see what is the next step lay out by the judge.

Ms. Whitaker of NYISO presented the “Proposed Black Start Changes for Con Edison Plan” to RRS. NYISO is planning and proposing changes to the steam unit testing. Previously the steam unit testing was done every year; the newly proposed steam unit testing procedure requires a comprehensive test once every 3 years and an intervening year test when the comprehensive, triennial test is not performed. NYISO believes that these tests will reasonably demonstrate steam black start unit capabilities. It was noted that steam unit start-ups that had a 98% success rate during 2010 and 2011. It was pointed out while the NERC standard only asked for testing once every 3 years, the NYISO proposed standard is still more stringent than the NERC standard. It was suggested that NERC/NPCC does not recognize steam units as black start because they cannot close on a dead bus, unlike the gas turbines.

When asked for the reasons for changing the rules, Ms. Whitaker replied that the NYISO has had several meetings with all blackstart providers who voiced concern over the annual testing on the black start unit. With that in mind, NYISO came up with the proposed changes in the Con Ed black start program unit testing procedures.

RRS asked NYISO to make stronger arguments for changing the test. RRS also questioned why are we relaxing the test when a black start unit participant failed the test two years in a row. Ms. Whitaker agreed to provide a white paper with the technical justification for relaxing the current testing procedure as well as a PRR with suggested changes to RR G-M3 (AI 154-7).

It was understood that TC Ravenswood testing will be somewhat similar to the intervening years’ proposal that NYISO presented today. There were also talks that Con Edison may have an alternate revision for testing procedure.

3.2 NPCC Rules Revision Update

No update.

3.3 NERC SARS/Organization Standards

No changes. Mr. Adamson reported that Directory 1 is being changed. There is no action regarding BCP definition as yet. CIP standard 2 -11 were individually validated.

4. Additional Agenda Items

4.1 Plan to modify NYSRC RR to reflect NERC/NPCC Standard Initiatives

Mr. Adamson and Mr. Clayton reiterated that we should wait on how the NERC BPS definition and NPCC Directory 1 and Policy 5 changed would impact on our rules. NYISO offer their suggestions to the RRS to rewrite the Reliability Council rules and this were discussed in the meeting.

RRS agreed that we should start working on formatting the rules by choosing a section in the rule as a test. Mr. Clayton, Mr. Adamson and Mr. Gioia will get together and start with this initiative. In the process we will see whose rules are more stringent.

Mr. Adamson will prepare a draft of the transmission planning rules for the three options (AI 154-5). The current Option 3 will be changed to reflect NYISO's suggestions.

4.2 Policy 1 revisions

Mr. Clayton reported that he did not submit the Policy 1 changes at the last EC meeting per Mr. Gioia's request. Mr. Gioia revised wording under section F of Policy 1. The new revision was distributed to RCMS. Upon changes, Mr. Clayton will present this at the next EC meeting.

4.3 LOG MOB Presentation from Con Edison

Mr. Wysocki presented the "Application for the Loss of Generator Gas Supply in New York City" presentation from the NYISO Operating Committee Meeting held on May 30, 2012. The study concludes that the level of minimum oil burn will be decreased as a result of the recent changes within Con Edison system. Con Edison's request for a revision to the Application No. 69, was approved at the OC.

4.4 Removal of "Exception #14" – per Con Edison's request

Mr. Clayton reported that Con Edison is seeking the removal of "Exception #14". Mr. Wysocki presented a presentation explaining the reason behind the removal of "Exception #14". Mr. Clayton pointed out that this request would need to be submitted to EC's Don Raymond in order to get approval from the EC.

4.5 Discussion on ALR (Adequate Level of Reliability) for the Bulk Electric System

Mr. Clayton reported that there was a webinar presentation on "Definition of Adequate Level of Reliability" given by NERC on May 23, 2012. Mr. Clayton promised to send out a copy of the presentation to RRS members.

4.6 NYISO OP1 Voltage Limit Reference

Mr. Grant has an outstanding action item on the NYISO OP1 Voltage Limit Reference and has agreed to send out the correct reference to RRS (AI 153-6).

5. Reports

5.1 NYSRC EC Meeting Report

No update.

5.2 NYSRC ICS Meeting Report

No update.

6. Next Meeting #155:

RRS meeting #154 was adjourned at 1:05PM.

The next RRS/RCMS joint meeting is scheduled for Thursday, June 28, 2012 at 9:30 AM in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.