

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

***RRS Meeting  
Thursday, May 2, 2013***

***Minutes of RRS Meeting #165***

**In Attendance:**

**RRS Members and Alternates:**

Roger Clayton, Electric Power Resources (Chairman)  
Pat Hession, LIPA (phone)  
Henry Wysocki, Con Ed (phone)  
Dan Head, Con Edison  
Roy Pfleiderer, National Grid (phone)  
Jeff May, Central Hudson (Secretary)  
Brian Gordon, NYSEG  
Wayne Sipperly, NYPA  
Larry Hochberg, NYPA (phone) (Happy 30<sup>th</sup> Anniversary!!)

**Non-Voting Participants:**

Al Adamson, NYSRC Consultant  
Paul Gioia, NYSRC Counsel  
Jim Grant, NYISO  
Ed Schrom, PSC (phone)

**Guests:**

Kristen Bluvas, NYISO Counsel

**Agenda Items**

**1.0 Introduction**

RRS Meeting #165 was called to order by Mr. Clayton at 9:30 AM.

**1.1. Executive Session**

No Executive Session was requested.

**1.2. Requests for Additional Agenda Items**

No requests for additional Agenda Items

## **2. Approval of Minutes/Action Items**

### **2.1 Approval of Minutes #164**

The latest draft meeting minutes were reviewed. The following editorial changes were made:

Page 1: remove “First Draft”, Wayne Sipperly, NYPA, and change footnote to indicate that the meeting minutes are approved.

Page 2: update Section 1.2 to indicate no requests received and change “to” to “of” under Action Item 158-1.

Page 3: none

Page 4: move entire discussion under Section 3.1 to 3.1.2

Page 5: none

Page 6: none

The minutes were approved for issue after incorporation of the identified changes.

### **2.2 RRS Action Item List**

AI 43-9 – J. May asked if this AI and AI 161-5 could be combined. Mr. Clayton indicated that this topic was discussed at the last EC meeting. Refer to the first paragraph in Agenda Item 5.1 below for details. RRS decided to leave this AI open to revisit the definition in the future.

AI 83-8 – No update

AI 87-5 – J. May suggested if this could be closed based on RRS Meeting #164 discussion. Mr. Clayton preferred to keep this AI open for periodic updates. Mr. Pfleiderer was not in attendance at the last RPWG meeting; No update

AI 114-1 – Directed by EC to use ATR list; closed

AI 124-5 – Closed for same reason as noted in AI 114-1

AI 139-1 – No update

AI 141-1 – No update

AI 155-4 – Mr. Grant indicated there was no new information; leave open.

AI 161-5 – EC has directed RRS to use the current definition, therefore this AI can be closed per discussion from AI 43-9.

AI 164-1 – Complete

AI 164-2 – To be updated with the next manual revision; close

AI 164-3 – On today’s agenda for discussion; extend due date to the June 6<sup>th</sup> meeting

AI 164-4 – No comments received for G-R1, completed

AI 164-5 – Information received; to be discussed today; completed

AI 164-6 – Approved by EC; completed

### **3. NYSRC Reliability Rules Development**

#### **3.1 List of Potential Reliability Rules Changes**

##### **3.1.1: PRR 113: SRP clarifications – R. Clayton**

Mr. Clayton noted the version posted (revision 5), but he cautioned that there were comments received from several sources.

Before Mr. Clayton began the review, Mr. Gioia expressed his concern that the draft is unnecessarily complicated. He suggested that the wording be consolidated into a couple of provisions: first, that the NYISO & TO determine that a non-participating resource will materially assist in the program, and second, the NYISO will ask the identified NYCA resource to participate. If the resource requests an exemption, then the NYISO will determine if the exemption is justified and granted. Further, if the exemption is not justified or granted, then the NYISO would direct the resource to participate. Mr. Gioia is opposed to asking entities to identify ‘type 1, type 2’ resources.

Mr. Adamson expressed that the most important thing for the committee to focus on today are the principles and concepts of the PRR and to handle the clean up and organization of the wording for a future date.

Mr. Clayton expressed his concern with all the time spent to develop the EC presentation, the fact that it was clear that the committee has been going in the direction of identifying ‘type1 & type2’ resources, and that the EC approved the direction of the template for PRR 113. Mr. Gioia stated that the presentation provided a general description of the concept and that his suggestions would not impact what has been discussed with the EC. He is not looking to change the concept. RRS has been dealing with a resource that has pulled out of the voluntary program and the important point is how RRS develops a rule that improves reliability. Mr. Gioia also indicated it is important for how the concept of ‘prompt’ is developed and the basic objective is achieved. He views the “type 1, type2” classifications as rhetoric. Mr. Clayton asked Mr. Gioia for his suggested changes; Mr. Gioia restated the provisions mentioned earlier.

There was a discussion regarding the correct placement of these changes and whether they should be included as part of the Reliability Rule~~rule~~ or measurement. The definition and role of the rules and measurements were also discussed. Mr. Adamson contends that RCMS determines compliance against the measurements and not the Reliability Rule~~rule~~.

Mr. Gioia disagreed with Mr. Adamson’s perspective on the rules and measurements. It was agreed this is part of a larger issue applicable to all of the rules and measurements

that could be discussed at a future meeting [**Action Item 165-1**]. It was recognized that this is a philosophical difference between the legal vs. organizational layout of the rules and measurements. Mr. Clayton suggested that ~~the introduction clearly states that the~~ measurements are part of the entire body of a Reliability Rule~~rules~~.

Mr. Clayton moved the discussion along by reading the wording changes in revision 5 of the PRR 113. For G-M1 introduction, a discussion ensued about using the words “safe and orderly” in the Reliability Rule~~rule~~ as opposed to the measurement. Mr. Adamson expressed concern with getting too ~~detailed~~ specific ~~regarding~~ ‘black start requirements’ in this introduction, recognizing that the introduction should apply to all 13 requirements in G-M1, not just to black start requirements~~when this detail is associated with section 6~~; he reiterated that this introduction needs to be broad. RRS agreed with Mr. Adamson’s assertion on this point and struck the statement ‘given the available resources’ as part of the introduction.

The discussion shifted to a focus on sub-section 1.6. Mr. Clayton read 1.6 and suggested that this was the change requested by Mr. Gioia. Mr. Gioia responded by saying he would prefer to leave the original wording of sub-section 1.6 as he suggested in his comments. Mr. Clayton asserted that Mr. Gioia’s comments were included in this version of the PRR. Mr. Gioia disagreed and he intends to circulate a markup of this draft with his suggestions [**Action Item 165-2**]. Mr. Clayton was apprehensive to entertain a full round of revisions, but was willing to let RRS review Mr. Gioia’s changes.

Mr. May asked a question regarding the applicability of G-M1 and G-M2 to the NYISO and TOs, respectively; this resulted in a long discussion about NYISO, TO, and GO requirements that comprise the NYCA SRP. Mr. Gioia recognized that the TO requirements may not need to be specified as part of G-M1. Mr. Adamson did not agree with a clean split between NYISO and TO requirements, and Ms. Bluvás pointed out that Section 1.6 applies to the NYCA. Mr. May suggested that the NYISO is responsible for maintaining the NYCA SRP and he asked Ms. Bluvás to confirm this statement; Ms. Bluvás responded by stating that the NYCA SRP is a combination of the NYISO and TO SRPs, but there was no confirmation that the NYISO is responsible for the NYCA SRP. Mr. Adamson was emphatic that the NYISO requirements in G-M1 include procedures requiring TO actions and that the rule format has been this way for 11 years. This may require an introduction clarification if this is confusing. Mr. May asked if there was a distinction between who determines type 1 and type 2 units, or if both the NYISO and TOs identify these resources. Mr. Clayton responded by stating that both determine these resources; the NYISO for the backbone and each TO for their local territory. Mr. Gioia explained that the process starts with the TOs identifying both types and the NYISO confirming these needs. Ms. Bluvás expressed concern with the NYISO being required to sign off of these TO recommendations for type 1 and type 2 resources. Mr. Clayton closed the discussion by suggesting that everyone provide updated comments to PRR-113; Mr. Clayton, Mr. Adamson, Mr. Gioia, and NYISO representatives will incorporate everyone’s comments into the next draft PRR.

Ms. Bluvás indicated that the expressed concern that the NYISO has not had the opportunity to address the most recent comments that have been suggested by Mr. Gioia.

She further expressed her opinion that these rule changes will fundamentally impact how the NYISO will evaluate transmission owner SRPs. The NYISO intends to add staffing to address this potential rule change, but she also cautioned RRS to carefully consider their changes and understand that they will change how things are working now.

Mr. Gordon raised a concern that the transmission owners have no idea when a black start unit removes that capability and that generator owners are the only ones who know when they have made a material change to their capability. It was suggested that it may be necessary to develop requirements for resources to notify transmission owners and/or NYISO when a material change is made to the unit's ability to provide black start capability. Ms. Bluvas expressed concern that the black start status of a unit is not going to be clear to the NYISO. As an example the status of type 2 units is not cut & dry; they could be in varying states of readiness, including environmental permits. Mr. Grant expanded on this concern by citing a new TOP standard will become effective July 1<sup>st</sup> that will require the NYISO to review SRPs in detail. He asserted that there is no conflict between the NERC Standard and this PRR, but that it might address the concerns being discussed.

Mr. Gioia raised a point of whether the NYSRC should require all generators to report on their respective black start capability and its status. This is a whole new avenue for rule exploration in the future, including control and oversight mechanisms. Mr. Clayton cited former PSC Article X requirements that mandated black start equipment be installed with new generators; it was unclear if those requirements still exist today. Mr. Gioia also recognized that more rules in this area will create more controversy since there is a distinct difference in approach in the rules to require the NYISO and TOs to identify necessary units vs. requiring all generators to report their black start capability and status. Mr. Gioia suggested that RRS keep a more narrow focus with this rule revision.

Mr. Clayton took this concept to the next step by suggesting that instead of G-M2 being applicable to all TOs as in the current PRR 113 draft~~this being a general rule~~, it should be crafted as a specific, or local reliability rule, applicable to ConEd and LIPA in Section I of the reliability rules manual. Mr. Head expressed some reservation, but indicated that Mr. Sasson could weigh in on the issue once language was crafted. Mr. Clayton likened this approach to the LOG MOB rules; Mr. Head did not agree, but deferred to Mr. Sasson for consideration and future discussion. Ms. Bluvas indicated that the NYISO tariff is set up in similar fashion with rules for the NYCA, TOs, and local area(s). It was generally believed that G-M1 & G-M2 would not change, but there would be some reference in Section I (Local Rules) of the RR Manual. Mr. Hession did not believe that there would be any significant change to what LIPA is currently doing, but he had some concerns relative to the new NERC standards and NPCC directories in a broader sense, including how the bulk power system is defined. Mr. Gioia indicated that NYSRC is not tied to NERC or NPCC's bulk system definition. Mr. Hession indicated that LIPA is the lead in procuring generation resources & the impact on their SRP, including cost evaluations. LIPA is doing some cost evaluations of selected generator participation, but he emphasized there are many moving parts to the identification and participation enforcement of black start units. Mr. Adamson read a passage from the latest system restoration manual where the NYISO and (unidentified) TOs must secure adequate restoration facilities to meet the system restoration procedure. Mr. Head pointed out that

RRS is having this discussion because there is no mechanism for the TOs or the NYISO to require units to participate in the voluntary program. Mr. Gordon asserted that the passage read by Mr. Adamson was specific to the NYPA units identified to restore the NYCA backbone. Mr. Head asked ~~whether the committee is~~ the PSC was on-board with a tariff change in this area because allegedly ~~it was they were~~ strongly opposed to making a mandatory market based program in the past. Mr. Gioia suggested that RRS could justify a LRR based on population and load density. The rationale for a local rule is that ConEd and LIPA currently have procedures that rely on something more than the NYCA backbone. Mr. Schrom confirmed that current Article X rules require new generation to provide black start capability. Mr. Gioia questioned why the NYISO and ConEd felt compelled to include this as tariff and local interconnection requirements when the PSC has already covered it. Ed Schrom will review the latest version of Article X and provide verbiage clarification to RRS members [**Action Item 165-3**]

Mr. Adamson asked to revisit the System Restoration Manual wording and how the proposed changes would affect the procedures. TOs are required to determine the need and capability of black start facilities to meet the requirements of the black start procedure. Mr. Adamson is concerned that making the black start rules specific to selected local areas would take away the requirement for all the TOs to review SRPs. Ms. Blugas assured Mr. Adamson that the current rule would remain; the LRR would be in addition to the general rules being discussed. Mr. Gioia suggested that a LRR could simplify the process. Mr. Clayton summarized the rationale for moving to a LRR for ConEd and LIPA. Mr. Schrom pointed out that each TO has its own SRP.

The discussion moved to the governance issues surrounding these tariff changes, including FERC approval, NYISO board approval, Section 206 filing, and market participant (stakeholder) approval. Mr. Clayton ended this portion of the discussion by suggesting that RRS was getting into too much detail at this point in time.

Pat Hession reiterated his concern that more defined criteria or goals for a local TO have not made their way into the suggested draft PRR; he thought the current criteria are still somewhat spongy and that they need to be more objective. Pat also differentiated a restoration plan that maintains a minimum power system vs. restoring load to every last customer. Mr. Hession was also concerned that additional black start providers may not necessarily provide a more stable power system; it may push the restoration in the wrong direction. Mr. Clayton asked the other TOs if they used the criterion of a minimum power system in their respective SRPs. TOs outside of LIPA and ConEd rely on the restoration of the NYCA backbone and as such, do not use this criterion. Mr. Gordon explained his company's transmission restoration plan; Mr. May added that incremental load is added as a coordinated effort between the local TO and the NYISO. Regardless, RRS would be willing to clarify this concept, and NYSRCs expectation, in the reliability rule. Mr. Clayton ended the discussion by suggesting that the NYISO, ConEd, and LIPA reach out to their respective managements regarding their willingness to accept a local reliability rule [**Action Item 165-4**]. Mr. Clayton also indicated that the current draft is on hold until further information has been collected.

### **3.2 NPCC Rules Revision Update**

No updates.

### 3.3 NERC SARS/Organization Standards

No updates.

## 4. Additional Agenda Items

### 4.1 Rules Enhancement Plan – A. Adamson

Mr. Adamson ~~reported that~~ said the EC ~~accepted the~~ approved RRS's REP report and agreed that the project ~~be initiated in concept to change measurements into requirements~~. While the project is scheduled to be complete by early 2014, there will be many issues to resolve along the way. There will be rule sections revised to become consistent with NERC Standards and NPCC Directories. The project will probably start with Section C of the manual, where there is minimal impact from NERC rules & NPCC criteria. There will be monthly updates and information provided. There was some discussion regarding the committee's ability to complete our tasks by the deadline, but Mr. Adamson had no concerns with our ability to complete it in time. The one wildcard is the timeliness of Directory 1 approval. RRS had no other comments.

### 4.2 Review RR Glossary to determine need for clarifications regarding NYCA SRP

Mr. Clayton stated this agenda item will remain as a placeholder at the request of Mr. Hession. RRS will need to address this once we decide direction. Convert from an agenda item to a standing Action Item [**Action Item 165-5**].

## 5. Reports

### 5.1 NYSRC EC Meeting Report – R. Clayton

Mr. Clayton briefly identified the topics covered at the last EC meeting.

One discussion had to do with identifying the monitored “area” for the rules. For the re-writing of the rules project, RRS had a considerable discussion regarding the question of what is the NYCA to which the rules apply. RRS would have to re-write NYSRC rules if we adopted the NERC 100kV bright-line. Mr. Clayton presented this to the EC and received ‘loud & clear’ direction from them that RRS stay with the current definition in the NYISO gold book, which is the Annual Transmission Review, or ATR, list. RRS may need to confirm that the current practices comply with this definition, as stated in the introduction to the NYSRC rules.

At the last EC meeting PRR 8 was withdrawn and the EC Action Item was also retired.

Mr. Clayton provided an update on PRR 113 and an overview of the Rules Enhancement Plan as previously discussed; EC gave RRS their approval to implement the plan. RRS must confirm the linkage between the NYSRC bulk power system definition and the NYISO ATR list, which is included in the glossary term action item.

Mr. Clayton also provided the EC with the NYISO report on Hurricane Sandy. He notified RRS that the EC was given a presentation from Mr. Sergei Mahnovski from the NYC compliance office, who is looking for ways to harden the NYC infrastructure which includes the power system. He was invited to give the presentation to RRS. Mr. Clayton provided him with contact information, but there has been no response at this time. The concern is that there could be a necessary reliability rule or impact that is unknown currently.

### 5.2 NYSRC ICS Meeting Report – A. Adamson

Mr. Adamson indicated ICS met yesterday & is developing assumptions for the 2014 IRM study. There are two new modeling changes that ~~may will~~ be incorporated into the 2014 IRM model.

## 6. Next Meeting #166:

The next RRS/RCMS joint meeting is scheduled for Thursday, June 6<sup>th</sup>, 2013 at 9:30 AM in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.

RRS meeting #165 was adjourned at 11:37 AM.

Meeting was re-opened to discuss the coffee issue; it was agreed to leave the service in place. RRS meeting #165 was adjourned (again) at 11:40AM.