

***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, September 5, 2013***

Minutes of RRS Meeting #169

In Attendance:

RRS Members and Alternates:

Roger Clayton, Electric Power Resources (Chairman)
Dan Head, Con Edison
Pat Hession, LIPA
Brian Gordon, NYSEG/RGE
Jeff May, Central Hudson (Secretary)
Zoraini Rodrigues, LIPA (phone)
Roy Pfleiderer, National Grid (phone)
Jennifer Derring, NYPA (phone)
Henry Wysocki, Con Ed (phone)
Abhilash Gari, NYPA (phone)

Non-Voting Participants:

Al Adamson, NYSRC Consultants
Jim Grant, NYISO

Guests:

Chris Sharp, NYISO Counsel
Zahid Qayyum, ConEd (phone)

Agenda Items

1.0 Introduction

RRS Meeting #169 was called to order by Mr. Clayton at 9:32 AM. Participants and guests introduced themselves. Mr. Clayton acknowledged apologies from Mr. Hochberg and Mr. Sipperly who were unable to attend, but arranged for their respective alternates to participate in the meeting.

1.1. Executive Session

Mr. Clayton asked for any executive session requests; none requested.

1.2. Requests for Additional Agenda Items

Mr. Clayton asked for requests for additional agenda items. He acknowledged the standing additional agenda item 4.1 (Rules Enhancement Plan) and he proposed additional agenda item 4.2 to consider an official merger of the RRS & RCMS subcommittees.

2. Approval of Minutes/Action Items

2.1 Approval of Minutes #168

Mr. Clayton reviewed the latest draft meeting minutes. The meeting minutes provided for the meeting was the raw first draft posted for today's meeting. The following editorial changes were made:

Page 1: none

Page 2: Mr. Clayton clarified, under item 2.1, page 2, second line, that he sent a copy of PRR 116 to Mr. Chris LaRoe.

Page 3: none

Page 4: none

Page 5: none

Page 6: none

Page 7: none

Page 8: none

Page 9: none

Page 10: Mr. Clayton asked to remove the word 'not' in line 38 (about 2/3's down the page). "...the LRR is going to be a reliability benefit for ConEd."

Page 11: none

Page 12: Mr. Adamson commented on agenda item 4.1; he stated that the minutes should be more specific to identify sections of the Rules A, C, & D have been updated; not all of the Rules. He added that Mr. Hochberg commented to split A-R2 in Section A into 2 separate Reliability Rules effectively creating three Reliability Rules. Mr. Adamson will comment on this approach at today's meeting. He also mentioned that comments are being requested on the posted new Rules and that comments should be limited to only those sections that have been changed.

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

2.2 RRS Action Item List

AI 43-9 – No update

AI 83-8 – Mr. Pfleiderer reported that the RPWG did not meet over the summer months and will be resuming deliberations in the fall. Mr. Qayyum reported that RPWG intends to test different sensitivities, but are going to do so in conjunction with NYISO studies that are expected to be completed toward the end of this year. The working group will be discussing their plan at the September meeting. Due to the timing of the NYISO studies, the working group had no reason to meet during the summer months.

AI 87-5 – Mr. Grant asked if the intent of this action item is the same as the completed action item 168-2 and PRR 117. Mr. Clayton responded that the intent of this action item is to monitor the on-going discussions at the NERC and NPCC levels and to determine if there is reason to change the definition of the NYS BPS and the facilities to which it applies. Mr. Clayton stated that this has been resolved by the EC (NYS BPS facilities are those that are listed in the ATR list) and he has previously reported this action at previous RRS meetings. Mr. Grant asked if this action item could be closed. Mr. Clayton asked for discussion. There were no member comments or discussion. Action Item is closed.

AI 139-1 – No update

AI 141-1 – No update

AI 155-4 – No update

AI 167-1 – completed; Mr. Clayton stated that RRS resolved to retire PRR 97 at the last meeting. [Secretarial Note: RRS #168 meeting minutes state that this Action Item was to remain open as a placeholder to resolve the intent of PRR 97: the list of NYCA facilities to which the NYSRC Reliability Rules apply. However, the creation of PRR 117 effectively closes this Action Item.]

AI 168-1 – completed

AI 168-2 – completed; Mr. Adamson asked what is meant by “NYSRC definition”, as in definition of what? It was intended to be NYSRC BPS facilities definition. Mr. Clayton further clarified that there are two issues relative to the NYS BPS facilities: one is the publication of the BPS list (PRR 117), and the second is the NYSRC glossary definition of the NYS BPS. Mr. Adamson stated that there is a definition in the introduction section of the Reliability Rules Manual that has been in existence for more than ten years. He asked if that was under consideration for revision. A short discussion took place around this question. Mr. Gordon read the glossary definition. Ultimately, Mr. Clayton confirmed this is the definition (which is the same wording in the Introduction) that is under review.

AI 168-3 – completed

AI 168-4 – completed; meeting was held in conjunction with the EC meeting.

3. NYSRC Reliability Rules Development

3.1 List of Potential Reliability Rules Changes

PRR 117 has been added to the List of Proposed Reliability Rule Changes under review.

3.1.1: PRR 116: SRP clarifications – R. Clayton

Mr. Clayton opened the discussion stating that PRR 116 has been posted for comment. He presented the latest version available from the last RRS meeting at the EC meeting, which included comments received from the NYISO and Mr. Gioia subsequent to the last RRS meeting. Mr. Clayton characterized both sets of comments as clarifications and not substantial. He and Mr. Sasson wanted to see if the EC would approve it once they saw the latest text subject to confirmation from EC and RRS members. The latest update was sent to RRS & EC. The only additional comments came from Mr. Duffy (CHGE); there were no objections to his comments. PRR 116 was approved for posting and it is on the NYSRC website. Mr. Clayton congratulated everyone for a job well done. Mr. Adamson reminded everyone that the first draft was issued in July 2012. Mr. Sasson also conveyed his congratulations to everyone involved; he noted that comments on the posted version are due by October 2nd. Mr. Sasson discussed the logistics of timing since RRS meets October 3rd & EC meets October 10th. He asked about moving the date of the October RRS meeting to digest any comments that come back through the PRR posting. Mr. Clayton did not recommend a change to the meeting date. Additionally, comments could come in at any time. He believes that the meeting date is appropriately timed and does not support moving the date. Mr. Sasson suggested that all RRS members receive a copy of whatever comments are received on October 2nd. Mr. Clayton accepted an action item to distribute last-minute comments to RRS [Action Item 169-1].

Mr. Sasson signed off from the meeting at this time.

3.1.2: PRR 117: BPS Facilities List – R. Clayton

Mr. Clayton opened the discussion by summarizing the issues at hand: to clarify the process for publishing the NYS bulk power system facilities, and to review the NYSRC glossary definition. There are two separate items. Mr. Clayton stated that while there is no template for this PRR at this time, he wanted RRS to have some initial discussion on the topic. Mr. Clayton suggested that clarifying the process for publishing the NYS bulk power system facilities would be the easy part, but Mr. Grant quickly responded that may not be the easy part. Mr. Grant further explained that the NYS bulk power system facilities are the list of [NPCC] A-10 facilities and not the [NYISO's] ATR list. ATR list is the list of facilities in the Gold Book, and includes facilities below 200kV. The A-10 list is a subset of the ATR list. RRS had a brief discussion about the various lists. Mr. May suggested an action item for the NYISO to create a single page listing of all known lists, the description of what each list contains and what it is used for (planning, operations, etc.), and how they relate to each other. Mr. Grant agreed and stated that he would review the request with NYISO management and fulfill this request [Action Item 169-2]. There was further discussion and debate regarding the lists and what they are used for. Mr. Grant stated that the NYISO has been interpreting the NYSRC's definition of the NYS Bulk Power Facilities as the [NPCC] A-10 list. Mr. Pfleiderer pointed out that the NYISO lists the ATR facilities in the back of the Gold Book, but they do not identify those facilities that are on the A-10 list. Mr. Clayton disagreed with Mr. Grant's statement regarding the NYISO's interpretation of NYSRC's BPS facilities.

The discussion progressed to talking about the Planning vs. Operating portions of the NYSRC Rules Manual, and planning criteria vs. operating modes.

Mr. Adamson asked a clarifying question regarding what is being changed in B-M4, specifically. Paraphrasing, B-M4 states currently that NYSRC requires a list of Bulk Power System facilities; however, there is no definition as to what lists are being referenced. Mr. Adamson asked further if the proposed change is intended to define what Bulk Power System facilities are meant or intended to be reported upon. Or, is the change talking about the application of B-M4? Further, he said the Measure generically refers to a Bulk Power System list, and asked if it is the committee's intention to change B-M4 in such a way that the list or lists are defined specifically by name. Mr. Clayton read B-M4, which says that the NYISO must have procedures to develop and maintain a list of Bulk Power System facilities. He then read the next sentence which states that upon request, the NYISO must submit the list of Bulk Power System facilities to NYSRC for review. Mr. Clayton interpreted this list as the ATR list. Mr. Pfleiderer agreed with Mr. Clayton; Mr. Grant did not agree. Mr. Grant stated that the A-10 list is the list of BPS facilities. Mr. Adamson's question was answered by Mr. Clayton in that the intention of the PRR is to identify which list is the BPS facilities list. Mr. Clayton asserted that the A-10 list does not conform to the NYSRC's definition of BPS facilities. The discussion considered the definition of the A-10 list and how it relates to the NYSRC BPS facilities list. Mr. Pfleiderer stated that RRS has vetted the different lists and the facilities on those lists in the past. This discussion continued for a period of time. Mr. Clayton contended that it was the intention of NYSRC to apply their rules to the ATR list (that has hundreds of facilities) and not the A-10 list (that has tens of facilities). Mr. Pfleiderer pointed out that the ATR list is a list of transmission lines and that the A-10 list is a list of substations. The key point is that it is the intent of the NYSRC to apply their rules to all facilities at 230kV and above and not only those facilities that cause stability issues outside the local area as defined in the A-10 criteria. Mr. Grant displayed a list of A-10 facilities on the projector; those in attendance discussed the list of facilities.

Mr. Clayton asked the NYISO to compare the A-10 list to the ATR list [Action Item 169-3] and identify the differences for RRS. He characterized this as a fundamental issue to determine (or confirm) that the NYSRC rules apply to the ATR list or a subset of the ATR list. Mr. Grant recalled NYSRC counsel being wary to using the NERC BES definition as a means to define what facilities the NYSRC Rules apply. He further cautioned the transmission owners to consider whether they really want to apply the NYSRC Rules to the ATR list. Mr. Clayton expressed with certainty that the NYSRC rules have been applied to the ATR list from the start of the Reliability Council. He also recalled Mr. Corey from NYISO speaking to RRS 5-6 years ago on this topic and confirming the same. Mr. Gordon surmised that the Planning processes and Rules are using the ATR list and the Operating processes and Rules are using the A-10 list. Mr. Clayton agreed with Mr. Gordon's statement.

Mr. Grant discussed K-M2a and indicated that the NYISO includes many more facilities in their studies than what the Reliability Rules require. Mr. Clayton acknowledged the NYISO's approach as a prudent decision and asked the NYISO to consider formalizing this more comprehensive list as part of the NYSRC Rules. Mr. Adamson asked for the basis behind the NYISO's use of a more comprehensive list of facilities. Mr. Clayton characterized Mr. Adamson's request as 'step 2' of the process improvement. Mr. Clayton noted that the Executive Committee members are of the opinion that the NYS

Bulk Power System needs to be as close to the ATR list as possible, if not the same. Mr. Grant asked if the EC understood the differences between the A-10 and ATR lists. Mr. Clayton stated that Mr. Hipius was very much aware of the differences when he was the EC member who has raised this issue for discussion.

Mr. Clayton summarized that RRS could not proceed at this time and will need more input from the EC. He would like to proceed with a publication of the list, whatever it entails. Mr. Grant stated that the NYISO could not do what Roger was requesting because it is CEII.

Mr. Clayton cycled back to reading and discussion B-M4. The concern resides with the last sentence, which requires the NYS BPS list to be published annually. He suggested striking the last sentence. The remainder of the Measurement can remain, but RRS must consider revising the definition in the Glossary. Mr. Pfeiderer pointed out that the list of facilities in the Gold Book is significantly longer than the A-10 list. Mr. Clayton added that the Gold Book list does not match the ATR list.

Mr. Clayton asked for statistics to accompany the differences between the lists. For example, identify how many facilities are in the ATR list that are not in the A-10 list. Mr. Grant asked, and permission was granted, to approximate the number of facilities in each list. Mr. Clayton closed and tabled the discussion for today; this topic will be an Agenda Item to continue discussion at meeting 170.

3.2 NPCC Rules Revision Update

Mr. Clayton stated that there are no revisions for review.

3.3 NERC SARS/Organization Standards

Mr. Adamson stated there is nothing to discuss.

4. Additional Agenda Items

4.1 Rules Enhancement Plan – A. Adamson

Mr. Clayton reviewed the approach being employed by RRS as to reviewing and commenting on each Rule posting on a case-by-case basis instead of waiting to comment until all Rules have been revised & posted. He reviewed this approach with the EC and gained their buy-in for this approach. Mr. Adamson stated that RRS must state in the posting what the committee is doing and the reason for these changes. These will not be posted in the present PRR format; the REP will have its own format. RRS must also refer to the report that the EC approved to define the format. He clarified that comments should be limited to Rules being changed and not the format changes. For example, he discussed the compliance aspects and the compliance process. He wants to maintain some latitude on the comments that RRS can use and not be bound by only what has been published. Mr. Adamson stressed the importance of RRS reviewing these format changes on a line-by-line and word-by-word case. He wanted reassurance from RRS members that the subcommittee is comfortable with the changes before they are posted for

comment. Mr. Clayton acknowledged the reality of these reviews sliding in the absence of a hard deadline. He suggested picking a rule for review that has been recently modified. Mr. Adamson wanted to talk about the templates first before addressing Mr. Clayton's request. He added Section F to the template changes & asked RRS to review prior to providing it for posting or for Ms. Lynch to convert into the final Rule format.

Mr. Adamson addressed a question from Mr. Hochberg from last month's meeting, who asked about separating A-R2 into two separate Rules. He stated that the problem with separating out external installed capacity requirements is the lack of a separate compliance requirement for that portion of the rule. Currently, external ICAP compliance is combined with load serving entity compliance requirements. Hence, separating A-R2 into two Rules would require writing new compliance Measurements to associate with the separated Rule. Mr. Clayton asked RRS members to review A-R1 & A-R2 as they stand [Action Item 169-4] and be ready to vote at the next meeting as to their suitability for posting. Mr. Adamson reminded RRS that A-R1 is a new Rule open for comments from the general public and A-R2 is new also and requires review and comment. He further reminded RRS that he made changes to eliminate references, among other things. Section C will be posted, but not subject to comment because there are no rule changes.

Mr. Clayton asked for Mr. Adamson to provide RRS with a presentation of the format how the enhanced rules will be posted to the NYSRC website for comment [Action Item 169-5].

Mr. Adamson asked if RRS would like for he and Ms. Lynch to work on Section F; Mr. Clayton responded in the affirmative.

4.2 RRS & RCMS Merger Consideration – R. Clayton

Mr. Clayton opened the discussion by indicating that this initiative was initiated by the EC Chairman, Mr. Sasson, to combine the two committees. The thought is that RRS's work load has diminished and that committee has dealt with all low-hanging fruit. In as much as they already meet jointly, Mr. Clayton suggested that any action in this direction be delayed until the new Rules format has been completed. He opened this topic up for discussion.

Mr. May asked if the secretarial rotations could be reviewed in light of the expanded responsibilities to report meeting minutes for essentially both subcommittees.

Mr. Head noted that combining the subcommittees would allow for a streamlined meeting agenda, specifically to eliminate any duplicate entries. There was also an acknowledgement that RRS and RCMS most likely will not be split apart at this point. Mr. Adamson reacted to Mr. Clayton's statement that a merger would not take place until after the Rules Enhancement Plan has been completed, which could be approximately one year from now. He was not aware of this caveat to the merger. Mr. Clayton stated the reason for waiting for the REP is there will be one manual maintained by one committee.

Mr. Clayton contemplated what it would do from a membership standpoint. He recognized that there are some members who concentrate on RRS or RCMS only. Ms. Derring suggested that this needs to be considered from the standpoint of the right people attending the committees. She stated that for NYPA, Planning personnel attend RRS and Compliance personnel attend RCMS; the participants perform distinctly different functions and goals for their normal jobs. Ms. Derring contemplated whether membership would be increased or decreased or whether the right personnel would be attending. She further suggested that the two subcommittees have distinctly different purposes and goals, therefore would be attended by different personnel. A combined subcommittee may lose some of its purpose in one or both of the aspects. Mr. Pfleiderer asked the purpose, or what is expected to be achieved, by combining the committees. Mr. Clayton deferred that answer to Mr. Sasson, EC Chairman. Mr. Clayton suggested that nothing was going to happen to move this forward at this time, but Mr. Adamson stated that Mr. Dahl, EC vice-chairman, is expected to recommend a merger to the EC at next week's meeting. Ms. Derring responded that the recommendation should be made with some basis in mind, which should be disclosed. Mr. Adamson stated that the driving factor was limited membership for RCMS.

Mr. Gordon noted that the rosters were out of date; Mr. Adamson stated that they were last updated more than one year ago. Mr. Clayton asked the RRS & RCMS Secretaries to review & update the roster lists [Action Item 169-6].

Mr. Adamson stated that it would be imperative to maintain separation between the Rules and Compliance segments of the committee. Mr. Pfleiderer acknowledged that the secretarial role would be significantly expanded under this proposal, but that was countered by Mr. Adamson stating that there would be one less secretary required.

Mr. Clayton intends to call Mr. Dahl and Mr. Sasson to review the discussion at this meeting.

5. Reports

5.1 NYSRC EC Meeting Report – R. Clayton

Mr. Clayton briefly identified the topics covered at the last EC meeting. One important issue was LIPA's request to opt out of PRR 116. The EC did not object to this request. Additionally, Mr. Clayton noticed that the EC minutes did not reflect this discussion. He will request that the discussion be added to the EC meeting minutes.

5.2 NYSRC ICS Meeting Report – A. Adamson

Mr. Adamson indicated that ICS met yesterday; there is a preliminary IRM of 17.1% for 2014, which is the same as last year. The preliminary IRM is the basis for sensitivity studies and for showing EC the impact of major assumption changes. Likely, there will be assumption changes (including outage rates) over the course of the next month that could reduce the IRM.

One ICS member stated that the IRM study should examine the impact of transmission outages. They may explore the impact of this suggestion. There was a question as to whether the LOLE studies should be expanded to include transmission outage representation, which is extremely difficult to do. Mr. Adamson stated that sensitivity or trial cases need to be realistic because of the desire to capture the multi-state characteristic of transmission line and substation outages. Back in the 1970's, Mr. Bowles (former CHGE employee) started a New York State transmission outage database similar to NERC TADS that exists today. ICS is now discussing composite system reliability, which includes transmission as well as generation outage state representation that complicates the LOLE studies. Mr. Adamson stated that ICS is going to attempt to model one interface as a trial. Mr. Clayton questioned the practicality of this approach.

6. Next Meeting #170:

The next RRS/RCMS joint meeting is scheduled for Thursday, October 3rd, 2013 at 9:30 AM in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.

RRS meeting #169 was adjourned at 11:30 AM.