

**Joint Meeting of the
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS) /
Reliability Compliance Monitoring Subcommittee (RCMS)
Wednesday, January 6, 2016**

Minutes of RRS Meeting No. 197

RRS Members and Alternates:

Roger Clayton, Electric Power Resources (Chairman)
Larry Hochberg, NYPA (Vice Chairman)
Zoraini Rodriguez, PSEG_LI/LIPA
Martin Paszek, Con Edison (Secretary - Phone)
Matilda Duli, Con Edison (Phone)
Brian Gordon, NYSEG/RGE (Phone)
Roy Pfleiderer, National Grid (Phone)
Brian Shanahan, National Grid
Abhilash Gari, NYPA (Phone)

Non-Voting Participants:

Al Adamson, Consultant
Jim Grant, NYISO
Mark Capano, NYISO
Kevin DePugh, NYISO
Edward Schrom, DPS
Wayne Sipperly, NYPA
Dan Head, Con Edison (Phone)

RRS Meeting # 197 was called to order by Mr. Clayton at 9:35 am.

1. Introduction

Mr. Clayton thanked Mr. Gordon and Mr. Shanahan for their 2015 Secretarial work. In addition, Mr. Clayton thanked Mr. Hochberg for Chairing December 2015 RRS.

1.1 Executive Session

None requested.

1.2 Requests for Additional Agenda Items

Mr. Clayton requested two additional Agenda items: 6.5: I.4 Requirements, and 6.6: A discussion on Winter LOG/MOB Rule.

2. Approval of Minutes / Action Items

2.1 Approval of RRS Minutes #196

RRS reviewed the Minutes from the last RRS meeting. As Mr. Clayton missed the last RRS meeting, he had few clarifying questions. Minor comments were provided to the Minutes and with these changes, Minutes are considered as final.

2.2 RRS Action Items List

Action Item 196-3: On agenda today and status is changed to complete.

Action Item 196-2: On agenda today and status is changed to complete.

Action Item 196-1: Mr. Clayton stated that He and Mr. Adamson had few conversations on this item with the NYISO. On agenda today and status is changed to complete.

Action Item 195-6: Clarification was given toward the purpose of this Action Item: to check if NERC Standards (training) are not more stringent than NYSRC RR. Change status completion for the next meeting.

Action Item 195-5: On agenda today (See discussion on PRR129) and status is changed to complete.

Action Item 195-4: Completed. NYISO confirmed their position as it relates to fuel assurance: 1) the NYISO feels strongly that new Market Rules will address fuel storage issues and 2) the NYISO would not oppose a new Reliability Rule that would require a periodic test of fuel swap.

Action Item 195-3: On agenda today (See discussion on PRR129) and status is changed to complete.

Action Item 195-2: Action Item definition was changed from *“Located previous PowerPoint presentation on ETC to the RRS and resend to the RRS”* to *“Located previous PowerPoint presentation on ETC to the RRS and resend to the RRS and provide a list of written instructions containing circumstances under which ETC may be applied.”* On agenda today and status is changed to complete.

Action Item 195-1: Action Item definition was changed from *“Provide a written description to identify an interpretation of when ETC is to be declared before a given situation and what conditions the ETC shall be applied”* to *“Request an interpretation from NPCC of “may be used prior to shedding firm load” in NPCC Directory #2 paragraph 5.1 as a determiner of when ETC may be invoked.”* On agenda today and status is changed to complete.

Action Item 194-6: On agenda today and status is changed to complete.

Action Item 194-5: Completed, but replaced by Action Item 197-1 “*NYISO and TOs to report on removing Planning and Operating references in the Exception list.*” It is understood that some Exceptions may be footnoted.

Action Item 194-2: Completed.

Action Item 193-2: Completed.

Action Item 192-2: On-going.

Action Item 191-2: On-going.

Action Item 189-6: On-going.

Action Item 186-13: Completed.

Action Items: 141-1; 139-1; 87-5; 83.8; On-going.

3. NYSRC Reliability Rules Development

3.1 Outstanding PRR List

RRS Action toward PRR128 was changed from “*Under RRS review, tabled pending NPCC A-10 revisions*” to “*Tabled pending NPCC A-10 revisions*”

3.1.1 PRR120 Transmission System Planning Performance Requirements

PRR 120 – Posted version included comments per multiple discussions between Mr. Clayton, Mr. Adamson and the NYISO Staff. One of the major issues the NYISO’s identified was with R1.2 which implied that NYISO would have to perform “N-1/-1/-1” analysis. After a short discussion, the group agreed to remove R1.2 from PRR120. The NYISO agreed to the proposed Table B-1, Category II Performance Requirements as proposed by the group which now states: “Allowable system adjustments that can be made within 30 minutes between outages include: generation and power flows by the use of ten (10) minute operating reserve and, where available, phase angle control and HVDC control.” Under R4, Con Edison questioned the removal of a sentence that required the NYISO to maintain procedures as it relates to determination of fault duty levels. After a short discussion toward identifying places where the NYSRC RR currently call for the NYISO to maintain procedures (i.e. Guidelines), Con Edison agreed with Mr. Clayton to proceed and post this PRR for NYSRC EC. The PRR 120, with above changes, was approved to NYSRC EC consideration for posting.

3.1.2 PRR121 B.2, Transmission Planning Assessments

The PRR121 was approved to NYSRC EC consideration for posting. Mr. Adamson will start working on the related procedure (Planning Rule B.2) so that the procedure is ready with the implementation of PRR121 (**Action Item 197-2**).

3.1.3 PRR122 C.1, Establishing Operating Transfer Limits

The PRR122 was approved to NYSRC EC consideration for posting.

3.1.4 PRR129 (R1 to R4) Transmission System Planning Performance Requirements (Inclusion of TOs & Developers)

Mr. Clayton stated that the genesis of PRR129 is that we have Planning Rule B.1 that applies to the NYISO and applies to BPS facilities. However, there is no requirement for the Market Participants to also comply with B.1. Mr. Clayton also stated that we have a precedent in a form of the Black Start rule. The idea behind PRR129 is that the NYISO shall have procedures that would require Market Participants to certify that they have complied with B.1. The NYISO then would certify back to NYSRC that indeed they have managed the compliance. TOs questioned the need for this proposed PRR129 as the NYSRC are applicable to BPS and the NYISO performs these studies (the TO may not be doing these although is the owner of a BPS facility).

As this PRR129 was not yet reviewed / discussed an Action Item was created (**Action Item 197-3**) for the RRS to review the proposed PRR129. Overarching questions to ask: Do we want to have this requirement in the first place?

The NYISO asked what would change with the implementation of PRR129. Mr. Clayton stated that the NYISO would have to certify that Market Participants complied with B.1. The NYISO followed with a question toward what would change for the Market Participants. Mr. Clayton stated that if a Market Participant is proposing a BPS facility it needs to be design per BPS Standards, however Mr. Clayton noted that this could be a problem as the Market Participant may not yet know if the station is BPS or is not.

The NYISO also questioned if PRR129 is applicable to new or upgrade projects, or all existing facilities. The answer is that it is not clear; to be discussed at the next meeting.

3.2. PRRs for Discussion

3.2.1 Duel-fueled Generator Testing & fuel Supply

Mr. Clayton stated that we have few issues at hand: testing requirement, fuel assurance requirement and question of Generation fed off National Grid gas system. The NYISO presented a lot of information, to date, on the fuel assurance issue and the group agreed that at this point this item is being addressed by the Markets; *“let’s see how the Market incentives work”*. On the testing issue, a lot of generators test (during cycling off) however there are still a lot of real time duel fuel swap failures. Mr. Clayton stated that ISO-NE rules require generation to periodically test (if they have not tested real time). Mr. Paszek stated that Con Edison feels strongly about going forward with a PRR toward requiring generation to periodically test duel fuel capability. RRS assigned Mr. Paszek with an Action Item (**Action Item 197-4**) to develop a Duel Fuel Testing PRR (PRR number 131).

Mr. Paszek asked RRS toward the applicability of this new PRR; applicable to Zone J or the entire NYCA system? Direction given is to write it so that is applicable to the NYCA system.

Mr. Clayton asked how big of an issue the Generation fed off National Grid gas system is. Should the group take an action? Mr. Head stated that Con Edison does not see into National Grid gas systems, and cannot ascertain contingency impacts. Mr. Paszek will review Con Edison Transmission Planning Criteria to see if it can be adjusted to include new or re-powered Generation fed off National Grid gas system. Mr. Paszek will report back to RRS (**Action Item 197-5**). Depending on the conclusion of Action Item 197-5 RRS may create its own rule that would require all new or re-powered Generation fed off either National Grid or Con Edison gas system to *“shall be designed, constructed, operated and tested in each Capability Period so that they can automatically switch fuel from natural gas to liquid fuel whenever experiencing low system gas pressure or a loss of gas condition”*.

3.2.2 Application of Emergency Transfer Criteria

Mr. Clayton and Mr. Hochberg have been discussing this issue since the last RRS meeting. The NYISO is utilizing ETC for operating states that are less than emergency. NPCC Directory 2 lists other steps (such as open/close lines, request assistance, etc.) that could be utilized prior to ETC. NYISO Emergency Operations Manual does not have this order and ETC could be utilized as the first step; thus lowering system reliability.

There is an inconsistency between NYISO Manuals and Reliability Rules. Mr. Grant will develop PRR (PRR number 130) that would address this inconsistency (**Action Item 197-6**).

Mr. Hochberg will hold off on the NPCC Request on this item (Action Item 195-1) until NYISO drafted PRR130 is presented to the group.

There was a short discussion toward the fact that ETC does not have time limit when ETC is declared. Mr. Clayton asked the NYISO to present ETC issue, from operational perspective, at the next RRS meeting RRS (**Action Item 197-7**).

3.3 Bucket List

Mr. Clayton stated that the RRS is doing pretty well with the list. Item 7 and item 8 will be addressed by PRR 130. Item 9 was on today's agenda and will be discussed at the next RRS meeting. Mr. Clayton will review other items prior to the next RRS meeting.

Item 19, Mr. Clayton mentioned to RRS that a Policy 1 revision has been adopted by EC with a minor modification.

4. NPCC Directories

No new information to report.

5. NERC SARS/Organization Standards

5.1 NERC Standard Tracking

Mr. Adamson voted No (12/9/15) on FAC-003-4 following National Grid recommendation.

6. Additional Agenda Items

6.1 Reforming the Energy Vision (REV)

The REV presentation, which was posted for this meeting, was presented at the last NPCC general meeting (December 2015). Mr. Clayton asked RRS to review the material within the presentation prior to the next RRS meeting (**Action Item 197-8**); as it relates to reliability concerns.

6.2 RRS 2015 Report on Accomplishments

Mr. Clayton thanked Mr. Gordon for compiling a list of year 2015 RRS accomplishments. Mr. Clayton will prepare the RRS report using the same format as Mr. Adamson has been using for the annual RCMS highlights report (**Action Item 197-10**).

6.3 RRS/RCMS Secretarial Roster

Mr. Clayton thanked Mr. Paszek for taking over RRS Secretarial position and thanked Mr. Head for taking over RCMS Secretarial position; both are from Con Edison. Mr. Clayton also stated that Central Hudson is not represented at RRS/RCMS and that he will work on bringing a member representing Central Hudson.

6.4 2016 Committee Meeting Schedule

Mr. Clayton stated that the schedule has been posted. Mr. Clayton indicated concern about the lack of time separation between January 2016 RRS/RCMS meetings and EC meeting; there should be a comfortable separation (for the next year). Mr. Adamson will follow with the EC representative that works on the schedule.

6.5: I.4 Requirements

Mr. Clayton read RCMS recommendations as adopted by NYSRC EC (included in the NYISO Compliance with Reliability Rule I.4 (3)):

(1) The NYISO is requested to report to the NYSRC on the status of follow-up actions to ensure future market participant compliance with Reliability Rule I.4 (3);

Mr. Clayton stated that RCMS will follow this item.

(2) The NYSRC's Reliability Rules Subcommittee (RRS) is requested to review and modify Reliability Rule I.4 and the related Requirements and to propose modifications, to the extent necessary, to clearly and objectively identify non-compliant data error submissions, and to consider any other modifications the RRS deems necessary;

Mr. Paszek stated that he has drafted a straw proposal in a form of a new PRR (PRR number 132) which will be submitted for February RRS meeting (**Action Item 197-9**).

(3) The NYISO is requested to consult with the affected market participant and, if appropriate, with the NYSRC before issuing any additional non-compliance letters regarding Reliability Rule I.4 until the NYSRC Executive Committee has acted on recommendation 2 above; and

NYISO stated that they will follow this recommendation.

(4) The NYISO is requested to modify its data submission procedures to comply with any changes to Reliability Rule I.4 and related Requirements that may be adopted by the NYSRC Executive Committee to ensure that the procedures are adequate to secure compliance by market participants with Reliability Rule I.4 and the related Requirements.

PRR 132 needs to be approved first prior to NYISO taking action.

6.6: A discussion on Winter LOG/MOB Rule

Mr. Clayton informed RRS that he had received an e-mail from DEC asking about reliability issues, and the LOG/MOB situation. Mr. Clayton referenced to DEC Con Edison Winter 2015/2015 LOG/MOB NYISO Operating Committee presentation. DEC responded that they need 'information' to be send to EPA so that EPA can factor this issue into their modeling. Mr. Clayton suggested that that the EPA contact should directly contact Con Edison. Con Edison agreed to this suggestion.

7. Reports

7.1 NYSRC EC Meeting Report

There is nothing to report as it relates to RRS.

7.2 NYSRC ICS Meeting Report

The last ICS meeting approved a draft IRM report to send to EC for approval. For the 2016-17 Capability Year the IRM study calculated a 17.4% base case IRM. Also, the EC voted a Final IRM of 17.5%.

Meeting ended at 1:00 PM.

Next Meeting #198

Thursday, February 4, 2016; 9:30 am @ NYSERDA, 17 Columbia Circle, Albany