

***Meeting of the
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)***

***Draft Minutes of Meeting #125
RRS Meeting @ NYSERDA Offices
17 Columbia Circle, Albany, NY
Thursday, November 5, 2009***

In Attendance:

Al Adamson	Consultant	Member
Larry Hochberg	NYPA	Member
Roger Clayton	Chairman	Member
Anthony Elacqua	NYISO	Member
Carl Patka	NYISO Council	Guest
Brian Gordon	NYSE&G (Phone)	Member
Chris LaRoe	IPPNY	Member
Henry Wysocki	ConEd (Secretary)	Member
Roy Pfleiderer	National Grid	Member
Robert Ganley	LIPA (Phone)	Member
John Adams	NYISO	Member
Donna Pratt	NYISO	Guest
David Lawrence	NYISO	Guest
Brad Kranz	NRG	Guest
Greg Campoli	NYISO	Guest

Agenda Items

1.0 Introduction

Meeting 125 was called to order by Mr. Roger Clayton at 09:30.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

Mr. Clayton called for a review of the 2010 schedule and roster.
The NYISO asked for time to present information on Demand Side Resources.
Mr. Ganley requested a review of NERC Standard PER 003, Operating Personnel Credentials.
Policy 6 RRS and NERC standards

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Meeting #124 Minutes

The minutes of RRS Meeting #124 were approved with changes as final.

2.2 Action Items List

The following Action Items were reviewed:

AI 124-1:

RPWG updated on potential RRS rule development by Mr. Pfleiderer.
Action Completed.

AI 124-2:

Action Completed by Mr. Elacqua.

AI 124-3:

Action Completed by Mr. Clayton.

AI 124-4:

Action Completed by Mr. Hochberg.

AI 124-5:

Mr. Clayton waiting for Con Edison to complete their part of the PTDF project.

3.0 NYSRC Reliability Rules (RR) Development

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes.

PRR 97 B-R6 & B-M4: BPS Facilities

Con Edison is still working on completing the PTDF project. RRS is waiting on Con Ed results. Mr. Pfleiderer and Mr. Wysocki questioned the usefulness of arbitrarily selecting a % PTDF to define BPS elements without first performing an engineering study.

Mr. Pfleiderer again questioned the methodology of determining the PTDFs reemphasizing that it could result in lower voltage lines being given greater weight than warranted thus placing them on the BPS list.

PRR 101 Resource Data Availability

Approved by EC to post

PRR 102

Approved by EC to post

PRR 103

The changes previously made to the PRR were posted. New comments were provided by the NYISO just prior to the RRS meeting. The NYISO subject matter expert on this PRR, Mr. Zack Smith, was not available to answer questions regarding the recently submitted changes therefore no action was taken by the RRS, however, the changes were discussed.

Mr. Carl Patka, Council to the NYISO, explained the position of the NYISO saying that it is the responsibility of the market participants and developers to provide accurate data to the NYISO. He explained that the NYISO cannot review market participant data because it does not have the tools or resources to do so. In addition, Mr. Patka reminded the RRS that the NYISO is not legally obligated to perform this review for FERC Form 715. Mr. Pfleiderer asked Mr. Patka that if the resources were available would the NYISO do the review. Mr. Patka then restated the position of the NYISO.

Mr. Clayton then stated that at a meeting with the NYISO it was agreed that Market Participants would review data received from the NYISO only in their area of responsibility. The NYISO is requesting that the RRS develop wording to reflect the exact intent of the rule.

As an action item Mr. Clayton will modify the PRR with Mr. Smith (**AI 125-2**)
As an action item Mr. Clayton will talk to Mr. Paul Gioia about the term developer (**AI 125-3**)

PRR 104

No change

PRR 105 - NYISO Policy #1-5

The NYISO agreed to provide comments to PRR 105 no later than one week in advance of the next RRS meeting. The NYISO will notify the RRS via e-mail if this deadline cannot be met.

PRR 105 was revised by Mr. Hochberg based comments that were received at the last RRS meeting. Mr. Dean Ellis submitted a proposed rewrite of item 2. Mr. Ellis suggested modifying the measurement change to add documentation to support the removal of an exception. It was agreed that the NYISO has a responsibility for determining its review process and may include that the removal of any exception must first be vetted through the stakeholder process and whether any additional documentation was needed would ultimately be up to the NYISO.

On November 4th, Mr. Elacqua sent an e-mail to the RRS describing a different approach to dealing with PRR 105. Mr. Elacqua said that the NYISO thought it was best to first revise the policy and not the rule. Mr. Elacqua explained that the NYISO change would clarify the removal/modify policy making the process similar to that for creating an exception. Because of the radically different approaches, Mr. Clayton said that it would

be impossible for the RRS to have any meaningful discussions on the issue and therefore would not be able to make any recommendations to the EC.

Mr. Adamson then said that it was his understanding that both the rule and policy changes would be presented to the EC together with the rule being first and now the NYISO is proposing an alternate method by either first changing the policy or changing both them concurrently. Mr. Patki then said that this is just a NYISO suggestion that the RRS could reject if it wants. Both Mr. Pfleiderer and Mr. Hochberg then added that the removal/modification/addition of exceptions are not the same and should not be grouped together. The removal of an exception is very different from creating one. Mr. Pfleiderer's point was that by removing an exception a TO is now compliant to reliability rules and, by definition, the system is now more reliable.

Mr. Campoli of the NYISO told the RRS that he believed that changing the rule first results in simply clarifying the policy. He thought it would be more logical to first change the policy and then the rule since a policy change would be easier to accomplish. He then asked what the RRS would expect applicants to do when they add/remove/modify an exception.

Mr. Patka further clarified the NYISO position saying that the NYISO recommends that any changes to exceptions should go to OC and that since it was the TO who originally requested the exception it should be the TO's responsibility to review and justify the creation, removal and/or change of the exception. Ultimately, he said, the NYISO, RRS, RCMS, SOAS and OC should all agree before any modifications or removals can be implemented. Mr. Hochberg responded by stating that it's the TO's equipment that is affected by exceptions and the TOs should have the right to remove an exception if they feel they are no longer willing to accept the added risk. Mr. Patka answered by saying that removing an exception could have an adverse impact on reliability and must be evaluated.

Mr. Clayton asked whether the NYISO had any reservations with the current wording of the RRS template. Mr. Clayton's interpretation is that the rules are what you observe and the policy is how you deal with procedural matters. Therefore if this principle is still true, changes to the rule should come first.

The NYISO currently conforms to the rule by requiring the TOs to review their exceptions and provide input to the NYISO. Mr. Patki stated that the NYISO is not comfortable performing this review as rule currently states further saying that the NYISO would like wording in the rule which links the review to the TOs. Mr. Kranz then suggested using the same method used in black start certification. Under this process a letter would be submitted by the TOs to the NYISO certifying that a review was done.

Mr. Clayton requested that the NYISO provide a red line version of the PRR to the RRS with comments on their changes by Nov. 16th. This will be discussed at the next RRS meeting.

3.2 NPCC Criteria

NPCC Update

Mr. Adamson has reviewed procedures C30 and C39 and concluded they will have no impact on reliability rules.

Directory 5 regarding Operating reserve, is out for comment with responses due by 11/19. Mr. Ganley will review this Directory and will circulate any comments to the RRS.

Mr. Ganley has reviewed NPCC Directory #2, Emergency Operations. He observed that in part 5.2.2 of Section 5.2, Manual Load Shedding Requirements, studies must be performed by TOs to determine the adequacy of load and voltage conditions after load shedding. Mr. Ganley questioned the content of this study. Mr. Adamson pointed out that the Directory had already been adopted. Mr. Clayton then suggested asking for clarification to this requirement. Mr. Ganley also noted that this requirement was not addressed in rules.

As an action item Mr. Ganley will contact John Adams and Jim Castle via e-mail for clarification. (AI 125-1)

3.3 NERC Standards

NERC Standard Tracking

Nothing to report

4.0 Additional Agenda Items

4.1 BES / BPS Impact on NYSRC RR

RRS supports performance based criteria

4.2 Schedule for 2010

Final version posted for review.

4.3 Roster for 2010

All members are requested to update the roster via e-mail to Mr. Clayton .

4.4 Demand Side Ancillary Services

The NYISO made a presentation to the RRS regarding demand side aggregations providing ancillary services. The presentation provided a brief overview of how the NYISO expects the system to initially be implemented and how it will work in the future. The NYISO requested input from the RRS to determine if implementing this program could potentially impact system reliability.

Mr. Clayton had two questions. He asked if there was a limit to the size of the aggregate and how to verify that an individual supplier had complied to the rules governing aggregates. Mr. David Lawrence of the NYISO responded that presently there is no size limit and that individual suppliers would be subject to audits. Mr. Pfleiderer asked how these audits would be accomplished.

Mr. Hochberg voiced a concern regarding the time it would take an aggregate to respond to NYISO signals to redispatch them and Mr. Elacqua asked just how accurate metering would have to be. Mr. Lawrence then told the RRS that standards were being developed to address response time and meter accuracy.

NYISO could not predict the eventual size of the aggregates. If the size reaches a point of concern the NYISO says it believes it has the time to react.

4.5 NERC PER 003

LIPA will be submitting comments on NERC Standard PER 003, Operating Personnel Credentials. LIPA was concerned on the amount of NERC certified operators that must be present in the control room. LIPA's position is that only one person in the control room should be required to be certified. LIPA was curious as to how other TOs man their control rooms and how many TOs will respond with comments. Comments on this PER are due by Nov. 20th.

4.6 Policy 6 NYSRC and NERC

Item was tabled for Meeting 126.

5.0 Committee Reports

5.1 EC

5.2 ICS

The ICS has developed the base case for 2010. The IRM has increased to 17.9% due to an increase in forced outage rates in the SENY area plus other parameters. Generator availability is less due to an increase in SERs. The EC will review the IRM base case at the next meeting.

5.3 RCMS

The RCMS is finalizing the compliance program for 2010.

6.0 Next Meeting

Meeting #125 was adjourned at 14:05.

The next meeting (#126) is scheduled for Wednesday, December 2, 2009 at 9:30 in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.