

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

***Final Minutes of Meeting #126
RRS Meeting @ NYSERDA Offices
17 Columbia Circle, Albany, NY
Tuesday, December 2, 2009***

In Attendance:

Al Adamson	Consultant	Member
Larry Hochberg	NYPA	Member
Roger Clayton	Chairman	Member
Brian Gordon	NYSE&G (Phone)	Member
Ed Schrom	NYSDPS	Member
Henry Wysocki	ConEd (Secretary)	Member
Roy Pfleiderer	National Grid	Member
Robert Ganley	LIPA	Member
Zach Smith	NYISO	Guest
George Loehr	EC Chairman	Guest
Greg Campoli	NYISO	Guest

Agenda Items

1.0 Introduction

Meeting 126 was called to order by Mr. Roger Clayton at 09:35.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

Five additional items were requested to be placed on the agenda. These items were the 1) NYSRC meeting with the DEC, 2) NERC policy 6, 3) the RRS roster, 4) the date for the January 2010 RRS meeting and 5) the NYISO replacement for Mr. Anthony Elacqua as a permanent member of the RRS.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Meeting #125 Minutes

The minutes of RRS Meeting #125 were approved with changes as final.

2.2 Action Items List

AI 125-1:

Action Completed.

AI 125-2:

Action Completed.

AI 43-1:

Mr. Zach Smith stated that the NYISO is currently conducting a survey of generators. The initial deadline for the generators to respond to this survey was October 2009 but extensions have been granted until the end of 2009.

Ongoing

AI 87-1:

Mr. Pfleiderer updated the RRS on progress made by the RPWG. He informed the RRS that the RPWG is now evaluating reactive reserves along with power factor requirements.

Ongoing

AI 104-4:

Mr. Zach Smith reported that the NYISO will re-evaluate the current BPS list during next year's Comprehensive ATR study. The NYISO may require TO input to complete the study.

Ongoing

3.0 NYSRC Reliability Rules (RR) Development

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes.

PRR 102:

RRS recommends approval by the EC assuming no more comments are received.

PRR 103

The RRS reviewed the changes that the NYISO submitted just prior to the last RRS meeting. The original changes proposed by the NYISO had significant differences to the initial draft of the PRR. The most pronounced of these differences was placing the primary responsibility of checking data on the Market Participants rather than the NYISO. The latest changes to the PRR submitted by the NYISO modified this position.

Both the RRS and the NYISO mutually agreed that the phrase "including changes" be placed at the end of Part 1 of Item 6 of C-M9.

Discussions continued on Part 2 of C-M9. Mr. Clayton described this section as the “due diligence clause” and suggested that it had to be rewritten so that the NYISO not only established guidelines but also specified how these guidelines would be applied. Mr. Zach Smith then said that the NYISO could only screen data since they could not certify its accuracy, stating further that the TOs would be required to verify the accuracy of the data per measurement C-M11. Mr. Clayton then suggested that the NYISO develop and apply procedures for checking the “reasonableness” of data and that these guidelines should be developed up front. Mr. Clayton then asked the RRS for their opinion regarding the use of the term “reasonableness”. All attendees found the term acceptable. Mr. Pfleiderer added that he believed that the old wording was clearer in defining the responsibilities of the NYISO. Mr. Clayton then questioned Mr. Campoli as to how the NYISO planned on modifying Part 2. Mr. Campoli stated that the NYISO would make changes to confirm that the NYISO will develop and also apply guidelines for screening data. Mr. Zach Smith then voiced a concern of the NYISO that the RRS may require stricter screening rules in the future with which compliance may be difficult.

Mr. Pfleiderer then asked whether load data would be included in rule. Mr. Zach Smith made it clear that the NYISO is only interested in equipment data since load data cannot be certified correct because it is derived by forecasting. Mr. Pfleiderer then inquired as to how compliance would be verified. Mr. Campoli answered that the self certification method, used by generators to supply GADs data, would be used. Mr. Clayton then brought up the feasibility of Market Participants screening data after receiving it back from the NYISO. Mr. Hochberg had a concern with this stating that the proposed screening process was becoming overly redundant and questioned the necessity of adding yet another burdensome data review process to the ones that the TOs already do. It was agreed that another item will be added to the measurement in order to clarify the role of Market Participants and Developers.

As an Action Item, Mr. Zach Smith has agreed to implement changes to PRR 103 that were agreed to at this meeting. **(AI 126-3)**

PRR 105 - NYISO Policy #1-5

Mr. Adamson submitted his comments to changes made to PRR 105. Mr. Adamson stated that changes made by the NYISO, while reflecting the current process, have changed the intent of E-M9, Item 1 from a NYISO review to a verification of a Market Participant review. Mr. Clayton believed that the changes may result in the requirements being split into an Applicant portion and a NYISO portion. Mr. Campoli said that it would be best if the Market Participants went directly to the EC with their exception request and not go through the NYISO. Mr. Clayton then stated that, while presenting requests directly to the EC may be more timely, the NYISO had the ultimate responsibility for certifying exceptions and had to be included in the review process and that the PRR must reflect this. Mr. Clayton suggested that Mr. Hochberg and Mr. Campoli work together on a new draft which is agreeable to both the RRS and the NYISO. Mr. Clayton said that so long as the NYISO must certify to the EC that the exceptions are valid he would be satisfied. Mr. Clayton suggested that the PRR be kept in its original form but with an added statement at the end of Item 1 that the NYISO will certify that the removal of an exception results in no adverse impact to reliability. The RRS decided that separate processes are needed for adding and removing exceptions because more extensive analysis and documentation

would be needed for adding an exception. The PRR will be revised to include a new measurement E-M10 for dealing with adding exceptions.

As an Action Item, Mr. Hochberg and Mr. Campoli agreed to develop a new draft of PRR 105. (AI 126-5)

Request from NYISO for NYSRC modifications to Exceptions to Reliability Rules

The RRS discussed a letter authored by Mr. Rick Gonzales of the NYISO to the NYSRC regarding modifications to the exception list. The RRS reviewed the requests contained in the letter to delete exceptions #9 and #19, which pertain to the installation of Oswego TB#7 and the retirement of the Poletti generating station respectively as well as the modification of exception #13 which pertains to post-contingency flows on the NR #64 line. Mr. Clayton requested more detailed descriptions including one-line diagrams to better understand the nature of these exceptions requests. Messrs. Hochberg and Pfleiderer presented the requested information at the RRS meeting which satisfied Mr. Clayton's request. Mr. Clayton also requested that detailed descriptions and one-line diagrams should be provided with future requests of this nature. After some discussion by RRS, Mr. Clayton also requested NYISO's written concurrence that approval of these exceptions requests will not have an adverse impact on reliability. RRS also suggested that the first sentence in the exception #19 request be modified to read as follows: "This exception will remain valid until 23:59h January 31, 2010 or actual Poletti retirement date whichever is later." Mr. Hochberg agreed with the modified language. A couple of other minor editorial changes were made to Mr. Gonzales' letter. Mr. Gordon expressed concerns with modifying exception #13. He was not clear on the history of the exception and wanted to review it internally prior to agreeing to the request. Mr. Campoli said that the NYISO had evaluated the present configuration and concurred with the modification of the exception. Mr. Hochberg agreed to have the NYPA Operations Dept. contact the NYSEG Operations Dept. to ensure that both parties agree that there are no problems with modifying the exception. All three requests were conditionally approved by the RRS provided that Mr. Gonzales make changes to his letter as stated above regarding the Poletti language modification and concurrence that there is no adverse reliability impact and pending agreement by NYPA & NYSEG on the modification of exception #13.

RRS Interpretation Request

Mr. Adamson discussed the interpretation request made by the RCMS concerning G-M1 requirements for NYISO procedures that require Market Participant actions. The NYISO has interpreted this requirement, such that by simply referencing the NYSRC Reliability Rules is sufficient – that written NYISO procedures are not needed to comply with the rule. Mr. Clayton stated that he believed that rules and measurements can be generic but procedures had to be more specific. Mr. Campoli said that it was the structure of a rule that determines if a procedure is needed by the NYISO. He added that, in principle, a procedure is required only when rules state that the NYISO needs a written procedure and that a procedure can also be either a manual or a tariff. RRS agreed that when measurements – such as G-M1 – require that the NYISO establish procedures to require specific Market Participant actions, written procedures must be prepared by the NYISO in order to be in full compliance with NYSRC Reliability Rules.

Mr. Adamson will communicate this RRS interpretation at tomorrow's RCMS meeting.**3.2 NPCC Criteria**

NPCC Update

Dir #2 no rule change required.

3.3 NERC Standards

NERC Standard Tracking

Nothing to report

4.0 Additional Agenda Items

4.1 BES / BPS Impact on NYSRC RR

The discussion began with a general consensus by the RRS members that the current definition of the BPS is outdated. Presently, the NPCC A10 list defines BPS but this list is limited. The NYISO definition of BPS is the ATR list. The RRS will not attempt to redefine the BPS definition, as described by the NPCC, but will go beyond the NPCC definition based on additional factors, such as PTDFs. Mr. Pfleiderer inquired how the RRS would determine the specific % PTDF which would define BPS. Mr. Clayton responded by saying that a high % PTDF corresponded in a high MW flow which implied high importance. Mr. Zach Smith then explained the methodology proposed by the NYISO to determine additional BES facilities in lieu of a bright line definition, describing the different transfer limit analysis used.

Mr. Clayton then went over the different BPS definitions that are now being discussed some of which include radial lines. He summarized his discussion by saying that ultimately, it will be FERC's decision to define BPS but that the RRS must be aware of what the NYISO is doing in this area since the BPS list developed by the RRS may supersede the NYISO ATR list. Mr. Clayton then suggested modifying the Reliability Rules to change the charter of the NYSRC from focusing on the BPS to focusing on the A-10 and NYISO secured lists.

As an Action Item, Mr. Clayton and Mr Zach Smith agreed to determine the difference between the A10/Secured List and the ATR list. **(AI 126-1)**

As an Action Item, Mr. Campoli agreed to talk to Mr. Rick Gonzales about the use of the NYISO secured list for determining will comprise the BPS list. **(AI 126-2)**

4.2 NYSRC meeting with DEC

The DEC will be meeting with the NYSRC on December 3rd, 2009 to discuss environmental impacts.

4.3 Roster for 2010

Mr. Clayton stated that he had received some updates to the RRS roster and that he will make the necessary changes.

4.4 Schedule for 2010

The RRS January 2010 meeting date was discussed.

The current date is January 5th. In order to avoid conflicts with other scheduled meetings, Mr. Adamson recommended that the date be moved to January 6th. All present agreed to change the date.

4.5 Policy 6 NYSRC and NERC

Mr Adamson will discuss removing or revising Policy 6 with Paul Gioia.

Mr. Adamson has agreed to accept this task as an Action Item. (AI 126-4)

4.6 New NYISO Representative

Mr. Zach Smith will attempt to have an ISO representative assigned to the RRS to replace Mr. Anthony Elacqua. The RRS acknowledged the valuable contributions that Mr. Elacqua had made to the committee during his tenure as the NYISO representative and expressed appreciation for his hard work and dedication.

Mr. Zach Smith has agreed to accept this task as an Action Item. (AI 126-6)

5.0 Committee Reports

5.1 EC

Nothing to report.

5.2 ICS

Nothing to report.

5.3 RCMS

Nothing to report.

6.0 Next Meeting

Meeting #126 was adjourned at 15:00

The next meeting (#127) is scheduled for Wednesday, January 6, 2010 at 9:30 in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.