

***Draft Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)
Minutes of Meeting #51***

***RRS Meeting @ NYISO Offices
Washington Ave. Extension, Albany, NY***

Thursday, September 4, 2003

Attendance

Roger Clayton	Conjunction	Member
Steve Corey	NYISO	Member
Jack Alvarez	Con Edison	Member
Larry Hochberg	NYPA	Member
Alan Adamson		Consultant
Joe Fleury	NYSEG	Member
Larry Eng	National Grid, USA	Member
Ted Pappas	LIPA	Member

Guests

Robert Loughney (part time)	Multiple Intervenors	Participant
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Agenda Items

1.0 Introduction

The meeting was called to order at 10:00 a.m.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

Three new agenda items were added under agenda item 4:

- Code of Conduct
- NYSRC Jurisdiction
- Reliability Rules Guidelines

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #49

The minutes of RRS Meeting #50 were approved with a minor spelling revision. Mr. Pappas will issue the final minutes.

2.2 Action Items List

The action items list was reviewed and updated. An updated action items list is attached.

Regarding AI 39-3, Mr. Corey reported that the NYISO operational pre-season assessment for 2003 was conducted and reviewed by SOAS and approved by the OC at the last meeting. FERC has not yet ruled on the class of 2001 cost allocation that included short circuit assessment. Parties involved in the case asked FERC for a settlement. The first meeting is on September 8, 2003.

Regarding AI 43-1 on UFLS, Mr. Corey reported that the governor response plan was accepted by RCC (see minutes of RRS meeting 50 section 3.1 ΔRR52). The agreed upon plan may be impacted by the blackout of August 14, 2003

Regarding AI 43-9, Mr. Corey reported that the NYISO would issue a white paper to the NPCC on this issue.

Regarding AI 48-4, Mr. Corey reported that the NYISO completed a scope of study for NYSERDA. A notice of RFD will be issued by NYSERDA.

Regarding AI 50-2, 50-3, 50-4, and 50-5, these action items have been completed.

3.0 NYSRC RR Development

NOTE: ITEMS IN SECTION 3.0 WERE DISCUSSED AFTER SECTION 4.0.

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes as follows:

ΔRR 8 - Reactive Load and Resource PF Requirements at BPS/LSE Boundaries

No report.

ΔRR 52 - Generator Governor Response

See section 2.2 AI 43-1 above.

ΔRR 57 – Fault Duty Assessment - Operating

Comments were due 8/28/03 and none were received. This will be submitted to EC for final approval.

ARR 59 – Operating Reserves

RRS and Con Ed are still awaiting additional information from the NYISO. (AI 50-1)

ARR 63- New Measurement C-M11 for Rule C-R4

This rule change initiated a discussion of NYSRC jurisdiction as discussed in item 4.2 below and caused the EC to send the PRR back to RRS. Based on the RRS' discussion the PRR will be resubmitted without revision to the EC for approval.

ARR 64 Modification of Measurement F-M5 (formally E-M2)

The EC approved for posting. Comments are due by September 26, 2003. No comments have been received.

ARR 65 Modification of Rule D-R3

Mr. Fleury will make minor editorial changes to D-R3(a)2 and submit to the EC for approval. The following definition will be added to Section 10, Comments:
Interruptible load-the load of a market participant that is contractually interruptible.

Discussion of need for new or revised rules due to the blackout of August 14, 2003

The RRS concluded that it is premature to discuss new or revised rules due to the blackout until it has a clear understanding of the event and the dynamic impact on the grids involved and those not involved. A number of items; however, will be part of the discussion. They include the treatment of "extreme" contingencies, containment of events at the source, restoration and communications.

3.2 NPCC Rules Revisions Update

Mr. Adamson reviewed the NPCC Criteria Revision Tracking Summary table he had issued to RRS. A-8 and B-22 were discussed at the last RCMS meeting and RCS had no comments. A2 changes need to be reviewed for applicability to NYSRC rules when their updates are finalized. Mr. Clayton is in the process of preparing a new PRR template to reflect A3 changes. (AI 49-6)

3.3 NERC SARs/Organization Standards (OSs)

Mr. Adamson reviewed an updated NERC Organization Tracking Summary. A SAR for the Reliability Standard 18, Urgent Action Cyber Security, was adopted on August 13, 2003. Reliability Standard 18A, Permanent Cyber Security, received numerous comments from NPCC. It is anticipated by some at NERC that this standard may take two years to finalize.

EC requested RRS/RCMS to better understand and monitor SAR/OS process in order to allow EC to more actively participate in the SAR/OS comment process. Mr. Adamson's flow process diagram dated 9/1/02 was reviewed. All agreed that this flow adequately

represents the adequate involvement of the RRS in the SAR/OS review process. Mr. Adamson will review the RRS SAR/OS work with the EC. **(AI 51-1)**

4.0 Additional Agenda Items

NOTE: ITEMS IN SECTION 4.0 WERE DISCUSSED PRIOR TO SECTION 3.0

4.1 Code of Conduct

All members of RRS received a package initiated by P. Gioia. They are required to read the NYSRC Codes of Conduct and sign an affirmation statement in order to serve on the NYSRC and any associated committees. The following members signed the statement and submitted it to Mr. Clayton:

R. Clayton
L. Hochberg
T. Pappas

The following members will submit their statements directly to the NYSRC EC:

L. Eng
A. Adamson
J. Fleury

Mr. Fleury will follow up regarding the status of Mr. Kinney's statement. Mr. Alvarez will also respond regarding his statement.

Members of the NYS PSC (E. Schrom) are not required to sign.

A representative of the NYISO questioned the need for NYISO employees to sign the statement. This affects two members:

J. Adams
S. Corey

NYISO staff will check with it's counsel as to whether NYISO staff needs to sign the statement.

4.2 NYSRC Jurisdiction

A question was raised regarding the NYSRC jurisdiction over market participants. In a conversation between Mr. Clayton and Mr. Gioia, the latter stated that the NYSRC has jurisdiction over the NYISO only and not market participants. Mr. Clayton requested this in writing and has not yet received a formal response. Based on a lack of response and a review of the NYSRC charter the RRS will not conduct an overall review of the rules to change responsible parties to the NYISO at this time.

4.3 Reliability Rules Guidelines

Mr. Adamson will meet with Mr. Corey to finalize the revisions (AI 50-7)

5.0 Reports

5.1 Report on NYSRC EC Meeting #50

This was covered under items covered above.

Minutes of NYSRC EC meetings are available at <http://www.nysrc.org>.

5.2 NYSRC ICS Report

Mr. Adamson reported that the EC approved the assumptions of the base case IRM study. ICS will test the validity of IRM impacts for each assumption on an individual basis.

5.3 NYSRC RCMS Report

Mr. Adamson reported that the reserve adequacy report is up for approval at the next meeting. The report shows that NYISO resources will be tight over the next few years.

6.0 Next Meeting

The meeting was adjourned at 2:20PM.

The next meeting is scheduled for 10:00AM on October 2, 2003 at the NYISO offices located at Washington Avenue Extension, Albany, NY.

Final Minutes of Meeting No. 51 submitted by Ted Pappas on September 25, 2003.