

FINAL

New York State Reliability Council (NYSRC) Reliability Rules Subcommittee (RRS) Minutes of Meeting #27

***RRS Meeting @ NYISO Washington Avenue Extension,
Albany, NY***

Thursday, August 9, 2001

Attendance

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|----------------------------|-------------------------------------|------------|
| John Muir* | Con Edison | Member |
| Roger Clayton (Chairman) | PG&E National Energy Group | Member |
| Steve Corey | NYISO | Member |
| Larry Eng* | Niagara Mohawk Power Corp. | Member |
| Larry Hochberg (Secretary) | New York Power Authority | Member |
| Ray Kinney | New York State Electric & Gas Corp. | Member |
| Alan Adamson | | Consultant |

Guests

| | |
|-------------|-------------|
| Liam Baker* | Orion Power |
| Mary Lynch* | Orion Power |

* = part-time attendance

Agenda Items

1.0 Introduction

The meeting was called to order at 10:00 AM in Conference Room WD. Mr. Kinney expressed a desire to change the way the RRS attendance is being reported in the minutes. He suggested that the minutes should indicate only those individuals attending the meeting and should not denote members/alternate members who are absent or whether attendance is by phone or in-person. RRS adopted this suggestion and further agreed to denote only part-time attendance. These minutes reflect the new format.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

There were no requests for additional agenda items.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #26

The minutes of the RRS Meeting #26 were unanimously approved with minor revisions. Mr. Adamson will revise accordingly and issue the final minutes.

2.2 Action Item List

The Action Item list was reviewed. An updated action item list is attached. RRS agreed to place "on hold" all action items that involve a priority 2 PRR.

3.0 NYSRC RR Development

3.1 List of Potential RR Changes

RRS reviewed the priority 1 potential rule changes that were posted for comments. The review included a discussion of the draft responses prepared by Messrs. Adamson and Muir to comments submitted by Orion Power. Mr. Baker and Ms. Lynch of Orion Power participated in the discussions. Following is a summary of the discussions:

- ΔRR4 (Open Process Log No. RR01-08) – Definition of BPS. As there were no additional comments on this potential definition, RRS agreed to send it to the EC for final approval.
- ΔRR22 (Open Process Log No. RR01-01) – Protection Criteria. Prior to responding to Orion Power's specific questions, Mr. Clayton read the "general principles" which cover many of the issues raised in Orion's comments. Mr. Clayton suggested the addition of some language in the general principles section to indicate that RRS is required to address these issues as per the NYSRC agreements and that the NYISO is required to comply with NYSRC specific as well as NPCC and NERC rules. Regarding questions about protection data, RRS explained that the NYSRC requires the same data that is reported to NPCC in order to fulfill its compliance monitoring requirements. Furthermore, RRS advised Orion that the NYSRC requirements are not more specific than the NPCC criteria. Mr. Clayton stated that he would seek guidance from NYSRC legal counsel to address Orion's specific concerns about the possibility of confidential data and/or analyses being released by RRS to the public through Freedom of Information Act requests or other means (AI27-1). RRS agreed to send this potential rule to the EC for final approval.

- ΔRR31 (Open Process Log No. RR01-02) – Local RR #2 revision. Mr. Kinney explained to Orion that this rule is being revised to reflect the fact that Con Edison no longer owns the generator units that the original rule refers to and that the NYISO, not Con Edison, is now responsible for maintaining locational 10 minute reserves referred to in the PSC order. Ms. Lynch of Orion inquired whether or not the NYISO is complying with the existing LRR #2. Mr. Clayton explained that compliance is an RCMS issue and that he will raise this question with the EC (AI27-2). Mr. Muir explained that written responses to each of Orion's questions were being prepared. Following are the questions from Orion (in italics) with RRS responses given at the meeting:

RR01-02:

Title of Proposed Rule Change: NYSRC Local Rule #2 (PRR #31)

1. *Please provide an example of how implementation of this rule change would impact the current level of 10 minute reserves required in New York City?* Mr. Kinney stated that, subject to checking, there should not be a change assuming the NYISO has been complying with the existing LRR #2. Mr. Muir will obtain clarification based on the answer from AI27-2 and include in the written response to Orion (AI 27-3). Mr. Corey noted that the existing LRR #2 specifically states "in-City steam units and on Fast Start Gas Turbines", but the revised LRR #2 does not state a specific type of generating unit. Mr. Corey will research how the existing LRR #2 was implemented under the old NYPP to help Mr. Muir address this question (AI27-4). During the discussion, some modifications to the wording of the rationale and to the rule itself were proposed.
2. *What is the reliability concern that is being address by this rule?* There is no new reliability concern. The existing LRR #2 was required for compliance with PSC order.
3. *Do the 10 minute reserves required by ConEd address first contingency reserve requirements and second contingency requirements.* Mr. Kinney stated that, subject to checking, 10 minute reserves are not subject to second contingency requirements. Mr. Muir will obtain clarification and include in the written response to Orion (AI 27-3).
4. *What are the NYSRC rules that determine the 10 minute operating reserve for NYCA.* The rules can be found on page 18, section 4.1.1.A of rev. 1 of the Reliability Rules.
5. *What will be the procedure for the NYISO development of the written procedures associated with this rule change. Will these procedures be included in a manual; if so, which one?* The NYISO has to provide a procedure and include it in one of its manuals. Mr. Corey will obtain an answer (AI27-5).
6. *The proposed rule change does not identify the advantages or disadvantages of this rule change; what are they?* The draft rule states "See above item #3."

Mr. Muir will complete his written responses to these questions for the next RRS meeting. RRS agreed to place this PRR#31 on hold and not to send it to the EC for approval at this time.

- ΔRR32A (Open Process Log No. RR01-03) – Resource Adequacy. RRS agreed to remove the word "tariff" from the first sentence of the first paragraph of the proposed response to Orion. The word "agreement" replaces the word "tariff" at the end of the first sentence. The first sentence of the

second paragraph of the proposed response was deleted. The confidentiality issue will be addressed as noted above. RRS agreed to send this potential rule to the EC for final approval. (Note that Δ RR37 below is a further revision to this rule).

- Δ RR32B (Open Process Log No. RR01-04) – System Modeling Data. RRS explained to Orion that system data is needed to perform studies due to the NYSRC mandate to set the statewide IRM. RRS also explained that NYISO procedures follow from the rules. RRS noted that the reactive power capacity testing requirements stem from NERC rules. RRS agreed to modify the wording of the last sentence in paragraph one of the response and to send this potential rule to the EC for final approval. (Note that Δ RR38 below is a further revision to this rule).
- Δ RR33 (Open Process Log No. RR01-05) – Load Forecasting. RRS had no comments on the proposed response and agreed to send this potential rule to the EC for final approval.
- Δ RR35 (Open Process Log No. RR01-06) – System Restoration. Posted, comments are due 8/31/01.
- Δ RR36 (Open Process Log No. RR01-07) – Reliability Assessment. Since there were no comments, RRS agreed to send this to the EC for final approval.

Mr. Adamson will revise the draft response to Orion for review at the next RRS meeting (AI27-6). He will also send Δ RR4, Δ RR22, Δ RR32A, Δ RR32B, Δ RR33 and Δ RR36 to the EC for approval at its next meeting (AI27-7).

RRS also reviewed nine new templates and assigned PRR numbers to each of them. The first two are modifications to existing PRRs, the following six are measurements and the last is a revision to existing Local RR #5:

- Δ RR37 - LSE Capacity Requirements. Updates R2 of Δ RR32A to account for expected change to monthly ICAP procurement. RRS made minor revisions and recommended the template be sent to the EC for approval to post.
- Δ RR38 - Resource Availability Requirements. Updates R2 and M4-M6 of Δ RR32B to generalize to all resource types, not just generators. RRS made minor revisions and recommended the template be sent to the EC for approval to post.
- Δ RR39 - Planning Transmission Capability Measurements. Template adds measurements to the rules. RRS made minor revisions and recommended the template be sent to the EC for approval to post.
- Δ RR40 - Operating Reserve Measurements. Mr. Corey is seeking comments from Mr. Campoli. RRS discussed adding words in M3 to clarify that the measurement is looking to determine how long it took ACE to cross zero from the time the incident occurred and that the 10 minute reserve was restored within 30 minutes. RRS made minor revisions and recommended the template be sent to the EC for approval to post.
- Δ RR41 - Operating Transmission Capability Measurements. Mr. Corey is seeking comments from Mr. Campoli. RRS made minor revisions and recommended the template be sent to the EC for approval to post.
- Δ RR42 - Operation During Major Emergencies Measurements. RRS made minor revisions and recommended the template be sent to the EC for approval to post.

- ΔRR43 - Local Reliability Rule Measurements. RRS made minor revisions and recommended the template be sent to the EC for approval to post.
- ΔRR44 - NYISO Control Center Communications Measurement. RRS recommended the template be sent to the EC for approval to post.
- ΔRR45 - Local RR#5 Revision. After considerable discussion, RRS recommended not to send this PRR to the EC and to send it back to Mr. Dahl for further clarification and revision including the following points: a) the PRR originates from LIPA, not the RRS; b)strengthen the rationale; c)explain the reason and provide justification for naming specific generating units in the PRR. Mr. Clayton volunteered to address this action item (AI27-8).

3.2 RR Revision 2 Update

RRS discussed handling of the list of glossary terms prepared by Mr. Adamson. Mr. Clayton indicated that it would be useful to clarify why some terms are used in rev.1 but not in rev.2. Mr. Adamson was requested to initiate work on definitions, using NPCC and NERC where possible (AI27-9). RRS agreed to use italics in the body of the text to denote glossary terms and the sub-definition format proposed by Mr. Adamson.

Mr. Clayton assigned review of the cross-reference as follows:

- A. Resource Adequacy ---ICAP WG
- B. Transmission Capability – Planning---Messrs. Callahan, Corey, Clayton
- C. Resource & Demand Data Requirements---ICAP WG
- D. Operating Reserves---Messrs. Davis & Muir
- E. Transmission Capability – Operating---Messrs. Davis & Muir
- F. Operating During Major Emergencies---Messrs. Davis & Muir
- G. System Restoration---Mr. Fleury
- H. System Protection---Mr. Fleury
- I. Local Reliability Rules---none
- J. NYISO Control Center Communications ---Mr. Fleury
- K. Reliability Assessment---RCMS

Mr. Adamson will send out to the reviewers the cross-reference and a copy of the latest draft of rev. 2 (AI27-10).

4.0 Additional Agenda Items

There were no additional agenda items.

5.0 Reports

5.1 NYSRC EC Meeting #27

Mr. Clayton reported on RRS matters that were discussed at the EC meeting. NYSRC minutes are available at <http://www.nysrc.org>.

5.2 NYSRC ICAP WG

RRS reviewed the 8/7/01 draft "NYSRC Deliverability Issues Study Scope of Work" developed by the ICAP WG. Mr. Kinney suggested that perhaps instead of a new reliability rule, the IRM study methodology needs to be modified. Task 3 should be revised to reflect this comment. Also, under case definition the scope should indicate that load level is held constant for all cases and Case 3 should also indicate "LI as one area". Mr. Adamson will work with Mr. Dahl to revise the draft scope accordingly and will send it to the EC for consideration at their next meeting (AI27-11). Mr. Clayton stated that the scope, once finalized, should be posted on the NYSRC website.

RRS discussed the 8/8/01 draft white paper "Impact of Unforced Capacity (UCAP) Transition on New York State Installed Reserve Margin (IRM) Calculations" prepared by the ICAP WG. RRS concluded that the draft is not ready to be sent to the EC. Mr. Clayton will contact Mr. Dahl to discuss and revise the draft (AI27-12).

RRS noted that a schedule had been prepared for the 2002 IRM study.

ICAP WG minutes are available at <http://www.nysrc.org>.

5.3 NYSRC RCMS (NYISO Compliance)

There was nothing new to report. RCMS minutes are available at <http://www.nysrc.org>.

6.0 Next Meeting

NYISO Offices at Washington Avenue Extension on Thursday, 9/6/01 at 10:00 AM.

The meeting was adjourned at 4:30 PM.

Final Minutes of Meeting #27. Submitted to RRS by Larry Hochberg on September 13, 2001.