

FINAL

***New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)
Minutes of Meeting #37***

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

Thursday, June 6, 2002

Attendance

John Muir	Con Edison	Member
Philip Davis	KeySpan	Member
Roger Clayton (Chairman)	PG&E National Energy Group	Member
Larry Hochberg (Secretary)	New York Power Authority	Member
Steve Corey	NYISO	Member
Ray Kinney	New York State Electric & Gas	Member
Edward Schrom	NY Public Service Commission	Member
Pat Callahan	Rochester Gas & Electric	Member
Alan Adamson		Consultant

Guests

Steve Keller	NY Public Service Commission	Participant
Curt Dahl	KeySpan	Participant

Agenda Items

1.0 Introduction

The meeting was called to order at 10:05 AM.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

One additional agenda item was requested by Mr. Davis and is included under agenda item 4.6, LIPA Emergency Generation.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #36

The minutes of RRS Meeting #36 were unanimously approved without revision. Mr. Hochberg will issue the final minutes.

2.2 Action Item List

The action item list was reviewed and updated. For AI 36-3, the word “real” was changed to “reactive”. An updated action item list is attached.

3.0 NYSRC RR Development

Mr. Adamson prepared a rules manual version history document to keep track of different versions of the same revision. RRS agreed to recommend that this document be posted to the NYSRC website and included in Rev. 2. RRS also agreed to recommend that the version number and date be placed on the rules manual title page as well.

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

On hold pending completion of a NYISO operating reactive study.

ΔRR 18 – Special Protection Systems-Application Criteria

This PRR will be discussed at the next RRS meeting.

ΔRR 29 – Short-circuit criterion

Mr. Corey reported that the NYISO short-circuit data base is almost completed. He indicated that the data base will be treated as confidential and will be used initially for class 2002 cost allocation and determining fault current for stability analysis.

ΔRR 46 - Restoration of Ten (10) Minute and Thirty (30) Minute Reserves

This PRR had been sent to Executive Committee (EC) for approval to post for comments. The purpose of the proposed rule change is to incorporate recent revisions in NPCC Document A-6, Operating Reserves. Prior to the EC meeting Mr. Adams sent RRS a note indicating that NYISO Operations had concerns about the reporting requirements in the existing measurements. The note indicates that the NYISO wants to report only for non-compliance (similar to NERC and NPCC reporting requirements) and that a monthly report to address this rule’s measurements (D-M3) would require software modifications that the NYISO does not have time to make. RRS reviewed the specific wording changes to D-M3 provided by the NYISO. Mr. Davis stated that the NYISO already provides a monthly report to the NYISO Operating Committee which contains the information

specified in D-M3. Messrs. Davis and Muir were requested to contact Mr. Calimano to work on revising the wording of D-M3 (AI 37-1) and to try to have the revised template ready for the June 14 EC meeting. Messrs. Adamson and Clayton asked why these concerns were not raised during the open process review and expressed concern about a possible oversight by the NYISO. Mr. Clayton suggested that the NYISO should have a “point man” for rules changes at the NYISO to make sure it is aware of rule changes and how they can impact the NYISO. He will raise this issue with Mr. Calimano (AI 37-2).

ARR 48 - List of NYS Bulk Power System Facilities

No comments were received from the posting of this proposed rule. Accordingly, RRS agreed to forward the rule template, without change, to the EC for final approval.

ARR 49 - Modification to Exception No. 19

This PRR received final EC approval and is now in the rules manual.

ARR 50 - Distribution of Generator Testing Results

This rule modification received final EC approval and is now in the rules manual. Mr. Clayton noted that he had sent to RRS an e-mail from Mr. Liam Baker which explained the performance of Orion’s units during the peak period last summer. The explanation is in response to statements made in the comments section of this rule change template. Mr. Muir stated that the 70% figure used in the comments section referred to all units, not just Orion’s. Since this rule change went through an expedited process and will expire in a year, Mr. Muir was requested to review it again in a few months to determine if it should go through the full open process and be made permanent (AI 37-3).

ARR 51 - Reactive Power Capacity Definition

RRS reviewed the definition provided by Mr. Muir and the words “out-of-phase” were changed to “quadrature”. RRS also agreed that the definition should reference or paraphrase from the reactive capability test procedure contained in the NYISO Ancillary Services Manual (Mr. Clayton had sent the test procedure to RRS). Mr. Muir was requested to prepare a template with the definition and appropriate references as well as perform research to see if there is a similar test procedure for real power capability (DMNC) which also could be referenced (AI 37-4).

ARR 52 – Generator Governor Response

Mr. Muir noted that sliding pressure units do not contribute to system frequency response and without a governor response rule or measurement this could become a problem. He noted an incident where frequency dropped 0.1Hz for a 2600MW loss of generation incident in Ohio. Mr. Corey stated that 0.1Hz drop for 2600MW would not be considered indicative of a problem based on historical system performance. Mr. Davis noted that the NYISO had been going into the “alert” state due to frequency more frequently than under the NYPP. Messrs. Muir and Davis were requested to research this issue and report back to RRS (AI 37-5).

3.2 NERC/NPCC Rules Revision Update

Mr. Adamson reviewed the NERC/NPCC Criteria Log. No RRS action is necessary at this time.

4.0 Additional Agenda Items

4.1 NYSRC Policy 1 Update

Mr. Adamson reviewed the changes made since the previous draft. He noted that the new draft includes changes to section B (expedited rule) and a new section C (temporary exception under exigent circumstances) as well as other minor editorial changes. Mr. Hochberg asked why an RCMS review is not mentioned in the procedural steps given that the proposed revision to Policy 1 would now include compliance elements. Mr. Adamson stated that RCMS would fill-in the compliance elements (full compliance statement and levels of non-compliance) in the rule change template prior to posting for comments as part of the open process, but this step did not need to be specifically mentioned in Policy 1. RRS made two minor changes to the document. In part B, second paragraph, fourth sentence the words "Following its review" were changed to "Following an expedited review"; in the third paragraph, first sentence the words "that shall not to exceed" were changed to "not exceed". Mr. Clayton suggested that to help avoid oversights when transmitting rule changes to the ISO (refer to Step 6, number 3), material should be sent directly to Messrs. Adams and Calimano with copies to Messrs. Corey and Campoli. RRS approved the document as changed for transmittal to the EC for approval. Mr. Adamson was requested to make the changes and send the document to Mr. Fleury along with an updated flowchart (AI 37-6).

RRS reviewed a draft of an updated Rule template prepared by Mr. Adamson which incorporates the full compliance and levels of non-compliance statements (as new items 7 and 8). These compliance elements are to be included in the open review process in accordance with Policy 1-3. RRS agreed that a note should be added to the template to indicate that RCMS would be filling-in the compliance elements in items 7 and 8 and that these boxes should not be filled out by the respondent.

4.2 Applications of the NYSRC Reliability Rules

Mr. Adamson reported that he had revised the ARR list to bring the cross-references up to date with Rev. 2. RRS reviewed the updated ARR list and made several editorial changes. Mr. Adamson was requested to send the updated ARR list as revised to Mr. Fleury (AI 37-7). Mr. Adamson also reported that the AAR list is still not included in the NYISO Transmission & Dispatching Manual. He indicated that the NYISO should be working with the TOs on the Applications and that the wording in the T&D manual

should be consistent with the Introduction to the Applications. Mr. Adamson will raise these ARR compliance issues at the next RCMS meeting.

4.3 White Paper on Deliverability Issues

Mr. Dahl explained that the purpose of the study is to come up with a method to account for generation deliverability in the statewide MARS analysis. The hypothetical study result showed that if 750 MW of generation is moved from the LI Central sub-zone to the Holbrook-East sub-zone and transmission constraints are recognized between the sub-zones, there is an increase in the LOLE due to bottling of this generation.

The white paper was written as an advisory document to address an EC request to develop the pros and cons for two possible solutions to this problem. Mr. Adamson described the two possible solutions: 1)increase the statewide or 2)increase the zonal (LI) installed capacity requirements. He stated that these two options work because, for option 1, the system is not always delivering the maximum capacity to LI so an increase in the upstate capacity will help and there is an increase in LI capacity as well. For option 2, capacity is added in the sub-zone that needs it, not in the sub-zone with the bottled generation. He indicated that option 1 is a less efficient solution. Mr. Clayton noted that these were not the only possible solutions. He stated that there could be a demand response solution for example. Mr. Clayton also noted that the two proposed solutions have economic and tariff implications that should be discussed in the NYISO forum. Mr. Davis noted that there could also be a transmission solution to this problem. Mr. Corey noted that a new rule may not be needed since existing rule A-R1 requires NYS Transmission System transfer capability to be considered.

After further discussion of the pros and cons, RRS agreed to several modifications to the draft white paper as follows: The third paragraph is to be replaced with “It should be noted that adding new generation capacity in and of itself cannot have an adverse impact on LOLE.” Messrs. Muir and Davis did not agree with this statement and provided reasons why they disagreed. Their disagreement will be footnoted in the white paper. In the fourth paragraph, add “in the affected zone” at the end of option 2. Replace the last paragraph with “It should be recognized that each of these options may have economic impacts that are not covered by this white paper.” Mr. Adamson was requested to revise the white paper accordingly and send it to Mr. Fleury for distribution to the EC (AI 37-8).

4.4 ICAP WG Organizational Structure

Mr. Clayton reported that at the last EC meeting the subject of ICAPWG reporting was discussed and it was concluded that it may no longer be appropriate to have the ICAPWG reporting to RRS. It was proposed to form an ICAP subcommittee (ICS). Mr. Clayton noted that the chairman of the standing subcommittees has also been a member or alternate on the EC. Mr. Dahl indicated that should not be a problem. Mr. Adamson reported that he had checked the RC and ISO/RC agreements and found that there is no

limitation on the number of subcommittees that can be formed. RRS discussed the proposal and supports the formation of ICS. RRS reviewed the draft ICS workscope prepared by Mr. Adamson and indicated that if the EC approves formation of the ICS the workscope should be reviewed and approved by the ICS for transmittal to the EC.

4.5 NERC Organizational Standards Registered Ballot Body

Mr. Adamson reported that there are nine voting segments and that the NYSRC is now registered and can vote on proposed NERC standards. Mr. Adamson reviewed the process of approving new NERC standards and indicated that the NYSRC can provide comments on the draft standards as well.

4.6 LIPA Emergency Generation

Mr. Davis reported that there would be an extended outage of the Y-50 cable and it was not due back in service until 7/20. He also reported an "A" phase breaker failure on Y-49 has caused it to be derated and it is not expected back until 6/11. He further reported that the new tie to New Haven had run into problems with the Army Corps of Engineers. He stated that LIPA was taking steps to install ten 22MW truck mounted gas turbine generators to help during summer peak conditions. This is in addition to the 400MW of generation already announced. He indicated that the units can be connected at the transmission voltage level and sites being considered were Wading River, Shoreham and Holtsville.

5.0 Reports

5.1 NYSRC EC Meeting #37

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

5.2 NYSRC ICAP WG

Mr. Adamson reported that there was a conference call scheduled for 6/20/02 to discuss the deliverability issues white paper and other 2003-04 IRM study issues.

5.3 NYSRC RCMS

Mr. Adamson reported that there were no comments received on the RCMS compliance templates manual and the final draft will be sent to the EC for final approval.

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

6.0 Next Meeting

NYISO offices at Washington Avenue Extension, Albany, NY on July 3, 2002 at 10:00 AM.

The meeting was adjourned at 3:26 PM.

Final Minutes of Meeting #37. Submitted to RRS by Larry Hochberg on August 1, 2002.