

FINAL

New York State Reliability Council, L.L.C. (NYSRC) Reliability Rules Subcommittee (RRS) Minutes of Meeting #40

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

Thursday, October 3, 2002

Attendance

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

Guests

John Adams	NYISO	Participant
Bill Lamanna	NYISO	Participant

Agenda Items

1.0 Introduction

The meeting was called to order at 10:03 a.m.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

Three additional agenda items were requested by Mr. Clayton and are included under agenda items 4.1 – Discussion of RRS Scope of Work, 4.2 – Discussion of Introduction to Applications and 4.3 - Discussion of Non-ICAP Generator Obligations Draft Letter. Mr. Kinney requested a discussion of the sensitivity to market impacts in the development of reliability rules. This topic will be included under additional agenda item 4.1.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #39

The minutes of RRS Meeting #39 were unanimously approved with minor revisions. Mr. Hochberg 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 37-1, Mr. Davis reported that out of 61 reserve pick-ups in July, there were 41 failures. He indicated that the reserve pick-ups are due to area control error resulting from schedule changes. He also noted that 10 minute, non-synch. gas turbines were being activated to make up for the deficient response rates of on-line units. Mr. Adamson noted that RCMS is also concerned about the number of reserve activations and suggested that Messrs. Davis and Muir participate in the RCMS discussion on this topic at its next meeting on 10/10/02. Messrs. Davis and Muir were requested to continue to monitor reserve pick-ups.

3.0 NYSRC RR Development

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes as follows:

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

Assignee was changed to R. Waldele.

?RR 29 - Short-Circuit Criterion

Mr. Clayton reviewed recent discussions about the fault duty criterion. He noted that draft changes to NPCC criteria A-2 were discussed at the last RRS meeting and that the EC had requested RRS to prepare a template to conform with the A-2 revision but with specific reference to NY. RRS reviewed the draft template prepared by Mr. Clayton and an alternative template offered by Mr. Adamson. RRS discussed removing the short-circuit database requirement from the template and agreed to develop a new PRR to include requirements for load flow, stability and short-circuit model data. Mr. Clayton will prepare a template for the next RRS meeting (**AI 40-1**). Mr. Muir suggested an additional measurement for the NYISO to provide short-circuit data to the TOs. RRS discussed the TOs obligations following completion of a short-circuit study by the NYISO. Mr. Clayton will utilize the draft "NYISO Guideline for Fault Current Assessment" in drafting any additional measurement(s). RRS agreed that a companion "operating" fault duty rule should be drafted as well. Mr. Clayton will revise the "planning" fault duty template in accordance with the discussions (**AI 40-2**) and prepare a new "operating" fault duty template (**AI 40-3**).

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

Messrs. Davis and Muir were requested to monitor NPCC activities regarding the draft A-6 document and advise RRS of NYSRC rule change implications when the Draft A-6 document is approved.

Mr. Adamson advised RRS that the NYISO is currently not in compliance with reporting measurement D-M3. Mr. Adams reviewed the history of the NYISO concerns about this measurement noting the concern Mr. Calimano raised some time ago about it requiring significant software development to generate a monthly reserves tracking report. Mr. Adams noted that some new reserves tracking software has been added recently and he would need to speak with Mr. Calimano to determine if the D-M3 requirements are still a problem. If still a problem, he agreed to set up a call with Messrs. Calimano, Davis, Muir and himself to discuss appropriate changes to D-M3 (AI 40-4).

?RR 50 – Distribution of Testing Results

RRS had agreed to review this winter, whether this rule needs to be made permanent. Mr. Muir will provide information at the next RRS meeting.

?RR 51 - Definition of Reactive Power Capacity

Mr. Clayton reported that the EC had provided additional editorial comments on the revised template. He will incorporate the EC comments and send the template to RRS (AI 40-5). Mr. Adamson will issue it to the EC for consideration at its next meeting.

?RR 52 - Generator Governor Response

Messrs. Davis and Muir are to continue to monitor.

?RR 53 - NYISO Communications Measurement for J-R2 - Testing and Incident Reporting

No comments were received. This template will be sent to the EC for final approval (AI 40-6).

?RR 54 - Compliance Elements for Measurement B-M4, List of BPS Facilities

No comments were received. This template will be sent to the EC for final approval (AI 40-7).

?RR 55 - Modification of BPS Protection Maintenance Rule H-R2

Mr. Adamson reported that RCMS is awaiting a request to SPAS to recommend a modification to this Rule.

?RR 56 - Modification of Exception No. 18

Mr. Adamson reported that he sent a letter to the SOAS chairman about two months ago and hasn't received a response yet.

3.2 NERC/NPCC Rules Revisions Update

RRS reviewed an updated version of the NERC & NPCC Criteria Revision Log issued by Mr. Adamson. Mr. Lamanna will find out if Mr. Ingleson reviewed those criteria/guidelines/procedures pertaining to system protection (C-30, C-22, B-7, B-1, A-11 [was B-11], and A-5) (AI 40-8—follow up on AI 39-7). Messrs. Davis and Muir were requested to determine whether the NPCC rule changes assigned to them (A-6,C-9,

C-12, RD-04, RD-05) require a NYSRC rule change (AI 40-9). RRS agreed that the modifications to A-6 require revisions to the NYSRC operating reserves rules. Mr. Adamson agreed to review the B-22 and A-8 revisions (AI 40-10). Mr. Adamson advised RRS that the A-2 revisions have not been posted yet and he expects them to be posted in the next couple of months. RRS agreed to monitor the status of A-2 and withhold any action until the document is posted for comments.

3.3 NERC Organization Standards

Mr. Adamson reviewed the latest version of the NPCC table entitled “NERC Organization Standard Tracking (Executive Summary)” and noted that he had sent RRS SARs OS-4 and OS-8 for review at this meeting. He indicated that comments on OS-4 are due 10/25/02 and that the commenting period for OS-8 had already closed. Mr. Clayton requested RRS members to review OS-4 and provide any comments to him by 10/15/02 for presentation to CP-9. Mr. Adamson also noted that the NYISO had provided comments on OS-8 to CP-9. He will look into getting a copy of the NYISO’s comments for RRS (AI 40-11). RRS agreed that NERC/NPCC/NYSRC do not currently have a rule similar to OS-8 and that no RRS action is required on this SAR.

Mr. Adamson also noted that two representatives have been selected from sector 2 for the NERC Standards Authorization Committee. One will be from the Florida Reliability Council and one from the California ISO.

Mr. Clayton requested RRS members to continue to give the NERC SARs proper attention.

4.0 Additional Agenda Items

4.1 Discussion of RRS Scope of Work

Mr. Clayton reported that the EC had made several editorial changes to the revised RRS work scope. Mr. Adamson issued the revised scope to Mr. Fleury for posting.

Mr. Kinney commented that the NERC and NAESB encourage broad participation and awareness of the impact of reliability rules on the market place. He stated that the NYSRC likewise should be cognizant of the impact reliability rules have on the market place. In response, Mr. Clayton noted that sensitivity to market issues is included in the RRS scope of work. He quoted the following statement from the scope: “The process of developing new reliability rules and modifying existing rules, when the change is intended to enhance reliability, should consider the economic and environmental implications of the proposed rule change.”

Mr. Kinney cited as an example, the recent problem with conversion of ICAP (118% requirement from IRM study) to UCAP where units have a lower FOR. He pointed out that the study uses a 10 year rolling average and the market uses a 12 month average for FOR calculations. Mr. Adamson responded that the IRM study is flexible in responding to market conditions and that the NYSRC open process provides for market input. Mr. Adams pointed out that the EC added language to the IRM report to address this market issue. RRS agreed that no further change to the scope is needed at this time.

4.2 Discussion of Introduction to Applications

Mr. Clayton reported that the EC had made several editorial changes to the revised Introduction to Applications. Mr. Adamson issued the revised Introduction to Applications to Mr. Fleury for posting.

4.3 Discussion of Non-ICAP Generator Obligations Draft Letter

Mr. Clayton briefly reviewed the history of the draft letter. Mr. Adams reported that he had reviewed this issue with system operations personnel and that their position is they would order on any available generation and cut non-ICAP transactions to avoid entering a Major Emergency state if in an Alert state and conditions are deteriorating. This raised the question of whether changes to the NYISO tariff or any operations manuals are needed in addition to the possible need for a new rule. Mr. Kinney pointed out that generator owners generally do not sign the tariff and thus may not be obligated. Mr. Adams noted that generator owners do sign a service agreement with the NYISO. Mr. Clayton will revise the draft letter in accordance with the RRS discussion and issue to RRS (AI 40-12). Mr. Adamson will include the revised draft letter in the EC meeting package.

5.0 Reports

5.1 Report on NYSRC EC Meeting #41

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

5.2 NYSRC ICS

Mr. Adamson reported that ICS would be meeting on 10/7/02 to finalize MARS study assumptions and review base case results. He also noted that ICS is drafting a white paper on the ICAP/UCAP translation issue which will be reviewed at the next EC meeting.

5.3 NYSRC RCMS

Mr. Adamson reported that RCMS is drafting a letter regarding NYISO non-compliance with NYSRC ICAP requirements. The letter, which will be addressed to the chairman of the board of the NYISO, will be reviewed at the next EC meeting. Mr. Kinney suggested that NYSRC counsel should verify with technical staff that the method of calculation of IRM is correct.

6.0 Next Meeting

NYISO offices at Washington Avenue Extension, Albany, NY on October 30, 2002 at 10:00 a.m.

The meeting was adjourned at 2:45 p.m.

Final Minutes of Meeting No. 40 submitted by Larry Hochberg on November 6, 2002.