

NEW YORK STATE RELIABILITY COUNCIL

2011 Reliability Compliance Program Highlights

*Prepared by the
Reliability Compliance
Monitoring Subcommittee*

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2011 NYSRC Reliability Compliance Program

Introduction

The New York State Reliability Council (NYSRC) Reliability Compliance Program is designed to measure and ensure compliance with NYSRC Reliability Rules in order to provide for a reliable bulk electric supply and delivery system in New York State. The NYSRC Reliability Compliance Monitoring Subcommittee (RCMS) manages the compliance program, which includes conducting reviews to ensure that the NYISO is in compliance with all NYSRC Reliability Rules, even those identified in the Rules as requiring actions by Market Participants. The NYISO has the responsibility of ensuring market participant compliance through its procedures and Market Services Tariff. The objective of the compliance program is to encourage compliance to the NYSRC Reliability Rules necessary to preserve the reliability of the New York Control Area. This report presents the highlights of the 2011 NYSRC Reliability Compliance Program.

Compliance with the NYSRC Reliability Rules is reviewed and evaluated in accordance with NYSRC Policy 4-5, *Procedure for Monitoring Compliance with the NYSRC Reliability Rules*, at: <http://www.nysrc.org/policies.asp>.

Another major reference document for the reliability compliance monitoring process is the NYSRC *Compliance Template Manual* (CT Manual). The CT Manual includes a compliance template for each measurement. These templates cover compliance documentation reporting and compliance monitoring responsibilities, reporting frequencies, and statements of requirements for full compliance and levels of non-compliance. The CT Manual also describes the types of non-compliance notification letters that must be issued for various levels of non-compliance. The CT Manual was updated twice during 2011 (Versions 22 and 23), reflecting adoption of five modified measurements and several compliance elements. See the CT Manual at: <http://www.nysrc.org/NYSRCReliabilityRulesComplianceMonitoring.asp>.

In 2011, the NYSRC maintained a total of 58 NYSRC measurements. Generally, each year's Reliability Compliance Program includes compliance reviews of most NYSRC measurements. Factors used for selecting the group of measurements to be reviewed each year include: (1) Measurements that require annual or monthly review, (2) Measurements in which compliance have not been reviewed in the past three years, (3) Measurements that have been adopted or modified over the previous year, (4) All measurements requiring actions by market participants, and (5) Measurements that were found in non-compliance during the previous year or if there are other compliance issues requiring a follow-up review. The annual Reliability Compliance Program is approved by the NYSRC Executive Committee every February.

2011 NYSRC Reliability Compliance Program Measurements

As shown in Table 1, the 2011 Reliability Compliance Program included 24 NYSRC measurements having NYISO reporting responsibility and 11 measurements having Market Participant reporting responsibility. This number of measurements, for which NYISO and Market Participant compliance was assessed, represents 71% of total NYSRC measurements. The Appendix is a summary of the NYSRC 2011 Reliability Compliance Program that depicts the measurements that were assessed, compliance documentation requirements, milestone dates, and compliance findings.

Table 1 – NYSRC 2011 Reliability Compliance Program Summary

	Measurements Requiring Actions by the NYISO	Measurements Requiring Actions by Market Participants	Total Measurements
Total NYSRC Measurements	46	12	58
Measurements included in 2011 NYSRC Compliance Program	24	11	35
2011 Program Measurements – NYISO in Full Compliance	24	11	35
2011 Program Measurements – NYISO in Non-Compliance	0	0	0

Table 1 shows that the NYISO was in full compliance with all measurements that were reviewed by RCMS in the 2011 Reliability Compliance Program. The NYISO found one market participant in non-compliance with one of these measurements, G-M3. This finding is discussed below.

In addition to reviewing compliance with measurements associated with the NYSRC Reliability Compliance Program, there are several measurements that require the NYISO to submit reports on an as-required basis. During 2011, RCMS received a self-report from the NYISO that it had briefly lost main control center communications, as required by Measurement J-M3. Communications were immediately restored via the auxiliary control center. The NYISO self-report was received four days after the required notification period. RCMS found the NYISO compliant with this measurement.

Highlights of the NYSRC 2011 Reliability Compliance Program

1. Measurement G-M3 Non-Compliance Finding

In November 2011, the NYISO certified that it had determined that a black start provider was noncompliant with Measurement G-M3. This measurement defines emergency restoration requirements for black start facilities. The specific compliance violation reported by the NYISO was that the provider did not satisfy G-M3 black start testing requirements for the 2011/2012 Capability Year by failing to successfully complete a required black start test on March 11, 2011. In accordance with NYSRC policy, if the NYISO cannot certify that a market participant has taken the actions required of it by the Reliability Rules, the NYISO is subject to a finding of non-compliance. The same black start provider failed to conduct a

required black start test in 2010 for the 2010/2011 Capability Year, which also resulted in a G-M3 violation.

An extensive review was undertaken by RCMS to establish as to whether the NYISO had taken all reasonable action to secure compliance with Measurement G-M3. The conclusion of this review was that the NYISO had taken all reasonable action, and therefore, in accordance with NYSRC policy, RCMS recommended that the Executive Committee waive non-compliance and that a non-compliance letter not be issued to the NYISO (see the RCMS report, *RCMS Review of Measurement G-M3 Compliance Violation for the 2011/2012 Capability Year*). RCMS also recommended in this report that certain related reliability rule and Policy 4 changes should be considered in 2012. On February 10, 2012, the Executive Committee agreed that NYISO non-compliance be waived, in addition the other RCMS recommendations in the report.

A related concern was raised in 2011 in which the same noncompliant black start provider desired to cease providing black start service in the NYCA Black Start Program for some of its units. Litigation on this issue is presently on-going. As a result, RCMS is initiating a separate investigation in 2012 to ascertain how withdrawal of black start units from the NYCA Black Start Program will impact system reliability and promptness of system restoration.

2. NYCA Transmission and Resource Adequacy Assessments

The NYSRC Reliability Rules require that the NYISO provide NYCA transmission and resource adequacy assessments to demonstrate that the NYISO complies with NYSRC Reliability Rules. The timing of the annual transmission review is coordinated with that of similar submissions required by NPCC.

To demonstrate compliance with NYSRC transmission design criteria in Reliability Rules B-R1, B-R2, B-R3, and B-R4 (thermal, voltage, stability, extreme contingency, and fault duty assessments), a NYISO transmission review, *2010 Comprehensive NYCA Transmission Review Through 2015* was submitted to RCMS in early 2011. The main conclusion of this review was that the NYS Bulk Power System, as planned through the year 2015, is in conformance with the applicable NERC Reliability Standards, NPCC Transmission Design Criteria and the NYSRC Reliability Rules. The same report was submitted to NPCC.

In addition to the above assessments, NYSRC rules require: (1) an assessment to ensure that the planned system is compatible with the NYCA System Restoration Plan (B-M3); (2) an assessment showing that the planned system is compatible with NYSRC local reliability rules (I-M4); and (3) an evaluation of an extreme system condition that assumes the loss of a major gas supply (K-M3). NYISO studies for these assessments concluded that the planned 2015 transmission system is compliant with all three of these requirements.

RCMS accepted the 2010 NYISO transmission review report, and concluded that the NYISO was in full compliance with all related NYSRC transmission assessment rule requirements.

To demonstrate compliance with NYSRC resource adequacy assessment requirements in K-M2b, the NYISO prepared the report *Annual Assessment of Resource Adequacy covering the NYCA for the 2011-2013 Period*. The study concluded that the 2011 NYCA IRM requirement

of 18.0% could be met throughout the 2011-2013 study period, assuming all planned resources were completed on schedule. RCMS accepted the report and concluded that the NYISO was in full compliance with NYSRC resource adequacy assessment rule requirements.

3. Policy 4 Revision

Policy 4, *NYSRC Procedure for Monitoring Compliance with the NYSRC Reliability Rules*, was revised in 2011. The Policy was completely revised – in particular, the new version defines in more detail compliance monitoring methods and types of compliance reporting, and has an expanded discussion of NYSRC procedures for conducting compliance assessments.

4. NYISO Compliance Documentation Submissions

Required NYISO compliance documentation for three 2011 Reliability Compliance Program compliance reviews were received late or incomplete. Due dates for submission of compliance documentation were known and acknowledged by the NYISO when the 2011 NYSRC Reliability Compliance Program was prepared by RCMS and approved by the Executive Committee in February. NYSRC compliance documentation lateness policy allows a 30-day grace period before non-compliance is found – acceptable compliance documentation was received from the NYISO for all three assessments within the grace period.

2011 NERC and NPCC Reliability Compliance Programs

In addition to complying with the NYSRC Rules, the NYISO must also comply with all applicable NERC standards and NPCC criteria. Compliance with NERC standards is mandatory. RCMS has oversight responsibility concerning NYISO compliance with these standards and criteria. NPCC has direct responsibility and authority to implement a compliance monitoring and enforcement program for NERC and regional standards, as well as monitoring compliance with NPCC-specific reliability criteria. During 2011, as a part of the NERC/NPCC Standards Compliance Program, NPCC reviewed NYISO compliance relative to 44 NERC standards and 240 related requirements, as well as five NPCC standards. NPCC found that the NYISO was in full compliance with these standards and requirements.

Conclusions

The following conclusions were reached by RCMS with regard to the NYSRC 2011 Reliability Compliance Program:

1. As in past years, the NYISO staff – especially Paul Kiernan and Jim Grant – provided valued assistance during the RCMS compliance review process.
2. The NYISO was found to be in full compliance with all 35 NYSRC measurements that were assessed by RCMS in the 2011 NYSRC Reliability Compliance Program. A market

participant was found by the NYISO in non-compliance with one measurement, G-M3. In addition, NPCC found the NYISO in full compliance with all NERC and NPCC standards and requirements that were assessed during 2011.

3. RCMS will initiate an investigation in 2012 to ascertain how withdrawal of black start units from the NYCA Black Start Program will impact system reliability and promptness of system restoration. This investigation may lead to recommendations to develop new rules or modifications to existing rules.
4. NYISO compliance documentation for three 2011 Reliability Compliance Program compliance reviews were received late or incomplete. No non-compliance findings were established because the required documentation was received within a 30-day grace period allowed by NYSRC policy. The NYSRC encourages the NYISO to make an effort to meet future compliance documentation due dates.

APPENDIX -- 2011 NYSRC RELIABILITY COMPLIANCE PROGRAM

MEAS./ COMP. TEMP.	RELATED RULE	MEASUREMENT DESCRIPTION	COMPLIANCE DOC. REQUIRED 1	DUE NYSRC	DATE RECV'D	DATE OF RCMS REVIEW	NYISO COMPL. LEVEL 2
Resource Adequacy							
A-M1	A-R1	Establishing NYCA IRM requirements	A	3/3/11	2/24/11	3/3/11	FC
A-M2	A-R2,3	Establishing LSE ICAP & LCR requirements	B	3/24/11	3/24/11	3/31/11	FC
A-M3	A-R2,3	Certifying LSE ICAP obligations are met*	C	10/27/11	10/27/11	11/3/11	FC
Transmission Capability – Planning							
B-M1	B-R1, B-R2, B-R3, and B-R7	Thermal, voltage, stability, and fault duty assessments for the planned NYCA system	D	3/17/11	3/17/11	3/31/11	FC
B-M2	B-R4	Extreme contingency assessment for the planned NYCA system	E	3/17/11	3/17/11	3/31/11	FC
B-M3	B-R5	Demonstration that system is planned considering ease of restoration	F	3/17/11	3/17/11	3/31/11	FC
B-M4	B-R6	List of NYS Bulk Power System Facilities	G	10/27/11	10/27/11	11/3/11	FC
Resource, System & Demand Data Requirements							
C-M1	C-R1	Procedures for resource verification capacity testing requirements	H	4/28/11	5/2/11	5/5/11 5	FC
C-M2	C-R1	Reporting resource DMNC test results to the NYISO*	I	12/1/11	11/22/11	11/29/11	FC
C-M3	C-R1	Reporting generator reactive power capacity test results to the NYISO*	J	11/29/11	11/22/11	11/29/11	FC
C-M7	C-R3	Documentation identifying the scope of load data to be reported by MPs	K	4/28/11	5/2/11	5/5/11 5	FC
C-M8	C-R3	NYCA load forecasts	L	10/27/11	10/27/11	11/3/11	FC

MEAS./ COMP. TEMP.	RELATED RULE	MEASUREMENT DESCRIPTION	COMPLIANCE DOC. REQUIRED ¹	DUE NYSRC	DATE RECV'D	DATE OF RCMS REVIEW	COMP. LEVEL ²
C-M9	C-R4	Procedures for maintenance of load flow, short-circuit and stability data	M	8/25/11	8/25/11	9/1/11	FC
C-M10	C-R4	Updating of load flow, short-circuit, and stability data bases	N	8/25/11	8/25/11	9/1/11	FC
C-M11	C-R4	Reporting of load flow, short-circuit and stability data to the NYISO*	O	8/25/11	8/25/11	9/1/11	FC
C-M13	C-R5	Certification that disturbance recording devices have been installed and data reported as required*	P	9/29/11	9/30/11	10/6/11	FC
Transmission Capability – Operating							
E-M6	E-R8	Pre-seasonal fault duty assessments	Q	[a] 5/26/11 [b] 9/29/11	5/26/11 9/30/11	6/2, 8/4/11 ⁶ 10/6/11	FC
E-M7	E-R8	MP evaluation of NYISO fault duty assessments*	R	9/29/11	9/30/11	10/6/11	FC
E-M9	E-R10	Reliability Rules exception review	S	9/29/11	10/6/11	10/6/11	FC
Operation During Major Emergencies							
F-M1	F-R1 to F-R7	Maintaining procedures for frequency, reserve, and transfer limit violations	T	5/26/11	5/26/11	6/02/11	FC
F-M4	F-R8	TO load shedding capability*	U	7/28/11	6/30/11	6/30/11	FC
F-M6	F-R5	Voltage reduction testing	V	7/7/11	6/30/11	6/30/11	FC
System Restoration							
G-M1	G-R1	NYISO procedures for maintaining a NYCA System Restoration Plan	W	4/28/11	5/2/11	5/5/11 ⁵	FC
G-M2	G-R1	Transmission Owner Restoration Plan requirements*	X	10/28/11	10/27/11	11/3/11	FC
G-M3	G-R1	Black Start Provider requirements*	Y ⁴	10/28/11	10/27/11, 11/29/11	11/3/11, 11/29/11, 1/5, 2/2/12 ⁸	FC ⁹
Local Reliability Rules							
I-M1	I-R1, I-R3, & I-R4	NYISO requirements for Con Ed to have procedures in accordance with I-R1, I-R3, and I-R4	Z	6/23/11	6/23/11, 7/28/11	6/30/11, 8/4/11	FC

MEAS./ COMP. TEMP.	RELATED RULE	MEASUREMENT DESCRIPTION	COMPLIANCE DOC. REQUIRED ¹	DUE NYSRC	DATE RECV'D	DATE OF RCMS REVIEW	COMP. LEVEL ²
I-M2	I-R5	NYISO requirements for LIPA to have procedures in accordance with I-R5	AA	6/23/11	6/23/11 7/28/11 ⁷	6/30/11 8/4/11 ⁷	FC
I-M3	I-R2	Procedures to ensure sufficient 10-min. reserve in NYC	BB	6/23/11	6/23/11 7/28/11 ⁷	6/30/11 8/4/11 ⁷	FC
I-M4	I-R1 to I-R5	Consideration of local rules in transmission planning and determination of operating limits	CC	3/17/11	3/17/11	3/31/11	FC
I-M5	I-R1, I-R3, I-R4	Con Ed Local Rule I-R1, R2 and R4 Procedures*	DD	11/22/11	11/22/11	11/29/11 ¹⁰	FC
I-M6	I-R5	LIPA Local Rule I-R5 Procedures*	EE	11/22/11	11/22/11	11/29/11 ¹⁰	FC
Reliability Assessment							
K-M2a	K-R2	NYCA 2009 transmission review	FF	3/17/11	3/17/11	3/31/11	FC
K-M2b	K-R2	NYCA 2010 resource adequacy assessment	GG	5/26/11	5/26/11	6/2/11	FC
K-M2d	K-R2	Monthly operations reports	--	Monthly	1/5/12 ³	1/5/12 ³	FC ³
K-M3	K-R3	Extreme system condition assessment	HH	3/17/11	3/17/11	3/31/11	FC

*Applicable to Market Participants, with compliance certification by the NYISO.

Footnotes

1. NYISO Compliance Documentation Requirements:

- A. **A-M1.** The Installed Capacity Subcommittee shall certify that it has conducted a study to calculate the NYCA IRM requirement for the 2011-2012 Capability Year in compliance with Reliability Rule A-R1 reliability criteria, and that the study followed NYSRC policies and procedures. The IRM study report is to be submitted to RCMS, and shall include study assumptions, procedures, and results as required by A-M1.
- B. **A-M2.** The NYISO shall submit a NYISO Locational Capacity Requirement (LCR) Report covering the 2011-2012 Capability Year. In addition, the NYISO shall provide either in the LCR Report or in a separate report, required 2011 LSE capacity and IRM requirements for meeting the NYCA 2011 IRM requirement of 15.5% and locational requirements; the allowable amount of LSE ICAP requirements that may be located externally to the NYCA; a statement of whether intra-zonal transmission constraints caused by deliverability issues or “bottled” generation have been considered by the NYISO. An appropriate NYISO staff person should be available at the RCMS meeting to review this information.
- C. **A-M3.** Certification that each LSE has demonstrated that it has procured sufficient capacity for the November 2010 to October 2011 period to meet its ICAP requirement in accordance with NYISO procedures and A-M3.

- D. **B-M1.** Evaluations of the thermal, voltage, short-circuit, and stability performance of the NYS BPS that shows that the system, as planned, is in conformance with criteria described in NYSRC Rules B-R1 to B-R3, and B-R7. These evaluations shall be included in the 2010 Transmission Assessment required by K-M2a (see Note FF), and prepared in accordance with the new *NYSRC Procedure for NYCA Transmission Reviews*.
- E. **B-M2.** An evaluation of performance of the NYS BPS for extreme contingencies as defined in NYSRC Rule B-R4 and B-M2. This evaluation shall be included with the 2010 Transmission Assessment required by K-M2a (see Note FF), and prepared in accordance with the new *NYSRC Procedure for NYCA Transmission Reviews*.
- F. **B-M3.** As required by B-M3, provide either required procedures, or reference to the required procedures, for assessing the impact of the system expansion plan on the NYCA Restoration Plan. This assessment shall be included with the 2010 Transmission Assessment required by K-M2a (see Note FF), and prepared in accordance with the new *NYSRC Procedure for NYCA Transmission Reviews*.
- G. **B-M4.** Compliance documentation shall include: (1) a NYISO procedure for developing the list of NYS Bulk Power System facilities, (2) a BPS Facilities List, and (3) location of where the BPS Facilities List is published.
- H. **C-M1.** Self-Certification, listing references to required NYISO resource testing procedures that comply with C-M1. The NYISO should also point out where revisions to these procedures were made to reflect PRR 104, which was adopted in November 2010.
- I. **C-M2.** Certification that, during the winter 2010 and summer 2011 capability periods, applicable generation owners responsible for providing ICAP were in compliance or non-compliance with C-M2.
- J. **C-M3.** Certification that, during the summer 2010 capability period, applicable generation owners were in compliance or non-compliance with C-M3.
- K. **C-M7.** Self-Certification that NYISO procedures, or other documentation, identify reporting requirements for submission of actual and forecast demand and energy data to the NYISO.
- L. **C-M8.** Self-Certification that the NYISO procedures meet C-M8 requirements and has provided ICS with two 2012 NYCA load forecasts for use in the 2012 IRM study: the first forecast provided in the NYISO 2011 “Gold Book;” the second should be an update of the first, based on actual summer 2011 load conditions – due on October 3, 2011.
- M. **C-M9.** Self-Certification that NYISO procedures are in place for the development of load flow, short-circuit, and stability data bases in accordance with C-M9. The NYISO should also describe its data reasonableness guidelines, the process the NYISO has used to apply these guidelines, and examples of how the guidelines have been applied in accordance with C-M9.2, 9.3, and 9.4 since the Measurement C-M9 was revised in July 2010 (see PRR 103). A NYISO staff person should be available at the RCMS meeting to review this information.
- N. **C-M10.** Self-Certification that load flow, short circuit and stability data bases have been updated over the previous 12 months, as specified in accordance with NYISO procedures.
- O. **C-M11.** Certification that market participants and developers have provided load flow, short-circuit, and stability data bases to the NYISO in accordance with C-M11. Describe how market participants and developers have complied with revised C-M11 requirements in PRR 103. (see Note M).
- P. **C-M13.** Certification that market participants have installed disturbance recording devices and reported data in accordance with NYISO procedures as required by C-M13.
- Q. **E-M6.** [A] A NYISO report covering a 2011 pre-seasonal assessment evaluating fault duty at each BPS station. [B] If the above report shows fault duty levels exceed equipment ratings, provide mitigation plans jointly approved by the NYISO and equipment owners.
- R. **E-M7.** Certification that applicable equipment owners have evaluated NYISO fault duty assessments in accordance with E-M6 & E-M7.

- S. **E-M9.** Self-Certification that the NYISO: (1) requested each Transmission Owner in 2011 to assess its exceptions for any recommended changes, and (2) that it has reviewed exception application requests from the NYSRC in accordance with revised NYSRC Policy 1 and E-M9 requirements (PRR 105). Also summarize any approved exception additions, removals, or revisions since January 2011.
- T. **F-M1.** Self-Certification that the NYISO maintains procedures in accordance with F-M1 to ensure that all MPs will respond correctly when frequency, reserves and thermal, voltage and/or stability limits are violated.
- U. **F-M4.** Certification that transmission owners have reported load shedding documentation to the NYISO, in accordance with NYISO procedures and F-M4 requirements.
- V. **F-M6.** A report on the results of statewide voltage reduction tests for the 2011 summer period in accordance with F-M6 requirements shall be provided. The results of these tests shall be available in time for use in the NYSRC 2012 IRM Study. In the event system conditions delay voltage tests, test results may be submitted as late as July 30, 2011.
- W. **G-M1.** Self-Certification that NYISO restoration procedures and actions are in compliance with G-M1 requirements. Also include a reference to new or revised procedures as a result of implementing a G-M1.5 revision adopted in January 2011, in accordance with PRR 106.
- X. **G-M2.** Certification that all TOs have established restoration plans and procedures, and completed actions in compliance with NYISO procedures and G-M2.
- Y. **G-M3.** Certification that blackstart providers have established procedures and completed actions in compliance with NYISO procedures and G-M3 requirements, including annually providing a letter to the NYISO confirming that they have identified and maintained a list of critical components of its facilities.
- Z. **I-M1.** Self-Certification that NYISO procedures requiring Con Edison to develop procedures for operating in accordance with NYSRC Rules I-R1, I-R3 and I-R4 are in place and that the NYISO has approved these Con Edison procedures, in accordance with I-M1 requirements.
- AA. **I-M2.** Self-Certification that NYISO procedures requiring LIPA to develop procedures for operating in accordance with NYSRC Rule I-R5 and that the NYISO has approved these LIPA procedures, in accordance with I-M2 requirements.
- BB. **I-M3.** Self-Certification that NYISO procedures are in place that ensure that sufficient ten-minute reserves are maintained in the NYC Zone, in accordance with NYSRC Rule I-R2.
- CC. **I-M4.** [A] An assessment showing that I-M4 requirements have been met for transmission planning, including application examples. [B] An assessment showing that I-M4 requirements have been met for developing operating limits, including examples. These assessments shall be included with the 2010 NYCA Transmission Assessment required by K-M2a (see Note FF), and prepared in accordance with the new *NYSRC Procedure for NYCA Transmission Reviews*.
- DD. **I-M5.** Certification that Con Edison maintains required procedures and has properly notified the NYISO when actions have been taken in accordance with I-R1, I-R3, and I-R4 requirements. The NYISO shall also provide illustrations of the types of Con Edison actions taken that were reported in these notifications.
- EE. **I-M6.** Certification that LIPA maintains required procedures and has properly notified the NYISO when actions have been taken in accordance with I-R5 requirements. The NYISO shall also provide illustrations of the types of LIPA actions taken that were reported in these notifications.
- FF. **K-M2a.** Preparation of a NYCA 2010 Transmission Assessment Report in accordance with the new *NYSRC Procedure for NYCA Transmission Reviews*. Submission of the draft assessment report to the NYSRC should be coordinated with its submission to NPCC. An appropriate NYISO staff person should be available at the March 10 RCMS meeting to review this report.
- GG. **K-M2b.** A NYCA Resource Adequacy Report for the 2011-2013 period.

HH. **K-M3.** An analysis of simulation testing to assess the impact of Extreme System Contingency Conditions on the NYS BPS. This analysis shall be included with the 2010 Transmission Assessment required by K-M2a (see Note FF) and prepared in accordance with the new *NYSRC Procedure for NYCA Transmission Reviews*.

2. NYISO Compliance Levels

FC – Full Compliance

NC1 – Non-Compliance Level 1

NC2 – Non-Compliance Level 2

NC3 – Non-Compliance Level 3

NC4 – Non-Compliance Level 4

3. The January 5, 2012 compliance review applied to the November and December 2011 monthly reports. All 2011 monthly reports were in Full Compliance.
4. In addition to these compliance documentation requirements, the NYISO shall notify RCMS: (1) about any resolution the NYISO has been able to achieve with the 2010-11 Capability Year noncompliant Black Start Provider concerning its G-M3 compliance and black start testing for the 2011-12 Capability Year, and (2) when the Provider comes into full compliance for the 2011-2012 Capability Year. RCMS continues to monitor these issues. See Footnote 8.
5. On May 5, RCMS found NYISO compliance submissions for C-M1, C-M7, and G-M1 to be incomplete. In accordance with the NYSRC policy on lateness – to avoid non-compliance findings – by May 28, 2011, the NYISO was required to re-submit corrected and complete documentation in accordance with compliance documentation requirements for these measurements, as set forth in this 2011 Compliance Program. Complete and corrected compliance documentation for all three measurements was received on May 10, 2011, after which RCMS found the NYISO to be in full compliance with C-M1, C-M7, and G-M1.
6. Compliance finding was delayed pending requested revision of NYISO 2011 pre-seasonal fault current assessment report and responses to questions. RCMS requested supplemental information to be included in 2012 report (see 8/4/11 RCMS minutes for further details).
7. On June 30, RCMS found NYISO compliance submissions for I-M1, I-M2, and I-M3 to be incomplete and outdated. In accordance with the NYSRC policy on lateness, the NYISO was granted 30 days, to July 30, to submit corrected and compliant documentation to avoid a non-compliance finding. Revised compliance documentation was received on July 29 which was found on August 4 to be in full compliance.
8. On November 3, the NYISO withdrew a G-M3 certification submitted on October 27 stating that a Black Start Provider was in non-compliance for failing to successfully complete a required black start test. In accordance with the NYSRC policy on lateness – to avoid a non-compliance late reporting finding, by November 28, 2011 the NYISO is required to re-submit a corrected G-M3 certification. On November 28, 2011, the NYISO certified that one Black Start Provider is in non-compliance with G-M3. Therefore, in accordance with Policy 4, the NYISO is subject to a non-compliance finding. Subsequent to the November 29 RCMS meeting, Mr. Yeomans transmitted a letter to Mr. Clayton, dated December 2, which informed the NYSRC of actions the NYISO has taken to bring the Black Start Provider into compliance. On December 16, Mr. Clayton e-mailed a letter to Mr. Yeomans requesting additional information – a response was received on December 22. G-M3 compliance was further reviewed by RCMS on January 5, 2012. Additional information was requested – a response was received from the Mr. Yeomans on January 11, 2012. RCMS prepared a report to the EC at its February 2, 2012 meeting which recommended to waive the preliminary non-compliance finding.
9. On February 10, 2012, the EC approved a RCMS recommendation to waive non-compliance. See footnote 8.

10. RCMS found the NYISO in Full Compliance with I-M5 and I-M6 pending revising its Certification forms to include illustrations of the types actions taken by Con Ed and LIPA, respectively, that were reported in notifications to the NYISO. This supplemental information was received on December 1 and December 5, respectively.

2011 “As Required” NYISO Compliance Reports

Measurement	Reported Event	Date NYISO Event Report was Received	RCMS Review Date(s)	Comments	NYISO Compl. Level
J-M3	Loss of NYISO Control Center Communications – April 1, 2011	5/5/11	5/5/11, 6/2/11	Event report was received four days after J-M3 required notification period.	FC