

NEW YORK STATE RELIABILITY COUNCIL

2014 Reliability Compliance Program Highlights

*Prepared by the
Reliability Compliance
Monitoring Subcommittee*

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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 2014 Reliability Compliance Program, the major process used by the NYSRC to monitor NYISO compliance with the Reliability Rules. In addition, this report covers a Self-Report submitted by the NYISO.

On January 1, 2015, new Compliance Manual (RR&C Manual) was published. The new manual merged the previous Reliability Rules and the NYSRC Compliance Template Manuals into a single manual. The Reliability Rules in the RR&C Manual are in new reorganized format which will be recognized in the 2015 Reliability Compliance Program.

Compliance with the NYSRC Reliability Rules is reviewed and evaluated in accordance with NYSRC Policy 4-6, *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 once during 2014 (Version 26), reflecting adoption of two new measurements and related compliance elements, and the retirement of three measurements. The CT Manual will be retired in 2015 when compliance elements will be incorporated into the new RR&C Manual.

2014 Reliability Compliance Program

By the end of 2014 the NYSRC maintained a total of 59 NYSRC measurements. Generally, each year's Reliability Compliance Program includes compliance reviews of most NYSRC measurements. Factors used for selecting the group of measurements for review in 2014 included: (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 during February.

As shown in Table 1, the 2014 Reliability Compliance Program included compliance reviews of 24 NYSRC measurements having NYISO reporting responsibility and 14 measurements having Market Participant reporting responsibility. This number of measurements for which NYISO and Market Participant compliance was assessed represents nearly two-thirds of total NYSRC measurements. Not included in these compliance reviews were newly adopted measurements I-M7 and I-M8 that specify NYISO and Con Edison requirements, respectively, for identifying black start resources. The Implementation Plan for these measurements was monitored as a part of the Reliability Compliance Program. The status as of December 31, 2014 of this Implementation Plan is discussed below.

Appendix A is a summary of the 2014 Reliability Compliance Program that depicts the measurements that were assessed, milestone dates, and compliance findings. Appendix B depicts compliance documentation requirements.

Table 1: NYSRC 2014 Reliability Compliance Program Summary

	Measurements Requiring Actions by the NYISO	Measurements Requiring Actions by Market Participants	Total Measurements
Total NYSRC Measurements	44	15	59
Measurements included in 2014 NYSRC Compliance Program	24	14	38
2014 Program Measurements – NYISO in Full Compliance	24	14	38
2014 Program Measurements – NYISO in Non-Compliance	0	0	0

Table 1 shows that the NYISO and market participants were in full compliance with all measurements that were reviewed by RCMS in the 2014 Reliability Compliance Program.

Implementation Status for Measurements I-M7 and I-M8

These new measurements require NYISO and Con Edison procedures and actions for identifying black start resources needed for an effective Con Edison system restoration plan. The Implementation Plan for these measurements requires the NYISO to pursue tariff revisions necessary to establish the authority needed to comply with this rule change. Accordingly, on December 3, 2014 the NYISO submitted to FERC proposed provisions to the black start and system restoration service in its Market Administration and Control Area Services Tariff. On December 23, 2014 the NYSRC filed comments in support of the NYISO filing. RCMS will continue to monitor NYISO implementation of I-M7 and I-M8 in 2015.

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 a similar transmission review submission that is required by NPCC. A 2013 transmission review submitted to RCMS in 2014 concluded that the NYS Bulk Power System, as planned through the year 2018, conforms to the NYSRC transmission planning Reliability Rules. However, implementation of corrective actions will be required for meeting performance requirements of the NYSRC Reliability Rules. With these mitigation plans in place no additional upgrades will be necessary. RCMS will review the status of these mitigation plans in future transmission reviews.

To demonstrate compliance with NYSRC resource adequacy assessment requirements, the NYISO prepared the report, *Annual Assessment of Resource Adequacy covering the NYCA for the 2014-2016 Period*. The assessment concluded that for the NYCA baseline load forecast, a 17.0% IRM requirement would be met throughout the study period even if all planned resources are unavailable. However, a 17.0% IRM requirement would not be met if higher than forecast 90th percentile peak loads actually occurred during the 2014-16 period.

NYISO Compliance Documentation Submissions

The success of the NYSRC Compliance Program depends on timely and complete submissions of NYISO compliance documentation. In past compliance programs some NYISO compliance submissions were delayed or found to be incomplete. During 2014 all compliance

documentation was submitted by the NYISO prior to their scheduled compliance review dates and all were found to be complete.

NYISO Self-Report

Disruption of NYISO ICCP Data Communications

Measurement J-M3 requires the NYISO to submit a report to the NYSRC when critical voice/and or data systems are lost. Such a report was received that described an event on February 23, 2014 in which a disruption of the Supervisory Control and Data Acquisition/Management System (SCADA/EMS) service resulted in loss of some monitoring capability and ICCP data communications for 46 minutes. The root cause of the event was a network failure due to compatibility issues between legacy and new SCADA computer network distribution layer switches. All remaining legacy switches were replaced as part of the corrective action plan.

NERC and NPCC 2014 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 2014, as a part of the NERC/NPCC Standards Compliance Program, NPCC reviewed NYISO compliance relative to __ NERC standards and __ related requirements, as well as __ NPCC standards. NPCC found the NYIS in full compliance with these standards and requirements.

Conclusions

The following conclusions were reached by RCMS with regard to the NYSRC 2012 Reliability Compliance Program:

1. The NYISO Staff continued to provide valued assistance during the RCMS reliability compliance review process.
2. The NYISO was found to be in full compliance with all 38 NYSRC measurements that were assessed by RCMS in the 2014 NYSRC Reliability Compliance Program. In addition,

NPCC found the NYISO in full compliance with all NERC and NPCC standards and requirements that were assessed during 2014.

3. During 2014 all compliance documentation was submitted by the NYISO prior to their scheduled compliance review dates and all were found complete.