

**NEW YORK STATE
RELIABILITY
COUNCIL**

*2016 Reliability
Compliance Program
Highlights*

*Prepared by the
Reliability Compliance
Monitoring Subcommittee*

_____, 2017



NYSRC 2016 Reliability Compliance Program Highlights

Introduction

This report presents the highlights of the 2016 NYSRC Reliability Compliance Program, the major process used by the NYSRC to monitor NYISO compliance with the Reliability Rules and related Requirements.

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, including 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 with the NYSRC Reliability Rules necessary to preserve the reliability of the New York Control Area.

The NYISO and market participants are responsible for complying with the reliability requirements related to the Reliability Rules. Full compliance with a reliability requirement, as defined by an associated measure, is demonstrated by evidence provided by the NYISO or a market participant. The Reliability Rules also include levels of non-compliance and a description of the compliance process associated with each measure. These compliance elements are described in detail in the Introduction to the RR&C Manual.

Compliance with the NYSRC Reliability Rules is reviewed and evaluated in accordance with NYSRC Policy 4-7, *Procedure for Monitoring Compliance with the NYSRC Reliability Rules*, at: <http://www.nysrc.org/policies.asp>. In late 2015 a three-year NYSRC compliance review plan was developed and adopted by RCMS. The NYSRC 2016 Reliability Review Program described in this report represents the first year of this three-year plan.

2016 NYSRC Reliability Compliance Program

In 2016 the NYSRC maintained a total of 103 reliability requirements related to 29 Reliability Rules. The 2016 Compliance Program constituted 33 assessments which reviewed compliance with 58 requirements or 56% of NYSRC's requirements.

As shown in Table 1 below, the 2016 Reliability Compliance Program included compliance reviews of 43 requirements having NYISO reporting responsibility and 15 requirements having market participant reporting responsibility. Table 1 also shows that the NYISO and market participants were in full compliance with all Requirements for which compliance was reviewed in the 2016 Reliability Compliance Program.

Table 1
2016 NYSRC Compliance Program Summary

	# of Compliance Assessments	Reliability Requirements Found in Full Compliance	Reliability Requirements Found in Non-Compliance
NYISO	18	43	0
Market Participants	15	15	0
Totals	33	58	0

Appendix A is a summary of the 2016 Reliability Compliance Program that depicts the Requirements that were assessed, milestone dates, and compliance findings. Appendix B depicts compliance documentation requirements.

PRR 116A Implementation Plan: Identification of Eligible Black Start Resources for Con Edison System Restoration Plan

After pursuing and securing NYISO tariff revisions necessary to establish the authority required for identifying eligible black start resources needed for an effective Con Edison system restoration plan in 2015 – in accordance with the PRR 116A Implementation Plan – Con Edison was required by PRR 116A to submit evidence that it had conducted a study for identifying eligible black start resources that could provide a material benefit to Con Edison's system restoration plan. In 2016 results of this required study were reported to RCMS: it had identified the need for two new facilities for Con Edison's black start program: the NYCA Hellgate and Harlem River gas turbine units. Accordingly, Con Edison was found in full compliance with the Reliability Rules.

New York Control Area (NYCA) Transmission and Resource Adequacy Assessments

NYSRC Reliability Rules require that the NYISO provide NYCA transmission and resource adequacy assessments to demonstrate that the NYISO is in compliance with these Rules.

The timing of the annual transmission review is coordinated with that of a similar transmission review submission required by NPCC. A 2015 NYCA Comprehensive Transmission Review, submitted to RCMS in 2016, concluded that the NYS Bulk Power System, as planned through the year 2020, conforms to NYSRC Reliability Rules. However, implementation of Corrective Action Plans described in the NYISO report will be required to meet criteria. With these mitigation plans in place, no additional upgrades will be necessary to meet the performance requirements defined by the Reliability Rules. RCMS will review the status of these Correction Action Plans in future transmission reviews.

To demonstrate compliance with NYSRC resource adequacy assessment requirements, the NYISO prepared the report, *Annual Assessment of Resource Adequacy for the Years 2016-2018*. The assessment concluded that for the NYCA baseline load forecast, a 17.5% IRM requirement would be met throughout the study period even if all planned resources are unavailable. However, a 17.5% IRM requirement would not be met during the 2016-2018 period, with only resources internal to New York, if a peak loads in excess of the 90th percentile of the forecast load actually occur.

NYISO Compliance Documentation Submissions

The success of the NYSRC Compliance Program depends on timely and complete submissions of compliance documentation prepared by the NYISO. Since 2014, all required compliance documentation has been submitted to RCMS by the NYISO in accordance with compliance documentation due dates, and all submissions were found to be complete.

NERC and NPCC 2016 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 2016, as a part of the NERC/NPCC Standards Compliance Program, NPCC

reviewed and found the NYISO in full compliance with ___ NERC Standards with ___ Requirements, as well as ___ NPCC directories.

Conclusions

The following conclusions were reached by RCMS with regard to the NYSRC 2016 Reliability Compliance Program:

1. The NYISO staff continued to provide valued assistance during the NYSRC reliability compliance review process.
2. The NYISO and market participants were in full compliance with all 58 NYSRC reliability requirements that were assessed by RCMS in the 2016 NYSRC Reliability Compliance Program. In addition, NPCC found the NYISO in full compliance with all NERC reliability requirements and NPCC directories that were assessed during 2016.
3. All required NYISO compliance documentation associated with the 2016 Reliability Compliance Program was submitted on time to RCMS and found to be complete.