

**Joint Meeting of the
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS) /
Reliability Compliance Monitoring Subcommittee (RCMS)
Thursday, November 3, 2016**

Minutes of RRS Meeting No. 207 – Conference Call

RRS Members and Alternates:

Roger Clayton, Electric Power Resources (Chairman)
Larry Hochberg, NYPA (Vice Chairman) (phone)
Martin Paszek, Con Edison (Secretary)
Zoraini Rodriguez, PSEG_LI/LIPA (phone)
Roy Pfleiderer, National Grid (phone)
Erin Doane, Central Hudson (phone)

Non-Voting Participants:

Al Adamson, Consultant
Jim Grant, NYISO

Guests:

Brian Shanahan, National Grid
Paul Gioia, Counsel
Chris Sharp, NYISO
Dan Head, Con Edison (phone)
Abhilash Gari, NYPA (phone)
Sunil Palla, NYPA (phone)

RRS Meeting # 207 was called to order by Mr. Clayton at 9:30 am.

1. Introduction

1.1 Executive Session

Mr. Paszek requested an Executive Session in order to present a CEII presentation toward Con Edison System Restoration Plan (SRP) that is material to Agenda Item 3.1.1 PRR 135 G.4 (R2), System Restoration (clarification).

Notes from the Executive Session were not kept.

1.2 Requests for additional Agenda Items

None requested.

2. Approval of Minutes / Action Items

2.1 Approval of RRS Minutes #206

RRS reviewed the Minutes from the last RRS meeting. A minor comment was provided to the Minutes and with this change, Minutes are considered as final.

2.2 RRS 206 Status Report to EC

Mr. Clayton presented to the RRS a copy of the 'RRS 206 Status Report to EC', which he develops for the purpose of summarizing at the next NYSRC Executive Committee meeting what RRS has done at its prior meeting.

Mr. Clayton informed RRS that the NYSRC Executive Committee has approved changes to Policy 1 Guidelines for RR&CM Revisions (i.e. Section 10: *Reliability Rules Development Recognizing NERC and NPCC Standards and Criteria*).

2.3 RRS Action Items List

Action Item 206-4:

Mr. Clayton stated that he has done some research on this subject; 3rd party sites could become an issue due to distribution of CEII documentation (rare occurrence but a real issue). Mr. Grant proposed/offered that RRS could utilize NYISO WebEx services; to be confirmed internally at the NYISO. Mr. Grant was added as a Responsible Individual to Action Item 206-4. The due date has been changed to 11/29/2016.

Action Item 206-3: The status is changed to 'Completed'.

Action Item 206-2: On agenda today and status is changed to 'Completed'.

Action Item 206-1: The status is changed to 'Completed'.

Action Item 205-1:

Mr. Grant stated that both Action Items 139-1 and 141-1 can be closed as NERC BAL Standards have been revised and these Standards address Governor and Frequency response issues. The status is changed to 'Completed'.

Action Item 204-2:

On-going. Mr. Paszek informed RRS on the Con Edison progress of its meetings with Black Start providers (within Zone J); Con Edison has met with one Black Start provider.

Action Item 197-8: On-going.

Action Item 141-1: See Action Item 205-1. The status is changed to 'Completed'.

Action Item 139-1: See Action Item 205-1. The status is changed to 'Completed'.

Action Item 83-8: On-going.

3. NYSRC Reliability Rules Development

3.1 Outstanding PRR List

Mr. Clayton stated that three PRRs – PRR131C, PRR133 and PRR135 – were approved by the NYSRC Executive Committee for posting, the comment period ended and that these are up for a final discussion at this RRS meeting.

PRR 135 is under RRS review on today's agenda.

3.1.1 PRR 135: G.4 (R2), System Restoration (clarification)

Mr. Clayton provided a short summary on this subject where at the last RRS meeting Con Edison proposed to define 'relevant system conditions' that would clarify when a study, to identify an inclusion of an Eligible Black Start Resource, could be triggered. Mr. Paszek stated that Con Edison would like to define 'relevant system conditions' as the existing Requirement (G.4 R1.1) can be perceived as 'open ended'; requiring a study although a study is not needed (in order to simply satisfy compliance).

Con Edison proposed the following definition of 'relevant system conditions': "*An existing Black Start Resource leaves the NYISO Black Start and System Restoration Services Program, or the cranking path utilized in the SRP has been permanently altered.*"

Mr. Clayton asked if 'cranking path' is defined / understood; should RRS define it? Mr. Paszek stated that NERC defines 'cranking path'. After a short discussion RRS decided to add NERC definition of a 'cranking path' directly into PRR 135 definition of 'relevant system conditions'. The new definition reads: "*An existing Black Start Resource leaves the NYISO Black Start and System Restoration Services Program, or the cranking path (a portion of the electric system that can be isolated and then energized to deliver electric power from a generation source to enable the startup of one or more other generating units) utilized in the SRP has been permanently altered.*"

Action Item 207-1: Modify PRR 135 (with addition of NERC definition of 'cranking path').

Mr. Clayton asked if there are any objections for RRS to make a recommendation to the NYSRC Executive Committee to post PRR 135 (with above revisions) for comments. No objections were recorded.

3.2. PRRs for EC final approval after posting

3.2.1 PRR 131C G.2, Loss of gas Supply NYC

Mr. Clayton provided a short summary on this subject and stated that PRR131C was approved by NYSRC Executive Committee for posting, the comment period ended and comments have been provided by NYPA and IPPNY, and that PRR 131C is up for a final discussion at this RRS meeting.

Mr. Palla raised two issues. Issue 1: *Why is the NYSRC targeting specific generators for a Natural Gas System reliability issue; why not target the Natural Gas system operator to provide a more robust system to maintain proper service.* Mr. Paszek stated that this issue has been discussed at the prior RRS meeting and the simple answer is that NYSRC does not have a jurisdiction of the Natural Gas system. Issue 2: *Compensation has to be determined PRIOR any ruling can be passed to ensure proper compensation to the TARGETED generators.* Mr. Gioia stated that the NYSRC does not deal with compensation.

Mr. Hochberg asked if the NYSRC needs to consider benefit to cost (B/C) impact of a new reliability rule. Mr. Gioia stated that the NYSRC does not do B/C analysis; entities can comment on such an impact. Mr. Hochberg stated that NYPA does not see any reliability improvement from PRR 131C, and that the testing could be costly. Mr. Paszek stated that Con Edison is relying on these units in their Minimum Oil Burn (MOB) Program / Loss of Gas studies. There is a concern that the current studies rely on Combined Cycle units that cannot perform their intended function (high failure rate) - undermining system reliability - and as such Con Edison may change the assumptions on how these units are committed as part of the MOB Program. The result could be that more oil is burned pre-contingency, as certain units cannot swap from gas to oil post-contingency.

Mr. Clayton asked if RRS would recommend PRR 131C (with due regard to NYPA and IPPNY comments) to the NYSRC Executive Committee (EC) for a final EC approval. NYPA objected. No other objections were received.

3.2.2 PRR 133 F, System Restoration (F.1 revision / F.2 retirement)

PRR133 was approved by NYSRC Executive Committee for posting, the comment period ended and no comments have been received. PRR 134 is up for a final discussion at this RRS meeting.

Mr. Clayton provided a short summary on this subject and summarized comments provided by the NYISO where the NYISO proposed an inclusion of steam turbine units as supplemental units; resulting in them being subject to a set of less stringent testing requirements.

Mr. Gioia asked if the NYISO proposal would provide any reliability benefits. Mr. Paszek stated that the NYISO proposal would undermine Con Edison System Restoration Plan (SRP); thus reliability. A Black Start Resource shall be tested per NERC EOP-005 / NPCC Directory 8 and hopefully NYSRC Reliability Rules, in order to prove that such a resource can start on its own, energize a dead bus and idle for 10 minutes. Or in other words, to prove – through a test – its intended function during system emergencies (i.e. system restoration from a black out). Mr. Gioia asked would the NYISO proposal do any harm. Mr. Paszek stated that the NYISO proposal would create a group of resources that would be subject to a set of less stringent requirements, undermining reliability. Mr. Gioia asked if RRS is ‘wasting time’ with a proposal to define supplemental unit(s) if the Transmission Owners are not keen on using such resources. Mr. Paszek stated that Yes, RRS should not define supplemental units as part of the NYSRC RR&CM.

Mr. Adamson stated that the units must be defined as Black Start and that all Black Start units should be tested based on the new revised reliability rules (i.e. per PRR 133). To allow any other type would result in the reduction of reliability.

Mr. Gioia stated that the NYISO proposal would allow for inclusion of other units during system restoration. Mr. Paszek stated that Con Edison SRP is set up so that it utilizes ALL units (whether they are steam electric, combined cycle, etc.) that are connected within Con Edison service area for system restoration. Mr. Shanahan stated that the owners of ALL other units that are utilized in Transmission Owners SRPs could raise an issue if the NYSRC decided to create a 2nd tier (i.e. supplemental units) group that would be applied to steam electric units only, whereas ALL other units could be more key in Transmission Owners SRPs. Mr. Clayton stated that the creation of a 2nd tier group could potentially create a scenario where a Black Start unit (tier 1) ‘chooses’ to perform a less stringent test (per tier 2 less stringent testing).

Mr. Clayton asked if the NYISO Tariff would have to be changed in order to accomplish the NYISO proposal for supplemental units. Mr. Sharp stated No; the NYISO Tariff can handle supplemental units w/o any major changes. Mr. Clayton stated that this would mean that a supplemental unit, which would be subject to a set of less stringent testing requirements, would be paid the same as a Black Start Resource. Mr. Gioia stated that this is a compensation issues; a NYISO issue. Mr. Sharp stated that ‘we’ could compensate them less. Mr. Clayton stated that that would require major revision to the NYISO Tariff.

In summary, Mr. Clayton stated that as Con Edison, and other NYCA Transmission Owners, are registered with NERC as TP/TOP they are subject to NERC EOP-005 *System Restoration from Blackstart Resources*. In addition, Con Edison has stated that there would be no reliability benefit of having a designation of ‘supplemental units’ that would be subject to less stringent Black Start testing requirements.

Mr. Clayton asked if RRS would recommend PRR 133 (with due regard to NYISO comments) to the NYSRC Executive Committee (EC) for a final EC approval. No objections were received.

3.2.3 PRR 134 I.5, Disturbance Recording (I.5 retirement)

Mr. Clayton provided a short summary on this subject where the recommendation is to retire Reliability Rule I.5; due to more stringent and specific NERC and NPCC Standards and Criteria. PRR134 was approved by NYSRC Executive Committee for posting, the comment period ended and no comments have been received. PRR 134 is up for a final discussion at this RRS meeting.

Mr. Clayton asked if a discussion is needed. The discussion was not required.

Mr. Clayton asked if RRS would recommend PRR 134 to the NYSRC Executive Committee (EC) for a final EC approval. No other objections were received.

4. NPCC Directories

Mr. Paszek stated that NPCC TFCP is drafting a Scope of Work for CP-11 Working Group as it relates to NPCC Document A-10. The tentative schedule is “[...] *to be established by Working Group with a completion of December 2017*”.

5. NERC SARS/Organization Standards

5.1 NERC Standard Tracking

No new updates.

6. Additional Agenda Items

6.1 REV Potential Impact on NYS BPS Reliability

Mr. Clayton stated that the NYISO is conducting studies on such impacts. Mr. Grant stated that the NYISO is indeed performing these complex studies. Mr. Grant stated that NYS Clean Power Plant standard is more stringent than any federal statute. The NYISO will meet federal statutes, but may not (still under discussion / analysis) meet NYS Clean Power Plant standard.

Action Item 207-2: Provide to RRS a status report toward NYISO ‘REV’ impact studies; as it relates to reliability.

The Agenda Item is on-going.

7. Reports

7.1 NYSRC EC Meeting Report

No new updates.

7.2 NYSRC ICS Meeting Report

Mr. Adamson stated that the NYISO is running two cases. One is to establish the final IRM for 2017. Second (a special sensitivity) is to study last minute topology changes (on Long Island) that could pressure the 2017 IRM to increase. The NYSRC Executive Committee may decide to use the IRM from the second case.

Mr. Pfleiderer informed RRS that this is his last RRS meeting, after 10 years or so, as he is retiring at the end of November 2016. Mr. Pfleiderer thanked RRS for interesting and stimulating conversations and thanked for the level of professionalism exhibited over the years at these meetings.

Mr. Clayton, on the behalf of the RRS and the NYSRC as a whole, thanked Mr. Pfleiderer for his extraordinary service. Mr. Clayton stated that Mr. Pfleiderer has been a great asset, very professional and wishing him all the best.

Meeting ended at 11:55 AM.

Next Meeting #208

Tuesday, November 29, 2016; 9:30 am @ NYSERDA, 17 Columbia Circle, Albany