

NEW YORK STATE RELIABILITY COUNCIL

2009 Reliability Compliance Program

*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 results of the NYSRC 2009 Reliability Compliance Program.

Compliance with the NYSRC Reliability Rules is reviewed and evaluated in accordance with NYSRC Policy 4-4, *Procedure for Monitoring Compliance with the NYSRC Reliability Rules*.

Another major reference document for the reliability compliance monitoring process is the NYSRC *Compliance Template Manual*. The *Compliance Template Manual* includes a compliance template for each measurement. These templates cover reporting and compliance monitoring responsibilities, reporting frequencies, and statements of requirements for full compliance and levels of non-compliance. The Compliance Template Manual also describes the types of non-compliance notification letters that must be issued for various levels of non-compliance. The *Compliance Template Manual* was updated four times during 2009 (Versions 17-20), reflecting adoption of seven modified measurements.

In 2009, the NYSRC maintained a total of 57 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 Market participant measurements, and (5) Measurements that were found in non-compliance during the previous year or if other issues associated with NYISO compliance require a follow-up review. The annual Reliability Compliance Program is approved by the NYSRC Executive Committee every February.

2009 Reliability Compliance Program Measurements

As shown in Table 1, the 2009 Reliability Compliance Program included 20 NYSRC measurements having NYISO reporting responsibility and 12 measurements having Market Participant reporting responsibility. This number of measurements, for which NYISO and Market Participant compliance was assessed, represents 56% of the total NYSRC measurements. The Appendix is a summary of the NYSRC 2009 Reliability Compliance Program that depicts the measurements that were assessed, compliance documentation requirements, milestone dates, and compliance results.

Table 1 – NYSRC 2009 Reliability Compliance Program Summary

	Measurements Requiring Actions by the NYISO	Measurements Requiring Actions by Market Participants	Total Measurements
Total NYSRC Measurements	45	12	57
Total Measurements in 2009 NYSRC Compliance Program	20	12	32
2009 Program Measurements – Compliance level not declared	2	0	2
2009 Program Measurements – Full Compliance	18	12	30
2009 Program Measurements – Non-Compliance	0	0	0

Table 1 shows that the NYISO and market participants were in full compliance with all but two measurements that were assessed as part of the 2009 Reliability Compliance Program. RCMS did not declare compliance levels for two measurements (see Item 2 below).

Highlights of the NYSRC 2009 Reliability Compliance Program

1. Special Compliance Review: Market Participant Non-Compliance with Measurement C-M5, Outage Date Reporting Requirements – An Update

In October 2009, RCMS prepared a report to the Executive Committee, *Reliability Compliance Review of 2004 Outage Data Misreporting Event*, that described the implementation status and outcomes of seven recommendations from a previous RCMS report, *Reliability Compliance Review of 2004 NERC-GADS Outage Data Misreporting Event (C-M5 Report)*, dated November 26, 2008. These reports can be found at <http://www.nysrc.org/reports3.asp>. The 2008 C-M5 report provided RCMS findings and recommendations relative to its review of a 2004 outage data reporting NYSRC rule violation and related compliance concerns that were raised. The October status report reported that five of the seven C-M5 Report recommendations (Recommendations #1-3, 5, and 7) had been fully implemented. Since this report was issued, Recommendation #6 was also fully implemented. NYISO work to implement the remaining recommendation, Recommendation #4 – development of software for a new NYISO generating unit GADS outage data screening process – began in early 2009. Completion of the software and initial GADS data review analysis using the new screening software, is expected during the Spring of 2010. In September 2009, the NYISO presented an overview of the new data screening process to RCMS and the Installed Capacity Subcommittee, who were requested to provide comments.

2. RCMS Compliance Review of Reliability Rules and Measurements Modified in 2009

During 2009, RCMS participated with the Reliability Rules Subcommittee in the development of major modifications to two groups of NYSRC Reliability Rules and related measurements – *System Restoration* and *Generating Unit Availability*. Later in the year, following adoption by the Executive Committee, RCMS assessed NYISO compliance with these modified reliability rules.

- System Restoration Rules – Modifications to Reliability Rules G-R1 and G-M2 and related Measurements G-M1 to G-M4 (PRR #99) were adopted in August 2009. RCMS assessed compliance with these rules in November 2009. RCMS determined that several required NYISO procedures for complying with G-M1 (NYISO procedures for maintaining a NYCA System Restoration Plan) and G-M4 (system restoration training requirements) had not been fully implemented as required. However, RCMS did not find the NYISO in non-compliance for these rule violations because of the limited time for the NYISO to establish these new procedures and the need for an interpretation of rule requirements. At the same time, RCMS approved NYISO's certification that market participants were full compliance with Measurements G-M2 (Transmission Owner responsibilities) and G-M3 (Blackstart Provider responsibilities). RCMS will work with the NYISO in early 2010 to ensure that compliant procedures are implemented. RCMS will again review compliance of Reliability Rules G-R1 and G-R2 in late 2010 as part of the 2010 Compliance Program.
- Generating Unit Availability Rule

Modifications to Reliability Rule C-R2 and related Measurements C-M4 to M6 were adopted in October 2009 (PRR #101). These rule modifications were recommended in the RCMS C-M5 Report, described in Section 1 above. RCMS assessed NYISO compliance of Measurements C-M4 (NYISO procedures for reporting GADS generating unit availability data) and C-M5 (Generation Owner reporting of GADS generating unit outage data to the NYISO) in December 2009. For this compliance review, RCMS recognized that the NYISO's GADS outage data screening process, which is required by C-M4.5, would not be completed until 2010 (see Section 1 above). RCMS found the NYISO in full compliance with Measurements C-M4.1 to C-M4.4 and C-M5. Another compliance review of Reliability Rule C-R2 is scheduled as part of the 2010 Compliance Program, after the GADS data screening process is completed.

3. 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 annual transmission assessments to the NYSRC 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 assessment, *2008 Intermediate NYCA Transmission Review Through 2013* was submitted to RCMS in early 2009). The primary conclusion of the 2008 review was that the New York State Bulk Power Transmission System, as planned through the year 2013, is in conformance with the above Reliability Rules, as well as NPCC criteria. The same report was submitted to NPCC.

The NYSRC also requires that the NYISO provide an Addendum to its annual transmission assessment report, that includes: (1) (N-1)-1 assessments; (2) identification of the impacts of the planned transmission system on the NYCA System Restoration Plan in accordance with B-M3; (3) an assessment showing local rules have been considered in accordance with I-M4; (4) an extreme contingency assessment for the loss of gas delivery system; and (5) an extreme contingency condition assessment assuming generating unit loss of gas supply. RCMS accepted the NYISO transmission assessment report, including the Addendum, and concluded

that the NYISO was in full compliance with all NYSRC transmission assessment rule requirements.

To demonstrate compliance with NYSRC resource adequacy assessment requirements, the NYISO prepared the report *Annual Assessment of Resource Adequacy covering the NYCA for 2009-2012*. The study concluded that the 2009 NYCA IRM requirement of 16.5 % could be met throughout the 2008-2011 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.

2009 NPCC and NERC Reliability Compliance Programs

In addition to complying with NYSRC Rules, the NYISO must also comply with all NPCC and NERC standards and criteria. RCMS has oversight responsibility concerning NYISO compliance with these NPCC and NERC criteria. NPCC has the 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 2009, NPCC reviewed NYISO compliance relative to __ NPCC and __ NERC standards and criteria that were included in the 2009 NPCC and NERC Reliability Compliance Programs. Compliance with NERC standards is mandatory. NPCC concluded that the NYISO was in full compliance with all __ NPCC and NERC standards and criteria included in these reliability compliance programs.

Conclusions

The following conclusions were reached by RCMS based on its experience with the 2009 Reliability Compliance Program:

1. As in past years, the NYISO staff – especially Greg Campoli and Tony Elacqua – provided valued assistance during the RCMS compliance review process.
2. RCMS is pleased that for the seventh year in a row, the NYISO and market participants were found to be in full compliance with all NYSRC measurements that were assessed as part of the annual NYSRC Compliance Program. In addition, NPCC found the NYISO in full compliance for all NPCC criteria and NERC standards that were assessed in 2009.
3. Compliance documentation for four assessments in 2009 were received on-time by RCMS but were found to be incomplete. This was due to a combination of misunderstandings by NYISO staff of compliance documentation requirements, or for other reasons. In all cases, extensions were granted by RCMS without non-compliance action in order to provide complete documentation for these assessments. RCMS has set a goal for the NYISO to provide complete on-time documentation for all compliance assessments in 2010. RCMS will support the NYISO staff to achieve this goal.

[2009 Scorecard will be attached]