

Second Draft Meeting Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Compliance Monitoring Subcommittee
Meeting No. 123 – April 8, 2010
NYSERDA Offices – Albany, NY

Voting Participants or Alternates:

Steve Fanning, Chairman	National Grid
Joharath Kutty	New York Power Authority
Anie Philip, Secretary	LIPA
Leyvi Gelman	Consolidated Edison Co. of NY
Jeff May	Central Hudson

Non-Voting Participants:

Alan Adamson	NYSRC Consultant
Paul Kiernan	NYISO
Jim Grant	NYISO
Brad Garrison	NYISO (Part time)
Kathy Whitaker	NYISO (Part time)

1. Introduction & Request for Additional Agenda Items

Mr. Fanning opened the meeting with introductions. An additional agenda item was added to address Mr. Gelman's question on SCR under "Other Business".

2. Approval of Minutes for Meeting #122

The minutes (2nd draft) of RCMS Meeting #122 held on March 10, 2010 were approved with minor changes. The approved minutes will be distributed to RCMS members and sent to Carol Lynch for posting on the NYSRC website, with a copy to P. Don Raymond.

3. Review of Action Items List

The following open action items were reviewed:

- Action Item # 103-3: remains open
- Action Item # 108-4: remains open
- Action Item # 117-9: to be discussed in agenda item # 8.
- Action Item # 121-3: remains open
- Action Item # 122-1: complete
- Action Item # 122-2: complete
- Action Item #122-3: complete; to be discussed in agenda item # 6
- Action Item #122-4: complete

An additional action item on informal review on modified C-M9 compliance documentation was recommended to be added to the action item list (*AI #123-1*).

4. NERC/NPCC/NYISO Activities

4.1 NYISO 2009/2010 NERC/NPCC Compliance Program Status

Mr. Kiernan reviewed the latest NYISO 2010 NERC/NPCC/NYSRC Program Schedule and Compliance Status, dated 3/25/10. Mr. Adamson commented to NYISO that the decision on full compliance for A-M2 is delayed from March to April meeting and hence should not be noted as full compliance in the March NYISO compliance tracker.

4.2 NERC Standards Development Update

Mr. Appelbaum sent an electronic update on NERC standards development. Mr. Adamson commented on the status of proposed NERC standard TPL-001-1 indicating that there has not been an official determination on the next step since its defeat in the balloting process. Mr. Adamson also expressed FERC increasing control over NERC's standard's development.

4.3 NPCC Compliance Committee Report

Mr. Appelbaum provided an electronic update on NPCC Compliance Committee meeting that was held on March 18, 2010. Mr. Kiernan reminded on the NPCC Compliance workshop that is scheduled to be held on May 5 and 6 at Boston.

4.4 Other NERC, NPCC and NYISO Activities

Mr. Kiernan commented on FERC's increasing role in controlling NERC standards development process and updated on latest FERC orders. Mr. Kiernan updated RCMS on the NYISO preparation for the upcoming audit in December 2010.

5. NYSRC 2010 Reliability Compliance Monitoring Program

5.1 2010 Compliance Monitoring Program Summary

Mr. Adamson reviewed the 2010 Compliance Program Summary.

5.2 NYISO Operations Report for March 2010

Mr. Kiernan reviewed the Operating Report for March 2010 with RCMS. Mr. Kiernan responded to Mr. May's questions raised in March meeting on the high number of system frequency alerts and the sign convention on the inadvertent accumulation end of month balance. Related to the question on high number of system frequency alerts, Mr. Kiernan

indicated this was studied previously when NYISO appraised NPCC and FERC of this issue four to five years ago. Results from the study found that there are no frequency concerns. However, currently NERC is creating a drafting team to develop a standard on frequency response. Related to the question on sign convention on inadvertent accumulation, Mr. Kiernan confirmed that positive means over-generation and negative means under-generation for NY control area. RCMS was satisfied with these responses.

Mr. May questioned on the significance of the peak load number for each month in the NYISO report indicating that this number represents in discrete point of time and does not provide relevance and relation to other factors that might have caused this number to either increase or decrease as compared to the historical numbers. Mr. Kiernan responded that the intent of the operations reports is not to provide this information and this information is readily available from the NYISO website. Mr. Adamson added that the ICS report would provide more detail information related to the peak load number for NY. RCMS found the NYISO in full compliance for Measure K-M2d for March 2010.

5.3 Establishing LSE ICAP & LCR Requirements (A-M2)

Mr. Adamson reported that there were no comments from RCMS on the NYISO LCR report. RCMS approved the report and found NYISO to be in full compliance with measure A-M2.

5.4 Procedures that Ensure Actions when Transmission Limits are Violated (E-M1)

RCMS reviewed the NYISO self certification form for measure E-M1 and found NYISO to be in full compliance with E-M1.

5.5 Procedures to Ensure Transmission Outages are Coordinated (E-M3)

RCMS reviewed the NYISO self certification form for measure E-M3 and found NYISO to be in full compliance with E-M3. RCMS also provided some minor future recommendations to NYISO on the certification form under “Comments”. The recommendation is to include the reference for a whole manual if everything in the manual pertains to the compliance of the corresponding measure rather than indicating the section numbers.

5.6 Procedures for Operating During Severe Weather Conditions (E-M4)

RCMS reviewed the NYISO self certification form for measure E-M4 and found NYISO to be in full compliance with E-M4.

5.7 Review of May 2010 Compliance Assessments

Mr. Adamson reported that there are no items scheduled for May 2010 Compliance Assessments.

6. Compliance Template Format Changes

RCMS discussed the compliance template format changes proposed by Mr. Adamson and provided some changes to clarify the submission frequency on compliance. Mr. Adamson agreed to make the proposed revisions to the Compliance Template (*AI#123-2*). Mr. Adamson also indicated that some confusion exists with the meaning of “Responsible Entity” in PRR 103. Mr. Adamson will be discussing with Mr. Roger Clayton and Mr. Paul Gioia to address this issue by making the same verbiage as in the compliance template.

7.0 Structure of 2010 Transmission Assessment Report – Schedule and Agenda for Meeting with NYISO Staff

NYISO requested RCMS to schedule a meeting to discuss the expectations of RCMS for 2010 transmission assessment. RCMS indicated that this can be discussed during either the June 10 or July 6 RCMS meetings. Mr. Kiernan will check with NYISO staff as to whether it has a preference (*AI #123-3*). Mr. Adamson will draft an agenda for this discussion (*AI #123-4*).

8.0 GADS Screening Tool Update

Ms. Whitaker from NYISO provided RCMS with an excellent update on the GADS screening tool and the ongoing efforts in identifying the suspect data. Ms. Whitaker outlined the different steps that NYISO undertook in the screening process and indicated that changes were made to these processes based on judgment and the results from the internal meeting. Multiple meetings were held for the review and the screening of the GADS data. Based on the outcome from various meetings and review processes, 4 units were identified as having suspected EFORD values. One unit already provided NYISO with the corrected data. NYISO is currently conducting dialogue with the other units to obtain the correct data. Ms. Whitaker concluded that an internal review is scheduled in late June to determine final recommendations on which EFORD values should be replaced by proxy data for 2010 reliability studies.

RCMS commended Ms. Whitaker on the progress and expressed gratitude in undertaking and implementing an effective process to identify the suspected GADS data. RCMS also acknowledged RCMS in the flexibility of changing the steps in the processes and the positive outcome from those changes. Mr. Adamson was requested to convey NYISO’s excellent job on GADS screening tool at the April EC meeting.

Ms. Whitaker also requested RCMS to consider the possibility of moving the C-M4 and C-M5 compliance assessments from June 10, 2010 to a later date since the process of determining proxy data won’t be completed until later in the month. RCMS indicated that even if the full process is incomplete by its June 10 meeting, RCMS will accept a NYISO certification that the NYISO expects to recommend proxy data for certain units by late June.

RCMS agreed to delay the C-M5 compliance assessment to September 2, 2010. Since NYISO presented the update on GADS screening tool, action item # 117-9 is closed.

9.0 Review of March 11, 2010 Executive Committee Meeting

Mr. Fanning updated RCMS on the March 11, EC meeting indicating that EC accepted the annual report presented by RCMS.

10.0 Other Business

RCMS discussed Mr. Gelman's request to NYISO to obtain the aggregate zonal SCR test data. Mr. Kiernan replied that this information is confidential and cannot be provided just to a small group of market participants. He also suggested that this can be brought up in the SOIS or at the OC level. Mr. Adamson suggested that ICS looks into the SCR issues in detail and hence this should be discussed in the ICS meeting. Mr. Gelman mentioned that he will ask for these numbers in the context of next year's studies.

11.0 Next RCMS Meeting

The next monthly RCMS Meeting is scheduled for May 13, 2010. The meeting will be held as a conference call, starting at 09:30 am.

Anie Philip prepared the minutes of Meeting #123.

Notes from RCMS Special Conference Call held on 03-25-2010 at 9'00 A.M

Voting Participants or Alternates:

Steve Fanning, Chairman	National Grid
Joharath Kutty	New York Power Authority
Anie Philip, Secretary	LIPA
Leyvi Gelman	Consolidated Edison Co. of NY
Jeff May	Central Hudson

Non-Voting Participants:

Alan Adamson	NYSRC Consultant
Paul Kiernan	NYISO
John Cordi	NYISO
Zack Smith	NYISO
Ken Layman	NYISO
Howard Tarler	NYISO
Greg Campoli	NYISO

The purpose of the meeting was to address RCMS questions on the 2009 Transmission Assessment in order to determine compliance on Reliability Rules B-M1, B-M2, B-M3, I-M4, K-M2a, and K-M3.

NYISO started the meeting by stating that they are continually concerned with Reliability and the effect of contingencies on those requirements. The NYISO values the interaction with NYSRC, as the NYSRC has specific knowledge of the NYISO operating area. The input provided by RCMS is very important to the NYISO, and they were apologetic for not being available during the regularly schedule March RCMS meeting to answer RCMS questions.

With that the following Questions and Answers were exchanged:

RCMS Question #1: In the Minutes of the January RCMS meeting, Clyde Custer stated that the NYISO would reconstruct the Annual Transmission Assessment to include all NYSRC requirements. Was this for the 2009 Assessment?

NYISO Response: The NYISO stated that TFSS was not willing to allow the inclusion of all of the NYSRC Requirements in the report under its current format. Therefore, the reconstruction of the Assessment will have to wait until the 2010 Assessment. The NYISO is interested in meeting with RCMS to look at creating/evaluating a more inclusive format for next years report. Unfortunately this year's assessment will have to stand as is.

RCMS Question #2: What would the future Assessment report look like?

NYISO Response: It is not possible to determine, at this point, how the requirements of NPCC and NYSRC would be melded together to create the new report, but the NYISO would like to meet with RCMS members in the next few months to begin a dialogue in this regard.

ACTION ITEM: RCMS will add an action item at its next regular meeting to establish a future time when RCMS members can meet with NYISO staff to provide input into the development of future Assessment formatting.

RCMS Question #3: Please describe the changes made from the January version submitted to RCMS and the Final March version.

NYISO Response: There were no changes of significance to the report. The revisions were made to clarify issues that were raised during the January RCMS meeting, as well as answering questions from TFSS. But none of the changes impact the conclusions of the report.

RCMS Question #4: Did TFSS approve sections 1-10 of the Assessment?

NYISO Response: Yes.

RCMS Question #5: Was section 11 of the report added to satisfy NYSRC requirements?

NYISO Response: Yes.

RCMS Question #6: Does the conclusion of Section 10 in the report only apply to the Transmission system design (Section 1-9)?

NYISO Response: Yes.

RCMS Question #7: Section 11 references NYSRC requirements, but then goes into the added Environmental requirements from NYSRC. Why did the second sentence only reference the added NYSRC Environmental requirements (RGGI and HEDD) and not all of the other NYSRC additional requirements?

NYISO Response: The second sentence was intended to highlight new requirements that were included in this Assessment that were not in past year's Assessment. The intent was not to list all other additional NYSRC requirements. This could be worded more clearly in future Assessments.

RCMS Question #8: On page 33 of the Assessment the NYISO determined that loss of gas doesn't affect the BPS. What was done to determine this?

NYISO Response: This determination was based on the Loss of Gas Study and impact of removing the largest MW Generator based on the loss of a pipeline.

RCMS Question #9: There is a NPCC requirement for extreme system conditions. How did the NYISO meet this requirement?

NYISO Response: This requirement was addressed in Section 8.0 on page 27 of the report.

There were no further questions from RCMS members. At which point Jeff May moved that the NYISO be found in Full Compliance with Reliability Rules B-M1, B-M2, B-M3, I-M4, K-M2a, and K-M3 for the 2009 Assessment. The motion was seconded by Anie Philip. The motion was unanimously approved by RCMS.

Steve Fanning prepared the notes for the special conference call.