

C. Exceptions to the NYSRC Reliability Rules

A request for ~~a new~~ exception to a NYSRC Reliability Rule, or the removal or modification of a current exception to a NYSRC Reliability Rule, must be submitted to the NYSRC Executive Committee for approval.

Requests for a New Exception

The NYISO or any member of the NYSRC Executive Committee (the Applicant) may submit a request for an exception. An applicant other than the NYISO shall obtain a recommendation for approval from the NYISO prior to submission of the request to the NYSRC Executive Committee. Approval by the Executive Committee is dependant on a successful demonstration that such an exception will not have an adverse impact on reliability.

Documentation

The Applicant shall meet NYISO documentation requirements, including the following:

1. A technical assessment demonstrating that there will be no adverse impact on reliability as the result of granting the exception by the NYSRC.
2. An assessment of the economic impacts and/or reliability needs to be addressed by granting the exception.

Procedure for Obtaining a ~~New~~ Exception

The following procedure shall be used in obtaining an exception:

1. The Applicant will submit the request and applicable documentation for the exception to the NYISO.

~~1.2.~~ If the NYISO recommends approval of the exception, it shall so notify the NYSRC Executive Committee.

~~2.3.~~ The Applicant shall submit the request for the exception and supporting documentation to the NYSRC Executive Committee.

~~3.4.~~ The Executive Committee shall direct RRS to review the request to verify that the documentation requirements have been met and whether the technical merits of the request justify an exception. RRS may request that the Applicant provide additional information in order to complete its verification review.

~~4.5.~~ RRS shall report to the NYSRC Executive Committee its recommendation as to whether the required procedures were followed, whether it deems the request to be technically acceptable and whether it should be approved.

~~5.6.~~ The merits of the exception shall be assessed by the NYSRC Executive Committee. The Executive Committee will notify the Applicant and the NYISO of its decision to approve or reject the exception, and will document its decision.

~~6.7.~~ Following approval of an exception, NYSRC shall update ~~theits~~ list of exceptions to the Reliability Rules, ~~and will request the NYISO to update its own list.~~

Requests to Modify or Remove a Current Exception

The NYISO shall review written requests made at any time by a Transmission Owner to remove or modify any of the Transmission Owner's current exceptions. The NYISO shall notify the Executive Committee after it has determined that the current exception should be removed or needs modification.

Documentation

The NYISO shall submit an assessment showing that there would be no adverse impact on reliability upon removal or modification of the current exception.

Procedure for Removing or Modifying an Exception

The following procedure shall be used in removing or modifying an exception:

1. If the NYISO recommends approval to remove or modify an exception, it shall so notify the NYSRC Executive Committee.
2. The NYISO shall submit the request for removing or modifying an exception and supporting documentation to the NYSRC Executive Committee.
3. The Executive Committee shall direct RRS to review the request to verify that documentation requirements have been met to remove or modify the exception. RRS may request that the NYISO provide additional information in order to complete its review.
4. RRS shall report to the NYSRC Executive Committee its recommendation as to whether the required procedures were followed, whether it deems the request to be technically acceptable, and whether it should be approved.
5. The merits of the removal or modification of the exception shall be assessed by the NYSRC Executive Committee. The Executive Committee will notify the NYISO of its decision to approve or reject the removal or modification of the exception, and will document its decision.
6. Following its approval to remove or modify an exception, the NYSRC shall update the list of exceptions to the Reliability Rules.

~~Annual~~ **NYISO Review of Exceptions**

The list of exceptions to the NYSRC Reliability Rules shall be reviewed by the NYISO with the Transmission Owners, at least annually. The scope of the review is to verify that the basis for each exception is still valid or required, but not to

question the original justification for the exception. The NYISO shall notify the NYSRC when it has determined that an exception is no longer valid or required, i.e., the exception needs to be removed or modified; and document the reasons for its determination. If the NYSRC concurs with the NYISO's determination, the exception will be removed or modified~~discontinued~~ and the ~~NYISO and~~ NYSRC will revise ~~the~~their list of exceptions accordingly. The same documentation requirements and procedure for removing or modifying an exception – as provided under the above “Requests for Removing or Modifying an Exception” – shall be used for this review.