

C. Exceptions to the NYSRC Reliability Rules

A request for an 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. Such requests to the NYSRC Executive Committee shall be initiated in one of two ways: (1) from an annual Transmission Owner review of current exceptions (initiated by the NYISO) made by a Transmission Owner (the Applicant), or (2) a request made at any time by a Market Participant or any member of the NYSRC Executive Committee (the Applicant). The Applicant shall notify the NYISO when such requests are made. ~~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 a new exception, or modification or removal of a current exception¹, will not have an adverse impact on reliability.

Supporting 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 change by the NYSRC².

¹ For this policy, a new exception or modification or removal of a current exception, is termed an “exception change.”

² A technical assessment for granting a new exception may be more comprehensive than an assessment that may be required for granting a modification or removal of an exception.

2. An assessment of the economic impacts, environmental, and/or reliability needs to be addressed by granting a new~~the~~ exception.

Procedure for Obtaining an Exception Change

~~The following procedure shall be used in obtaining an exception:~~

~~1. If the NYISO recommends approval of the exception, it shall so notify the NYSRC Executive Committee.~~

~~2.1.~~ The Applicant shall submit the request for the exception change and supporting documentation to the NYSRC Executive Committee. The Applicant shall notify the NYISO of this request.

~~2.~~ If the NYSRC Executive Committee agrees that the proposed exception change should be considered, it shall request the NYISO to review the proposed change. The NYSRC Executive Committee may reject the request or request the Applicant for more information.

~~3.~~ The NYISO shall review the exception change request. If the NYISO recommends the change, it shall so notify the NYSRC Executive Committee.

~~3.4.~~ The Executive Committee shall direct RRS to review the request for the exception change to verify that the documentation requirements have been met and whether the technical merits of the request justify an exception change. 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 the proposed exception change # should be approved.

| 5.6. The merits of the exception change 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 change, and will document its decision.

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