

**Meeting of the
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)**

**Final Minutes of Meeting #136
RRS Meeting – Conference Call
Thursday, September 30, 2010**

In Attendance:

Al Adamson	Consultant	Member
Larry Hochberg	NYPA (Secretary)	Member
Roger Clayton	Chairman	Member
Brian Gordon	NYSE&G	Member
Roy Pfleiderer	National Grid	Member
Paul Kiernan	NYISO	Member
Kathy Whitaker	NYISO (part time)	Guest
Mayer Sasson	Con Ed (part time)	Guest

Agenda Items

1.0 Introduction

Meeting 136 was called to order by Mr. Roger Clayton at 09:30.

Mr. Clayton adjusted the agenda to begin with a review of PRR 106 to accommodate Mr. Sasson's schedule.

AI 136-1: Mr. Clayton will update the roster and send it to Ms. Lynch for posting. In the future, the roster update function will be handled by the RRS secretary.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

4.1 BES/BPS

4.2 Request from RCMS

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Meeting #135 Minutes

The minutes of RRS Meeting #135 were approved with changes as final.

2.2 Action Items List

AI 135-1

Complete.

AI 135-2

Complete.

3.0 NYSRC Reliability Rules (RR) Development

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes.

PRR 104

Mr. Clayton noted that the comment period for this PRR ends tomorrow October 1st. Mr. Clayton reviewed the comments that were submitted by Dean Ellis of Dynegy in his letter of 9/28/10 to Mr. Raymond. Mr. Clayton noted that Mr. Ellis could not be present for this meeting and that RRS would deal with the comments in his absence. Mr. Ellis will have an opportunity to follow up at the upcoming EC meeting or the next RRS meeting. Ms. Whitaker (NYISO sponsor of this PRR) also was not available to be on the phone for this discussion.

Comment #1 – Mr. Ellis’ comments highlight a conflict in new paragraphs three and four under CM-1. While the third paragraph directs a generator owner to verify the maximum reactive “offered into the voltage support service program” the fourth paragraph requires the generator to demonstrate the actual maximum leading reactive capacity. He notes that the maximum offered may be different than the actual maximum capability. RRS agreed with Mr. Ellis’ observation and, after some discussion, the RRS consensus was to remove from CM-1 the phrase “offered into the VSS program” and to remove it from CM-3 as well. This way the actual lagging and leading capability will be tested and documented, not just what is offered into the VSS program. This is consistent with the original intent of the reliability rule.

RRS also discussed the issue of what MW level the generator should be dispatched to when the reactive testing is done. According to Mr. Kiernan, the current NYISO procedures call for 90% of DMNC or higher for the lagging test and 10% of DMNC or higher for the leading test. Mr. Clayton and Mr. Hochberg noted that for leading testing, units may be able to demonstrate more leading reactive capability at 10% and therefore, in the interest of reliability, it may be more conservative to test at a higher real power output since this data is used not only by system operators but for system studies as well. The NYISO was asked to consider this issue.

Comment #2 - Mr. Ellis expresses concern about the requirement to supply a certification letter annually, suggesting that this is a burdensome task. In paragraph four of his comments Mr. Ellis indicates that he would prefer to certify once at the time of the test. RRS did not agree with Mr. Ellis' suggestion. RRS feels that an annual certification letter is better and RRS does not consider the annual filing requirement to be burdensome. Mr. Adamson pointed out that an annual letter is needed for compliance purposes. In addition, Mr. Clayton pointed out that since the reactive testing is done only once every three years, it is not known what changes to a unit's reactive capability may take place in between tests. Mr. Kiernan noted that NPCC Directory 10 contains reporting requirements for reactive capability testing and RRS may be duplicating some of them. Mr. Gordon stated that Directory 10 does not provide a time frame for reporting.

Comment #3 - Mr. Ellis requests, for various reasons, to increase the testing frequency from three to five years to be consistent with NPCC requirements. Mr. Clayton stated that RRS already had a full discussion of this requirement and it was decided that three years is what RRS and the EC desire. He also noted that NYSRC rules may be more stringent than NPCC criteria.

Mr. Clayton decided that RRS could not take any action on this PRR pending further review and input from the NYISO and Mr. Ellis.

AI 136-2: Mr. Kiernan agreed, as an Action Item to consider, in consultation with Ms. Whitaker, the comments from Mr. Ellis and RRS' responses to Mr. Ellis' comments and provide the NYISO response to RRS at least one week prior to the next RRS meeting.

AI 136-3: Mr. Kiernan agreed, as an Action Item, to review NPCC Directory 10 and NYSRC rules to determine whether or not reactive reporting/certification requirements are being duplicated by this rule change. The results of this review will be provided to RRS at least a week prior to the next RRS meeting.

AI 136-4: Mr. Clayton agreed, as an Action Item, to talk to Mr. Ellis about the RRS discussions that took place today regarding his comments on PRR 104.

PRR 105

Mr. Clayton noted that the comment period for this PRR ends tomorrow October 1st. He also noted that no comments have been received to date. Therefore, RRS recommended that PRR 105 be approved by the EC as final pending no comments by tomorrow. Mr. Clayton will advise the EC at its next meeting. Mr. Adamson informed RRS that he presented the revised Policy 1 to the EC at its last meeting. He reported that Mr. Gioia requested additional time to review and prepare comments on it.

AI 136-5: Mr. Clayton agreed, as an Action Item, to ask Mr. Gioia to complete his review of Policy 1.

PRR 106

Mr. Adamson reviewed the changes made to PRR 106 since the last version. He reported that changes were made to G-M1 to include the NYISO requirements and that the time

extension was opened up to all TOs, not just Con Ed. At Mr. Clayton's suggestion, RRS agreed to add a separate definition for the term Capability Year. Mr. Adamson will make this change in the comments section of the PRR and will change the Glossary when the PRR is approved as final by the EC. Mr. Adamson will also work with RCMS on October 7 to prepare compliance elements for PRR 106. RRS recommended that the PRR be sent to the EC to be approved for posting pending no changes from RCMS.

AI 136-6: Mr. Adamson agreed, as an Action Item, to revise PRR 106 and send it to Mr. Raymond and RRS.

3.2 NPCC Rules Revisions Updates

NPCC Update

Nothing to report.

3.3 NERC SARs/Organization Standards

NERC Standard Tracking

Mr. Adamson provided an updated NERC Tracking summary chart. He reported that informal comments on TPL-001-1 were provided by the NYISO and NPCC, and noted that it is expected that the standard will be balloted sometime next Spring.

4.0 Additional Agenda Items

4.1 BES/BPS

There was nothing new to report on the FERC proceeding. Mr. Clayton noted from the EC minutes that several Senators from Northwestern states wrote to FERC in support of regional differences.

4.2 Request from RCMS

Mr. Adamson reported that RCMS is developing a procedure for preparing the NYSRC annual transmission review report that is produced by the NYISO. A draft of the procedure is currently going through NYISO review. He noted that RCMS recommends that the procedure be included as an appendix to NYSRC Reliability Rules manual. Mr. Clayton asked Mr. Adamson to distribute a draft of the procedure for RRS review.

AI 136-7: Mr. Adamson agreed, as an Action Item, to send the draft RCMS procedure to RRS for comments.

AI 136-8: RRS agreed, as an Action Item, to provide Mr. Adamson with comments on the RCMS procedure. In addition, members were asked to advise Mr. Adamson if they have any objection to including the procedure in the NYSRC Reliability Rules manual. Responses are to be provided to Mr. Adamson before October 22.

5.0 Committee Reports

5.1 EC

Mr. Clayton noted that he could not attend the last EC meeting, but had already reported on most issues that were dealt with there. He noted that IPPNY members are adamant that they would only switch fuel to oil if an emergency is declared by the NYISO and if they are directed to do so by the NYISO. In addition, he stated that IPPNY members would not fuel switch to oil if the NYSDEC informs them they will be in violation of environmental regulations on emissions. Mr. Clayton warned that given IPPNY's position, there appears to be a potential reliability concern that must be addressed. This issue is to be discussed at the next NYSRC/DEC Ad Hoc Working Group meeting.

5.2 ICS

Mr. Adamson reported that a base case should be ready by the end of next week and ICS will start drafting the IRM report.

5.3 RCMS

Mr. Adamson reported that the NYSRC transmission review procedure that was referred to as draft Policy 7 at the last RRS meeting would instead be proposed to be incorporated into the NYSRC rules manual as an appendix and was no longer being referred to as Policy 7 (see discussion in 4.2 above). RCMS is continuing to revise all compliance templates to conform to NYSRC compliance monitoring principles approved by the EC for PRR 103.

6.0 Next Meeting

Meeting #136 was adjourned at 10:54.

The next meeting (#137) is scheduled for Thursday, November 4, 2010 at 9:30 in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.