

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

***Draft Minutes of Meeting #121
RRS Meeting @ NYSERDA Offices
17 Columbia Circle, Albany, NY
Thursday, June 25, 2009***

In Attendance:

Al Adamson	Consultant	Member
Larry Hochberg	NYPA	Member
Dean Ellis	Dynegy	Member
Roger Clayton	Chairman	Member
John Adams	NYISO	Member
Kathy Whitaker	NYISO	Guest
Henry Wysocki	ConEd (Secretary)	Member
Anthony Elacqua	NYISO	Member
Roy Pfleiderer	National Grid (Phone)	Member
Robert Ganley	LIPA (Phone)	Member
Brian Gordon	NYSEG (Phone)	Member
Timothy Bush	IPPNY (Phone)	Guest
Liam Baker	US Power Gen (Phone)	Guest
Brad Kranz	NRG Energy (Phone)	Guest
Erin Hogan	NYSERDA	Guest

Agenda Items

1.0 Introduction

Meeting 121 was called to order by Mr. Clayton at 09:30.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

No additional agenda items were requested.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Meeting #120 Minutes

The minutes of RRS Meeting #120 were approved with changes as final.

2.2 Action Items List

The following Action Items were reviewed:

AI 120-1: Discuss with NYISO council if the BPS transmission list can be published on the secured portion of the NYISO website for the B-M4 requirement.

The completion date of this action item has been extended to 8/6/09.

AI 120-2: Provide different wording to more accurately describe the exclusion process.

Mr. Hochberg presented the wording changes to the RRS. The new wording was acceptable to the RRS. Action Item status changed to complete.

AI 120-3: Ask Mr. Mahlmann if all the proposed PRR99 changes are appropriate.

Mr. Mahlmann was contacted by Mr. Adamson and he received Mr. Mahlmann's concurrence on the proposals. Action Item status changed to complete.

AI 120-4: Review NPCC Directory #1.

Mr. Clayton stated that NPCC Directory #1 would be discussed at today's meeting. Action Item status changed to complete.

AI 120-5: Request TDF for specific facilities comparison and intra-area vs. zonal power shifts with Mr. Elacqua.

Mr. Clayton stated that this AI would be brought up at today's meeting. Action Item complete.

AI 120-6: Submit PRR 103 addressing necessary changes to the databank process.

The completion date of this action item has been extended to 8/6/09.

3.0 NYSRC Reliability Rules (RR) Development

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes.

PRR 99 System Restoration

Mr. Roger Clayton began the discussion by offering a brief history of PRR 99. The focus of Mr. Clayton's commentary was changes proposed by Con Edison. Mr. Liam Baker, of US Power Gen, notified the RRS that comments he made regarding the testing of generator auxiliaries in G-M3 were not picked up in the posting. Mr. Clayton suggested that the discussion be limited to G-M3 since this part of the PRR appeared to contain the most controversial comments. Mr. Larry Hochberg, of NYPA, stated that the PRR had been seen by the Restoration Working Group (RWG) but that he wasn't sure if the most

recently posted comments had been reviewed. Mr. Hochberg accepted, as an action item, to send all the changes made to PRR 99 to the Chairman of the RWG (AI 121-1).

An e-mail authored by Mr. Baker containing his proposed changes to G-M3 was then brought up to the RRS. Some of these changes were editorial in nature and were intended to clarify the intent of the PRR while others addressed the frequency of the testing. Prior to the RRS meeting, Con Edison had reviewed and concurred with Mr. Baker's e-mail. To summarize his changes, along with other changes that had been discussed at the previous RRS meeting, any reference to "All Blackstart Providers" was changed to "Each Blackstart Provider", the requirement to perform quarterly tests on critical components was changed to testing within the capability year where the list critical components are specified, change "diesels" to "diesel backup generators" and finally to add the word "appropriate" to the sentence requiring Blackstart Providers to develop procedures. The changes were then reviewed by the RRS and all were found acceptable to the subcommittee.

Mr. Baker then initiated a discussion as to the necessity of submitting these test results to the NYISO. Mr. Baker believed that the NYISO was only concerned in verifying that the Blackstart Providers had met all the requirements of the NYISO System Restoration Plan (SRP) and was not interested in reviewing additional test documentation. As a solution, Mr. Clayton suggested inserting the phrase "upon request" along with a statement specifying that the testing applies to "auxiliaries only" into G-M3. Mr. Al Adamsom further suggested that the NYISO only be notified when testing is complete. Mr. Henry Wysocki stated that this would essentially make the results auditable to the NYISO. Mr. Baker doubted the need to implement this requirement at all since he strongly believed that his facilities already performed all the required testing on the generator auxiliaries. Mr. Clayton then questioned Mr. Baker if, in the process of testing, failures are logged. Mr. Baker replied that all failures along with repairs were logged and documented.

Mr. Adamson began a discussion regarding development of the "critical components list". He stated that, per G-M3, the Blackstart Providers were responsible for providing a list to the NYISO and then to completely satisfy G-M3 the NYISO had to review the list for completeness. Mr. Adamson then voiced a concern as to how this task could be accomplished. Since there is no existing critical components list to use as a standard, the NYISO's review is subjective and some critical components could be missed. Mr. Adamson did not believe that each Blackstart Provider should verify their list since this would result in self verification.

To conclude the discussion, Ms. Kathy Whitaker, of the NYISO, stated that the Transmission Owners (TO's) should verify the testing of the critical components since each Blackstart Provider is part of the TO's restoration plan and each TO is included in the NYISO SRP.

As an action item, Mr. Clayton agreed to incorporate the changes into the PRR and then send the revised PRR to the RRS, Ms. Whitaker and Mr. Tim Bush, of IPPNY (AI 121-2).

Should PRR 99 not be re-posted by the EC, the RRS recommends approval.

PRR 101 Resource Data Availability

As with PRR 99, Mr. Clayton began the discussion by offering a brief history of PRR 101. It was noted that in Meeting #120 the RRS recommended to the EC that the PRR be posted for comments.

At the last EC meeting Paul Gioia, NYSRC Council, suggested additional wording changes. As a result, the EC had initially decided to delay posting PRR 101 but later approved the PRR for posting with Mr. Gioia's comments included. Afterwards, in an e-mail to Mr. Clayton, Mr. Gioia suggested further changes to the PRR which would have placed a definition of the phrase "suspect data" into the PRR and also would have added the words "outage data" after the word "misreported". Mr. Carl Patka, NYISO Council, agreed with Mr. Gioia's additional comments and the changes were then incorporated into the PRR by Mr. Clayton and presented to the RRS.

Mr. Adamson disagreed with some of Mr. Gioia's comments. Mr. Adamson believed that any definitions belonged in the *Glossary* section of the Reliability Rules Manual and not in the body of the rule. The RRS agreed with Mr. Adamson and Mr. Clayton modified the PRR accordingly. Mr. Adamson also stated that Level 3 of part 8B required the same wording as Level 2.

Mr. Robert Ganley, of LIPA, then voiced a concern about the screening process. He believed that the definition of "suspect data" made the PRR more confusing. Mr. Clayton then clarified the screening process stating that the process first identified suspect data and then provided for proxy data to be put in its place.

Mr. Adamson strongly disagreed with Mr. Gioia's suggestion to replace the word "used" with "provided for use". Mr. Adamson stated that the phrase "provided for use" implied that if inaccurate data is submitted to the NYISO at any time during the process by providers they would be considered noncompliant while the word "used" implied that the providers would only be considered noncompliant if they submitted inaccurate data to the NYISO and this was used by the ICS in determining the IRM. Ms. Whitaker reinforced Mr. Adamson's position, stating the NYISO did not consider the data "used" until it was provided to the ICS for the IRM study. Mr. Dean Ellis, of Dynegy, suggested that the PRR use the word "completed" or the phrase "completion of the appropriate study" to help clarify the PRR. The general consensus of the RRS was that any inaccurate data submitted by a provider would not be considered noncompliant unless it changed the final base case IRM in any way.

The RRS decided not to accept Mr. Gioia's proposal of inserting the phrase "provided for use" and instead selected wording that would reflect the intent of the rule, which is to consider a provider noncompliant only if his data resulted in impacting the final IRM. Mr. Clayton agreed to make the necessary changes to PRR 101 and circulate the revised PRR to the RRS and other appropriate persons (AI 121-5).

The RRS recommends to the EC to repost the PRR with the new changes and not to post the version containing only Mr. Gioia's changes.

PRR 104

Ms. Whitaker presented the changes proposed under PRR 104, which changed the method by which the annual testing generators for leading VARs was performed. This PRR would change the period that a generator could be tested for leading VARs from summer to the months of January through April.

The PRR also allowed for reduced testing frequency for generators which are not normally on line during the period of January through April from annually to once every three years. The NPCC requires testing once every five years.

Approval was given by the RRS to Ms. Whitaker to move forward with the PRR.

NYISO Policy #1

Mr. Hochberg presented his proposed revisions of NYISO Policy #1 to the RRS. Mr. Hochberg noted that the current process of rescinding an exception, as described by Mr. Anthony Elacqua, of the NYISO, during Meeting #120, only allows for rescinding an exception during the NYISO's annual review and did not have any provisions for removing an exception at any other time during the calendar year. The proposed change would allow TOs to request a review of any of their exceptions by the NYISO for removal from the exception list at any time during the year.

Mr. Roy Pfeleiderer, of National Grid, thought that the policy needed to be more specific on the review process and that the TOs should have a larger role in determining the removal of an exception from the list.

Mr. Ganley submitted, through e-mail, some changes to Mr. Hochberg's proposal. Mr. Adamson also suggested some changes, specifically, removing the word "annual" from the title of Policy #1. A modified version of Mr. Hochberg's changes was accepted by the RRS.

Mr. Hochberg agreed to summarize the proposed changes and send them to the RRS members for review (AI 121-3). Mr. Clayton agreed to present the changes to the EC at their next meeting (AI 121-4).

Dual Fuel

The PRR regarding "dual fuel" generators has been withdrawn since requirements currently exist within local reliability rules.

3.2 NPCC Criteria

NPCC Update

The RRS had no comments on Directory #1, which replaces NPCC A2.

3.3 NERC Standards

NERC Standard Tracking

TPL-001-01

Mr. Clayton provided the RRS with an update regarding NERC Standard TPL-001-01. He informed the RRS that the old A, B and C categories would remain as in the previous TPL, however, a new column would be added to differentiate between facilities and equipment rated greater than 300kV and less than 300kV. In addition, the new TPL calls for an assessment to be done to determine if any facility, which may be out of service for greater than 1 year, requires a spare. Mr. Clayton emphasized that this change had the potential for a significant impact to TOs and he recommended that the RRS perform a thorough review.

4.0 Additional Agenda Items

4.1 BES / BPS Impact on NYSRC RR

Mr. Clayton reviewed an e-mail he authored which summarized the NPCC presentation regarding the FERC/NPCC BES conference call of 6/18/2009. He emphasized FERC's desire to remove subjectivity from the BES selection process by describing a specific process "radialcity" criteria, for determining BES facilities. The most significant aspects of this criteria are radials/load pocket facilities are excluded, loss of load is considered in the criterion, generation greater than 20 MW single or 75 MW aggregate are included and transmission with a TDF greater than 1% is included.

Mr. Clayton then identified some financial concerns. He stated that the implementation of additional security because of CIP requirements could cost up to \$750,000 per station.

Mr. Clayton then addressed the RRS effort to establish BES criteria. He said that the RRS appeared to be paralleling the NPCC effort by assigning each branch with a TDF. He then questioned the applicability of the terms Inter-Area and Inter-Zonal. It was then explained by various RRS members that Inter-Area referred to lines between different Control Areas while Inter-Zonal referred to lines between different Zones within New York State. He noted that, in reviewing transmission data submitted by Mr. Elacqua in Meeting #120, that there was a significant number of 115kV feeders with TDFs greater than 1% that were not on the ATR list. The RRS was not sure whether this was a problem.

The RRS concluded that, until additional TDF data can be reviewed, further progress on defining the BES would be limited. Mr. Elacqua was requested to provide another list which would assign PTDFs to each of the FERC 100kV and above transmission facilities for the next RRS meeting (AI 121-6), if possible. The RRS will then decide which PTDF list to publish (AI 121-7).

5.0 Committee Reports

5.1 EC

None

5.2 ICS

None

5.2 RCMS

None

6.0 Next Meeting

Meeting #121 was adjourned at 1:24.

The next meeting (#122) is scheduled for Thursday, August 6, 2009 at 9:30 in the NYSERDA offices located at 17 Columbia Circle, Albany, NY.