

***Final Draft Minutes
New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)
Minutes of Meeting #71***

***RRS Meeting @ NYISO Offices
Washington Ave. Extension, Albany, NY***

Thursday, May 5, 2005

Attendance

Steve Corey	NYISO	Member
Larry Hochberg	NYPA	Member
Alan Adamson		Consultant
Ray Kinney	NYSEG	Member
Jack Alvarez	Con Edison	Member
Ted Pappas (Secretary)	LIPA	Member
Ed Schrom	PSC	Member
Roy Pfliegerer	National Grid, USA	Member
Tim Bush	Navigant (Munis)	Guest
Glenn Haake	IPPNY	Guest
Mark Younger	Slater Consulting	Guest

Agenda Items

1.0 Introduction

The meeting was called to order at 0930. Mr. Pappas chaired the meeting in Mr. Clayton's absence. Also, Mr. Adamson was requested to act as secretary for this meeting.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

- o NYSRC Reliability Rules/NERC Standard Cross Reference (See section 3.1)

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #70

The minutes for RRS Meeting #70 were approved as amended. Mr. Pappas will issue the final minutes.

2.2 Action Items List

The action items list was reviewed and updated.

AI 39-10, Send new draft SARs and OSs to RRS for consideration (Adamson)

Ongoing.

AI 43-1 (PRR 52), Monitor NYISO investigation of governor response (Corey)

There was nothing new to report on this item.

AI 43-9, Monitor the potential need to revise the definition of the NYS Bulk Power System (Corey)

See section 3.2, NPCC Document A-10.

AI 44-7, Monitor MAAC and ISO-NE rules for best practices (RRS)

Ongoing.

AI 48-4, Provide update on the NYISO/NYSERDA wind energy study (Corey)

Mr. Corey reported that a NYISO report on wind generation and a related NYISO technical bulletin have been issued. He will e-mail the technical bulletin to RRS (**AI #71-1**). This item is now complete.

AI 52-1, (PRR 52) Determine the need for new rules regarding the definition of areas and tripping times on UFLS relays as a result of the blackout (Corey)

There was nothing new to report on this item.

AI 60-15, Monitor EC/PSC/NYISO/NYSERDA meetings on fuel diversity/supply (Adams)

There was nothing new to report on this item.

AI 61-1, Report on the NPCC Overall Transmission Reliability Study (Corey)

There was nothing new to report on this item

AI 68-5, Incorporate changes from RRS meeting 68 into PRR 74 (Schrom)

This item is ongoing. See section 3.1.

AI 69-3, Issue a template for rule changes associated with proposed NPCC A-3

On hold pending review of a 2nd draft standard. See section 3.2, NPCC Document A-3.

AI 70-1, Review status of PRR 68 at EC meeting (Clayton)

This item is complete. See section 3.1.

AI 70-2, Review NYISO Final Blackout Report for applicability to PRR 76 (Adamson)

This item is complete. See section 3.1, NPCC Document A-10.

AI 70-3, Determine need to change NYSRC definitions based on NPCC A-10 (RRS)

See section 3.1.

AI 70-4 Update NYSRC Rules Manual upon EC approval of PRR 77 (Adamson)

Mr. Adamson reported that Version 12 of the Rules Manual, including this rule addition, was issued on May 2. The Manual update also includes a revision of Section III, a NYSRC/NPCC/NERC criteria cross-reference, which incorporates the new NERC Version 0 Standards. This item is complete.

AI 70-5, Review NYSRC Rules/NERC Standards cross-reference with Mr. Campoli of the NYISO (Adamson)

Mr. Adamson reported that Mr. Campoli was unable to provide assistance, and that Mr. Adamson completed the cross-reference update himself. See AI #70-4. This item is complete.

AI 70-6, Review and provide comments on NPCC A-3 draft revision 2 (Pappas)

This item is complete. See section 3.2, NPCC Document A-3.

AI 70-7, Review and provide comments on NPCC C-30 (RRS)

This item is complete. See section 3.2, NPCC Document C-30.

AI 70-8, Review and provide comments on NPCC C-20 (Pappas)

This item is complete. See section 3.2, NPCC Document C-20.

AI 70-9, Monitor progress on NPCC A-10 (RRS)

See section 3.2, NPCC Document A-10.

AI 70-10, Review and provide comments on NERC manual (Adamson)

See section 3.3, Reliability Standards Process Manual.

AI 70-11, Prepare a functional template for a revised NYSRC website (Clayton)

No report was received from Mr. Clayton on the status of this action item.

AI 70-12, Request EC to implement expedited approval for PRR 69 (Clayton)

This item is complete. See section 3.1, PRR 69.

3.0 NYSRC RR Development

3.1 List of Potential RR Changes

The list of rules requiring compliance responsibility language changes was reviewed. PRRs reflecting these changes will be made once PRR 69 completes the review cycle and is approved by the EC.

At the last RRS meeting it was reported that Messrs. Clayton and Adamson prepared a table for the EC providing illustrations of how certain NYSRC rules are more stringent or specific than related NERC standards. This table was included in a letter from the EC, dated March 29, 2005, to Mr. Joseph McClelland, Director, FERC Division of Reliability. The EC requested at its April 15 meeting that the comparison be extended to include all 47 NYSRC Reliability Rules. Mr. Adamson reported that Mr. Clayton sent a letter to the EC indicating that requested comparison could be completed by the EC's July 8 meeting, but cautioned that continuous updates, as new NERC standards are updated, would be very time-consuming. The letter will be discussed at the May 6 EC meeting. RRS members requested that RRS review the analysis and discuss at the June 30 meeting (**AI #71-2**).

RRS reviewed the list of potential rule changes as follows:

PRR 8 - Reactive Load and Resource PF Requirements at BPS/LSE Boundaries (Waldele)

There is nothing new to report on this item.

PRR 52 - Generator Governor Response (Corey)

There is nothing new to report on this item.

PRR 68 - Verification Testing of Dual Fuel Generation Units (Pappas)

Mr. Clayton brought up the status of this PRR at the April 15 EC meeting to determine EC interest in moving the PRR forward. The EC discussed the pros and cons of the need for this rule. Particularly noteworthy was the NYISO's view that testing is not necessary at this time. It was agreed that the PRR will be held for future consideration until when, and if, a reliability need can be more clearly defined. Mr. Adamson was requested to

invite Mr. Buchert of the NYISO to make a presentation at the next RRS meeting, similar to that presented to the OC, on the impacts of gas shortages on the electric system (AI #71-3).

PRR 69 - Disturbance Monitoring (NPCC A-2 related) (Adamson)

Wording changes were incorporated and the PRR was approved by the EC for posting. This PRR will be used as a template for all future NYISO/Market Participant compliance responsibility requirements. In general, three measurements will be included:

- Required NYISO actions
- Required NYISO procedures
- Required NYISO certification that the Market Participants are compliant/non-compliant

Since a number of other PRRs are contingent upon PRR 69 approval, Mr. Clayton requested the EC at its April 15 meeting to implement an expedited review process for this PRR. The request was denied. The EC previously approved the PRR for posting; comments are due May 23.

PRR 72 Extreme System Conditions Assessment (NPCC A-2 related) (Adamson)

This PRR has been posted for comment. They are due May 23.

PRR 73 Modification of Rule C-R1 (Campoli)

On hold pending approval of PRR 69 (compliance responsibility language).

PRR 74 Modification of Rule C-R4 (Schrom)

Mr. Schrom reported that he has incorporated changes in accordance with AI 68-5; however, the PRR is on hold pending approval of PRR 69 (compliance responsibility language).

PRR 76 Modification of Rule G-R1, 2 and 3 (Adamson & Campoli)

Mr. Adamson distributed a table which compares existing and proposed NERC requirements with proposed PRR 76 requirements. The table includes additional rule changes for RRS consideration based on recommendations contained in the final NYISO Blackout Report. RRS members will review these possible changes for discussion at the next RRS meeting (AI #71-4). This PRR is also on hold pending approval of PRR 69 (compliance responsibility language).

PRR 77 Voltage Sensitive Load Testing

At its April 15 meeting the EC approved adoption of this rule.

Resource Adequacy Rules

Mr. Kinney stated that ICS and the NYISO are jointly reviewing the methodology of conducting IRM and Locational Requirement studies, and as a result, there may be a need to modify NYSRC Reliability Rules A-R1 and/or A-R2. RRS will monitor ICS progress in this effort, and will determine in conjunction with ICS, whether there is a need to modify these rules (AI #71-5).

Reliability Rule Implementation Plan

Mr. Adamson requested RRS to consider establishment of an implementation plan for each new reliability rule when it is adopted. NERC presently prepares implementation plans for its new standards, which have been helpful for those entities that are required to implement them. RRS agreed to add an implementation plan section to the PRR template form (AI #71-6).

3.2 NPCC Rules Revisions Update

Mr. Adamson reviewed the NPCC Criteria Revision Tracking Summary table, dated 4/25/05.

NPCC A-3, Emergency Operations Criteria

A number of changes to the reliability rules will be required to be consistent with this revised NPCC document. Mr. Pappas discussed possible rule changes as follows:

- F-M3 - add an annual review of load shed procedures
- F-R7 - add a requirement that generators must certify compliance to Figure 1 (frequency curve) or give appropriate reasons why they cannot.

Mr. Pappas will prepare a template with proposed rule changes upon NPCC approval of the A-3 standard revision (AI #69-3).

A draft revision 2 of the standard was issued for comments which are due May 20. Mr. Pappas reviewed the new draft and had the following comments:

- The new revision changed the applicability of the frequency curve from units >5MW to units that are part of the area approval process. For the NYISO this limit is 20MW, so the new revision would exempt more machines.
- A new section was added to 4.11 requiring notification be made to the Area System Operators of the "...failure of critical systems and applicable components associated with key facilities..." A definition of applicable components is not included. This can be interpreted as including lease lines and other sub-components of key facilities. The concept is not clear. The standard needs to clearly state the level of sub-components that it is including.

Mr. Pappas will post these comments on the NPCC Web site (AI #71-7).

NPCC A-10, Criteria for Classification of BPS Elements

RRS has no comments on the standard at this time. RRS needs to determine the need for changes to the NYSRC definitions of “NYS bulk power system” and “significant adverse impact” as well as a new definition of “local area” based on the final wording of A-10 (AI #70-3). RRS will monitor progress on this standard (AI #70-9). Mr. Corey reported that NPCC TFSS members may provide comments on these definitions.

NPCC C-16, Procedure for NPCC Review of New or Modified BPS SPSs

Comments are due May 29. Mr. Pappas will review the document with his protection people to determine if comments should be posted and whether NYSRC rule changes are required (AI #71-8).

NPCC C-20, Procedures During Abnormal Operating Conditions

Mr. Pappas has reviewed the document and had no comments. Mr. Pappas will review the proposed procedures to determine any impact on reliability rules (AI #71-9).

Significant changes proposed to NPCC Document C-20 include the following (from the cover letter to the proposed document):

- The revised C-20 represents a merger of two existing procedures, NPCC Documents C-19, “Procedures During Shortages of Operating Reserve,” and C-20, “Procedures During Abnormal Operating Conditions.” It was recognized that the Area responses to the two operational states could more efficiently be incorporated in a single Type C Procedure.
- Language formerly addressing restoration in Procedure C-20 has been removed in recognition of the enhanced restoration requirements added to NPCC Document A-03, “Emergency Operation Criteria.”
- All inter-Area notification practices have been clarified.
- The regional reserve emergency has been better defined, and the Area responses to a regional reserve emergency have been clarified.
- The document has been revised to reflect current market mechanisms.
- The document has been revised to recognize the potential for shared operating reserve among the NPCC Areas.
- The reporting of, and response to, a shortage of thirty minute operating reserve and ten-minute operating reserve has been made consistent.
- The Area response to a condition of sustained under generation has been clarified.

NPCC C-30, Procedures for Task Force on System Protection Review of Disturbances

As part of the NPCC triennial review process, C-30 was issued for comment with no changes from the existing C-30. Assuming no changes are made during the posting process, no reliability rule changes will be required. RRS has no comments.

3.3 NERC SARs/Standards

Mr. Adamson reviewed an updated NERC Reliability Standards Tracking Summary. As previously noted, NERC has revised its standard numbering system.

FAC-008-1 to 013-1 Transfer Capabilities

Mr. Adamson reported that at an NPCC CP-9 meeting on May 5-6, working group members will review their concerns about omission of Category C Contingencies in the most recent draft of these standards with an NPCC member of the drafting team. He was asked by CP-9 to discuss this concern with the full NERC drafting team who will be preparing a revised draft. The next draft will likely be balloted.

Urgent Action Cyber Security Standard

Mr. Adamson reported that the second urgent action renewal period (second year) for this standard will expire in August and that it is not expected that the permanent standard will be adopted by then. The NERC BOT will likely take some kind of action to avoid a gap in NERC cyber security requirements that would result, if the current NERC standard development process were to be followed.

Reliability Standards Process Manual

Draft Version 4 of the manual was posted for comments on 4/1/05, with comments due 5/16/05. The primary purpose of this revision is to streamline the NERC process for developing a standard. Mr. Adamson reviewed his comments. His primary concerns on the proposed revision are: (1) The revision allows a SAR and a draft standard to be posted for comment concurrently, (2) it allows urgent action standards to be renewed twice rather than just once. RRS agreed with these concerns. Mr. Adamson will provide comments to NERC on the manual after reviewing NPCC comments **(AI #70-10)**.

Nuclear Offsite Electricity Supply

SAR draft 2 was posted for comments on 4/1/05. Comments are due 5/13/05. RRS will not comment.

EOP 005-1, Facility Ratings for System Modeling (Part of Phase III/IV Planning Standards)

Standard draft 1 was posted for comments on April 22. Comments are due June 5. Mr. Adamson will review and incorporate comments into the Phase III/IV Standards comment form **(AI #71-10)**.

MOD (016-1, 022-1 to 028-1), System Modeling (Part of Phase III/IV Planning Standards)

Standard draft 1 was posted for comments on April 22. Comments are due June 5. Mr. Adamson will review and incorporate comments into the Phase III/IV Standards comment form **(AI #71-10)**.

PRC (002-1 to 005-1 and 018-1 to 023-1), Protection and Control (Part of Phase III/IV Planning Standards)

Standard draft 1 was posted for comments on April 22. Comments are due June 5. Mr. Pappas will review and provide comments to Mr. Adamson who will incorporate them into the Phase III/IV Standards comment form (AI #71-10).

VAR (001 to 004-1), Voltage and Reactive Control (Part of Phase III/IV Planning Standards)

Standard draft 1 was posted for comments on April 22. Comments are due June 5. Mr. Adamson will review and incorporate comments into the Phase III/IV Standards comment form (AI #71-10).

IRO 006-1, Urgent Action Revision to Transmission Load Relief Standard IRO-006-0

Balloting will begin on May 23. This urgent action SAR is needed to correct a conflict with INT-004-0, Requirement 5. Urgent action is required to correct the conflict because of a June 2005 software change. Mr. Pappas reviewed the document and concluded that the proposed change would have no reliability impact the NYCA. Also CP-9 has not at this point found any concerns within NPCC. No changes to reliability rules will be required. RRS will review the NYSRC voting position on this ballot initiative with the EC at tomorrow's meeting (AI #71-11).

3.4 Blackout Recommendations

3.4.1 DOE Blackout Report Recommendations – Status of Actions

Mr. Adamson reviewed the status of actions for implementing Blackout Report recommendations.

4.0 Additional Agenda Items

The one item was discussed in section 3.1.

5.0 Reports

5.1 Report on NYSRC EC Meeting #72

Certain items are covered above. Minutes of NYSRC EC meetings are available at <http://www.nysrc.org/documents.html>.

5.2 NYSRC ICS Report

EC approved an ICS 2005 work plan, which includes preparation of a paper addressing the Impact of Capacity Additions on LOLE and IRM Requirements study. On April 15 ICS presented this paper to the EC. At yesterday's ICS meeting a second issue covered by the ICS work plan, development of a joint methodology for conducting IRM and LCR studies, was addressed (see Item 3.1, Resource Adequacy Rules). ICS continued to update study assumptions for the 2006-07 NYCA IRM study. Minutes of NYSRC ICS meetings are available at <http://www.nysrc.org/documents.htm>.

5.3 NYSRC RCMS Report

Minutes of NYSRC RCMS meetings are available at <http://www.nysrc.org/documents.html>.

6.0 Next Meeting

The meeting was adjourned at 1300. The next meeting is scheduled for 0930 on Thursday, June 2, 2005 at the NYISO offices located at Washington Avenue Extension, Albany, NY.

Final Minutes of Meeting No. 71 submitted by Alan Adamson on June 2, 2005.