

FINAL

***New York State Reliability Council, L.L.C. (NYSRC)
Reliability Rules Subcommittee (RRS)
Minutes of Meeting #39***

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

Thursday, September 5, 2002

Attendance

Roger Clayton (Chairman)	PG&E National Energy Group	Member
Larry Hochberg (Secretary)	New York Power Authority	Member
Steve Corey	NYISO	Member
Edward Schrom	NY Public Service Commission	Member
Pat Callahan	Rochester Gas & Electric	Member
Alan Adamson		Consultant

Guests

George Smith		EC Unaffiliated Member
Glen Haake	IPPNY	Participant
Peter Chamberlain	NRG	Participant

Agenda Items

1.0 Introduction

The meeting was called to order at 10:05 a.m.

1.1 Executive Session

No Executive Session was requested.

1.2 Requests for Additional Agenda Items

Two additional agenda items were requested by Mr. Clayton and are included under agenda items 4.4 - Discussion of the Introduction to Applications and 4.5 - Discussion of RRS Scope of Work.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #38

The minutes of RRS Meeting #38 were unanimously approved with minor revisions. Mr. Adamson will issue the final minutes.

2.2 Action Items List

The action items list was reviewed and updated. An updated action items list is attached.

3.0 NYSRC RR Development

3.1 List of Potential RR Changes

RRS reviewed the list of potential rule changes as follows:

?RR 8 - Reactive Load and Resource PF Requirements at BPS/LSE Boundaries

On hold pending completion of an NYISO operating reactive study.

?RR 18 - Special Protection Systems - Application Criteria

Mr. Corey had sent an e-mail dated 6/26/02 to RRS with background information on SPS issues. The background information included a list of references to SPSs in NPCC documents, the 2002 list of SPSs in NPCC and NEPOOL planning procedure 5-5 which provides guidelines for SPS applications. Mr. Corey indicated that there was a general concern about proliferation of SPSs, especially Type I & Type II, and about potential interaction of SPSs, but no problems have been identified in Area reviews or in operations. He noted that the majority of existing SPSs were of Type III and that there seemed to be a proliferation of Type III, but not Type I or Type II. He also noted that the redundancy requirement for Type II could be questioned. Mr. Smith voiced concerns about field testing and modeling SPSs in stability simulations. Mr. Clayton noted, based on the list of references prepared by Mr. Corey, that there is a rigorous review of SPS applications both at the ISO and at the NPCC level. After further discussion, RRS concluded that no new rule on SPSs is needed at this time. This PRR will be removed from the list.

?RR 20 - Multiple Utilities on the Same ROW

This PRR had been put on hold pending input from NYSRC counsel. Mr. Clayton noted that even though the NYSRC has no authority over other types of utilities, the NYSRC did get involved with the Millennium proceeding. He reported that, due to homeland security concerns about placing this type of information on the NPCC website, Mr. Bolbrock will raise this issue directly with the NPCC Executive Committee. This PRR will be removed from the list. Mr. Adamson was requested to send the NYSERDA gas study report to RRS (AI-39-1).

?RR 29 - Short-Circuit Criterion

This PRR had been put on hold pending revision of the NPCC A-2 criteria document, which may include new NPCC short circuit criteria. Mr. Clayton reported that he spoke with Mr. Kopman of NPCC and Mr. Kopman indicated that the NPCC CP-11 working group had developed wording regarding short-circuit criteria. He reported the draft language for the short-circuit criteria is as follows: "Each Area will establish criteria for

ensuring that fault duty levels are within appropriate equipment ratings and coordinate with adjacent Areas”. Mr. Clayton stated that Mr. Kopman will send him a confirming e-mail which he will forward to RRS (AI 39-2). Mr. Clayton reported that the need for short-circuit criteria, a database and an ISO procedure was discussed at the last EC meeting in the context of the Keyspan/ConEdison/NYISO fault duty calculations. He indicated that a complaint was filed with FERC on this issue and that he would monitor the proceedings (AI 39-3). He also noted that the EC is preparing a letter to address Keyspan’s concerns. Mr. Clayton reported that he reviewed the NERC, NPCC and NYSRC criteria for applicable rules and noted that short-circuit is referenced in the System Modeling section of the NERC planning standards. (Ed. Note: Short circuit is also mentioned in NERC Planning Standards section I.C. Facility Connection Requirements-Guide G2.g.) Mr. Corey noted that the NYISO had already taken some initiatives and that a supporting rule would be helpful. Mr. Clayton outlined the elements of a potential rule which should include: criteria must be stated, statement that a procedure must be developed (how to calculate and apply), a database must be maintained and intra- and inter-NYCA coordination must be considered. Mr. Corey added that the NYISO procedure should recognize who is responsible (measurement), potential local TO applications and NYISO cost allocation tariff provisions. Mr. Smith added that the impact on the backup breaker if the primary breaker fails due to over current is considered in short-circuit studies but not in planning studies. Mr. Clayton will prepare a draft template for review at the next RRS meeting (AI 39-4).

?RR 46 - Restoration of Ten (10) Minute and Thirty (30) Minute Reserves

Mr. Adamson reported that NPCC document A-6 Operating Reserve Criteria has again been updated. Messrs. Davis and Muir were requested to review the changes to A-6 for NYSRC rule change implications (AI 39-5). It was noted that Mr. Muir had sent RRS NYISO technical bulletin #93, a revision of certain NYISO rules governing the treatment of regulation and operating reserves.

?RR 50 – Distribution of Testing Results

RRS agreed to review this winter, whether this rule needs to be made permanent.

?RR 51 - Definition of Reactive Power Capacity

Mr. Muir had issued a revised template to RRS on 8/16/02. Mr. Muir noted in his cover letter that by using “quadrature” instead of “out-of-phase” the definition would be different than the NYISO’s. Mr. Corey suggested that the examples of equipment that produce/absorb reactive power be moved to the definition of reactive power capacity. Mr. Clayton will revise the template accordingly and issue to RRS (AI 39-6). Mr. Adamson will issue it to the EC for consideration at its next meeting.

?RR 52 - Generator Governor Response

Messrs. Davis and Muir are to report on this PRR at the next RRS meeting.

?RR 53 - NYISO Communications Measurement for J-R2 - Testing and Incident Reporting

This PRR was posted for comments. Comments are due by 9/30/02.

?RR 54 - Compliance Elements for Measurement B-M4, List of BPS Facilities

This PRR was posted for comments. Comments are due by 9/30/02.

?RR 55 - Modification of BPS Protection Maintenance Rule H-R2

Mr. Adamson reported that RCMS is awaiting a request to SPAS to recommend a modification to this Rule.

?RR 56 - Modification of Exception No. 18

Mr. Adamson reported that SOAS is reviewing.

3.2 NERC/NPCC Rules Revisions Update

RRS reviewed an updated version of the NERC & NPCC Criteria Revision Log issued by Mr. Adamson. Mr. Adamson noted that it is difficult to monitor the “B” and “C” parts of the NPCC process. Mr. Clayton raised the general questions of who will review the revisions to see whether comments should be made or NYSRC rules need to be revised. The following assignments were made: Mr. Corey will request Mr. Ingleson to review those criteria/guidelines/procedures pertaining to system protection (C-30, C-22, B-7, B-1, A-11 [was B-11], and A-5) (**AI 39-7**). Mr. Clayton will request Messrs. Davis and Muir to review those pertaining to operating reserves (A-6, C-9, C-12, RD-04, RD-05) (**AI 39-8**). Mr. Adamson will look at all of the revisions in general (**AI 39-9**). Any recommendations will be considered at the next RRS meeting. Mr. Adamson noted that two NERC SARs had been added to the list.

3.3 NERC Organization Standards

Mr. Adamson stated that he had e-mailed the NPCC CP-9 work scope, NERC Organization Standards Process Manual and a NERC Organization Standards Process Presentation to the RRS. Mr. Adamson reviewed the NERC standards development process noting that there are over 40 steps in the procedure. He also noted that NPCC had recently formed the CP-9 working group which will coordinate NERC standards issues within NPCC, provide comments on new SARS and Standards and identify potential impacts on NPCC.

Mr. Adamson had sent RRS a table “Proposed RRS Participation in NERC Organization Standards Process” and reviewed it at the meeting. RRS discussed various means of staying abreast of the NERC standards process and keeping track of and coordinating with the CP-9 effort. Mr. Clayton will raise this issue for discussion at the next EC meeting. It was noted that Mr. Zito is chair and Messrs. Campoli and Kotecha are members of CP-9. Mr. Adamson advised RRS that he is on the NERC mailing list to receive draft SARS and organization standards. Mr. Adamson was requested to send any new draft SARS or organization standards to RRS for its consideration (**AI 39-10**). Mr. Adamson provided a copy of a table prepared by NPCC entitled “NERC Organization Standard Tracking (Executive Summary)” and reviewed it at the meeting. Mr. Corey indicated that he would be interested in SARS 4, 5 and 6 on that list.

Mr. Adamson noted that there will be a NERC group (Standards Authorization Committee) that manages the standards development process. He also noted that this committee will have two representatives from each Industry Segment and that the

segment the NYSRC is a member of has decided that its two members will come from the ISOs and regional reliability councils, respectively.

As requested by Mr. Schrayshuen, RRS reviewed two draft SARs: 1) Balance Resources and Demand and 2) Operate Within Transmission System Limits – Monitor and Assess Short-term Reliability. RRS concluded that no action needed to be taken on these two draft SARs.

4.0 Additional Agenda Items

4.1 Regional Multiple Utilities on a ROW [EC AI #40-4]

This item is covered under item 3.1 above - ? RR 20 - Multiple Utilities on the Same ROW.

4.2 Review need for short circuit studies rule [EC AI #40-10]

This item is covered under item 3.1 above - ? RR 29 - Short-Circuit Criterion.

4.3 Review need for Non-ICAP generator obligations rule [EC AI #40-13]

Mr. Haake was present for this discussion. Mr. Clayton read from the draft EC minutes the discussion about this issue. The minutes indicated that a letter from NYISO counsel indicates that the NYISO may order non-ICAP generators to produce power in a major emergency even though they have not provided bids or schedules. The NYISO letter also notes that the NYISO does not presently have the authority to make non-ICAP generators produce power prior to a major emergency to avoid entering this state. The EC asked RRS to determine whether a new rule is needed. Mr. Clayton reviewed Table V – System Conditions for Operating States of the NYS Bulk Power System and the conditions under which a major emergency is declared. It was noted that the operating states table does not include the term “emergency” as indicated in section III.B of the NYISO letter, only “major emergencies” which is addressed in section III.C of the NYISO letter. The letter refers to the NYISO services tariff for definitions of these terms. RRS reviewed several sections of the NYISO letter relative to the defined System States and concluded that a new rule is not required at this time. However, Mr. Adamson noted that the conclusions of the letter were challenged at a recent NYSRC ICS meeting and he will monitor ICS proceedings for any further developments (AI 39-11). Mr. Adamson added that since the MARS model does not include non-ICAP generation, the additional power provided by the “major emergency” obligation of a non-ICAP generator should provide extra operating margin.

4.4 Discussion of the Introduction to Applications

As the most recent copy of the Introduction to Applications was not available at the meeting, Mr. Adamson was requested to send a copy of it to RRS. Members are to provide any comments by COB 9/9/02 (AI 39-12).

4.5 Discussion of RRS Scope of Work

Mr. Adamson had sent RRS a revised RRS work scope to reflect a NYSRC organizational change to have the Installed Capacity Subcommittee (ICS) report directly to the Executive Committee instead of to RRS. RRS reviewed the redline version and made a few editorial changes. Mr. Adamson will incorporate the changes and issue to the EC for approval (AI 39-13).

5.0 Reports

5.1 Report on NYSRC EC Meeting #40

Mr. Clayton reported on items of RRS interest from the August 9 EC meeting. These included approval of PRRs 53 and 54, discussion of changes to the RRS work scope, discussion of the ConEdison/Keyspan/NYISO short circuit issue, discussion of non-ICAP generator obligations and representation on the North American Energy Standards Board (NAESB). Minutes of NYSRC EC meetings are available at <http://www.nysrc.org>.

5.2 NYSRC ICS

Mr. Adamson reported that ICS had met on 9/4/02. The ICS has completed the deliverability study and is finalizing assumptions for the statewide IRM study. Mr. Adamson noted significant changes to the IRM study assumptions include: load shape model change from 1995 to 1998, more analysis of generator maintenance patterns and ISO-NE represented by 13 zones. He reported that the draft IRM study report is scheduled to be sent to the EC by 11/1/02.

5.3 NYSRC RCMS

Mr. Adamson reported that at its last meeting RCMS reviewed the Con Edison/Keyspan/NYISO short-circuit breaker duty studies. Also, the NYISO reported at the last EC meeting that several generators were delinquent in completing their annual reactive capability test. It was noted that the NYISO did not notify RCMS of this delinquency.

6.0 Next Meeting

NYISO offices at Washington Avenue Extension, Albany, NY on October 3, 2002 at 10:00 a.m.

The meeting was adjourned at 3:10 p.m.

Final Minutes of Meeting No. 39 submitted by Larry Hochberg on October 11, 2002.