

FINAL

***New York State Reliability Council (NYSRC)
Reliability Rules SubCommittee (RRS).
Minutes of Meeting #3***

***Conference Call
Wednesday, September 8, 1999***

Attendance

Mayer Sasson (Chairman)	Consolidated Edison Company of NY, Inc.	Member
Roger Clayton (Secretary)	PG&E Generating	Member
Keith O'Neal	New York State PSC	Member
Larry Hochberg	New York Power Authority	Member
Alan Adamson		Consultant
John Adams	New York Power Pool (ISO)	Guest

The meeting was convened at 9:30 am and adjourned at 11:30 am. A follow-up conference call occurred on September 15, 1999 with Mssrs. Sasson, Clayton, Hochberg, Eng and Adamson.

Introduction

Mr. Sasson proposed the following agenda:

- < Jack Casazza's concerns over the Reliability Rules approved by EC on 8/12/99
- < NPCC Representative
- < ICAP 8/24/99 "Commencement of ICAP Modeling" Study Scope
- < Definition of "Bulk Power System"

There being no objection the agenda was adopted.

Jack Casazza's concerns over the Reliability Rules approved by EC on 8/12/99.

Mr. Casazza, in an 8/1/99 memo and in follow-up communications, proposed to immediately introduce new reliability rules. He made 5 general comments and 13 specific recommendations. His 5 general comments suggest that NYSRC Reliability Rules should:

1. Be crosschecked against the new NERC & NPCC standards.
2. Have the same structure as the new NERC & NPCC standards.

3. Give more emphasis to planning as opposed to operating and should have rules on capacity requirements for market participants.
4. Be a guide for compliance rather than assessment.
5. Be succinct with exhibits in separate volumes.

The RRS noted that the NYSRC Agreement requires that existing rules be initially adopted by the EC for use by the NY ISO at its startup and that subsequent revisions to those rules may be made from time to time.

RRS discussed points 1, 2 & 3 in detail and noted that the last two points were style issues. It was noted that NERC is in the process of revising all its standards and plans to have the first phase completed by 12/31/99. The first phase is presently in "due process" and is out for discussion and testing. There will be four phases in total. NPCC is shadowing this effort, and plans to adopt the same format and content as the basis for its standards once NERC finalizes its new standards. NPCC has a Task Force for Coordination of Planning chaired by Larry Eng leading this effort.

RRS felt that, in accordance the NYSRC Agreement and except for a pressing and immediate need, it would be premature for NYSRC to immediately issue new rules, but that RRS should coordinate with the NERC and NPCC efforts. The coordination effort should be directed at adopting the same format and content of the NERC and NPCC standards as the basis for new NYSRC Reliability Rules, in due course.

It was noted that the Reliability Rules approved by the EC on 8/12/99 were based upon existing NYPP, NPCC and NERC standards and, as such, had been crosschecked against existing standards. On Mr. Casazza's point 3, it was noted that the responsibility for capacity requirements for the market participants lies with the NY ISO not with the NYSRC. It was also noted that, even if there were a pressing need to introduce a new rule immediately, there would be a time delay for training and possible software changes before implementation at the NY ISO. This delay may make implementation of any new rule impossible by the 10/12/99 NY ISO start-up date.

Mr. Casazza's style points 4 & 5 were not discussed. It was noted that Alan Adamson has prepared a document outlining a NYSRC Reliability Rules revision process that should be discussed at the next meeting.

NPCC Representative

Based upon the above discussion, the RRS recommended that Mr. Sasson approach Mr. Eng to act as liaison between the NPCC Task Force on Coordination of Planning (TFPC) and the RRS. If Mr. Eng accepts, it was recommended that he brief RRS on NPCC and NERC standards revision activity at the next RRS meeting.

ICAP 8/24/99 "Commencement of ICAP Modeling" Study Scope

The work objective outlined in this study scope is to define summer 2000 state-wide reserve requirements by January, 2000 and is to start immediately in order to meet that deadline.

RRS approved the "Commencement of ICAP Modeling" study scope and recommended that it be submitted to the EC for their approval. RRS also recommended that Mark Cordeiro brief the EC at their 9/10/99 meeting on ICAP's study scope and obtain their comments.

Definition of "Bulk Power System"

Steve Corey has raised concerns about the definition in the Reliability Rules and has suggested an alternate definition. Steve Corey will obtain input on this point from TPAS at their next 9/14-15/99 meeting.

Next Meeting

NYPP, Conference Room B at 10:00 am. Tuesday, October 5, 1999.

Final Minutes Submitted to RRS by R. Clayton (Secretary) on October 11, 1999.