

FINAL

New York State Reliability Council (NYSRC) Reliability Rules Subcommittee (RRS) Minutes of Meeting #18

NYISO, Guilderland, NY

Thursday, November 2, 2000

Attendance

Mayer Sasson* (Chairman)	Con Edison	Member
Roger Clayton (Secretary)	PG&E National Energy Group	Member
Keith O'Neal	New York State PSC	Member
Steve Corey	NYISO	Member
Larry Eng****	Niagara Mohawk Power Corp.	Member
Larry Hochberg	New York Power Authority	Member
Phil Davis	KeySpan Energy	Member
Ray Kinney***	New York State Electric and Gas Corp.	Member
Pat Callahan*	Rochester Gas & Electric	Member
Alan Adamson		Consultant
John Muir	Con Edison	Representing Mayer Sasson
John Adams**	NYISO	Guest
John Charlton	NYISO	Guest

* = Did not attend, ** =Attended part time in person, *** =Attended part time by phone,
****=Attended part time by phone and part time in person

Agenda Items - (Item # from Meeting Agenda)

1.0 Introduction

Mr. Clayton chaired the meeting in Mr. Sasson's absence and Mr. Muir attended for Mr. Sasson. Mr. Hochberg took the minutes.

1.1 Requests for Additional Agenda Items

RRS reviewed the posted agenda and added five agenda items to be covered under Items 4.5 and 5.1 - 5.4 below. There being no further discussion, the amended agenda was adopted.

1.2 Topics for Open Session

There was no discussion of the open session topics in preparation for the closed session.

2.0 Meeting Minutes/Action Items

2.1 Approval of RRS Minutes #17

The RRS Meeting #17 Minutes were unanimously approved with minor revisions.

2.2 Action Item List

The Action Item list was reviewed. An updated action item list is attached. AI's 11-7 and 17-1 were placed on hold pending follow-up by Mr. Davis. Regarding AI 13-6 Mr. Adamson will propose a draft revision to Policy 1-1 to incorporate notification of market participants via the NYISO Technical Information Exchange (TIE) server. AI's 14-2 and 14-5 will be marked as completed since these action items are expected to be covered by the NPCC pilot audit of NYISO compliance with NPCC A-6 Operating Reserve Criteria. AI 17-6 is being addressed by the NYSRC ICAP WG.

3.0 Report on NYSRC EC Meeting #18

Mr. Clayton provided the following status report:

- The MI and Wholesale sectors notified the NYSRC that they will cease participation in the NYSRC on January 1, 2001 if action is not taken to resolve the issues regarding the NYSRC funding mechanism.
- The EC discussed opening up its meetings starting January 1, 2001.
- The NERC reliability legislation is still pending.
- Status reports were provided on RRS, ICAP WG and RCMS activities. Regarding the NOx issue it was noted that Con Edison is working with DEC to develop a NOx waiver that could be used by Con Edison system operations. Con Edison needs its own waiver because the ISO waiver only covers bulk power system capacity deficiencies and not local load pocket emergencies. Mr. Clayton also noted that the EC agreed to consider issuing a press release regarding summer 2001 generation and transmission preparedness. RRS was given the assignment to develop a draft press release (this topic is on the agenda for this meeting).

4.0 NYSRC RR Development

Mr. O'Neal stated that he issued a draft template for potential rule #30. Mr. Adamson stated that he would like to discuss revising local reliability rule #2 and that a template would be needed. Due to time constraints, discussion of potential RR changes was postponed until the next regular meeting of RRS.

	<u>Potential Rule Change</u>	<u>Assignee</u>	<u>RRS Action</u>
1.	New “knee of the curve” P-V criterion	S. Corey	Prepare template
2.	Planning responsibility (NY ISO TEI 5.3)	N/A NYISO issue	Remove from list
3.	Prioritization. Planning by queue position or by group.	N/A NYISO issue	Remove from list
4.	Definition of BPS	S. Corey	Prepare template
5.	Provision for Emergency Actions	K. O'Neal	Template completed
6.	Reserve requirements as a function of demand elasticity		Remove from list
7.	Study impact of changes to ICAP 1/10 ICAP WG & EOP criteria		2001 IRM study. Remove from list.
8.	Reactive load and resource PF requirements at BPS/LSE boundary	S. Corey	Prepare template
9.	Normal/extreme contingency definition	S. Corey	Prepare template
10.	Incremental impact criterion	S. Corey	Remove from list
11.	CBM/TRM issues	R. Clayton	Remove from list
12.	Disturbance reporting	L. Eng	Coordinate with NYISO disturbance reporting
13.	Long term reserve requirements (ISO/RC Agreement, Article 4.5)	K. O'Neal	
14.	ICAP assumptions on generators to be included in study	ICAP WG	2001 IRM study Remove from list
15.	Replacement Operating Reserve	K. O'Neal (T)	Completed. Remove from list.
16.	“Quick Start” Mode for 30 Minute GTs at Gowanus & Narrows	M. Sasson (T)	Completed. Remove from list.
17.	Impact of local RR on local and state wide reserve requirements	ICAP WG	2001 IRM study Remove from list
18.	Special Protection Systems – Application Criteria	R. Clayton	Template completed
19.	15 minute reserve criterion		Remove from list.
20.	Multiple utilities on same ROW	V. Kotecha	R.Clayton to research
21.	Restoration criteria	M. Sasson	Assignee added.
22.	Protection criteria	S. Corey	Prepare template
23.	Generator Unit Availability Data Requirements	A. Adamson	Completed. Remove from list
24.	Interconnection requirements		J. Adams to discuss with S. Corey.

25.	NOx Emissions DEC criteria and impact on dispatch in NYC	M. Sasson	Draft policy statement tabled by EC
26.	Equipment maintenance criteria	P. Davis	Remove from list
27.	System data maintenance		Description of potential rule required
28.	Ramp-rate reserve criterion	M. Sasson	Obtain NYISO comment on template
29.	Short-circuit criterion	S. Corey	Prepare template
30.	NYCA "state" performance	K. O'Neal	Prepare template

4.1 RR rev1 approval

It was noted that comments are still in the process of being incorporated into the draft RR manual rev.1.

4.2 NPCC A6 compliance

Mr. Adamson reviewed the status of the NPCC CMAS pilot audit of NYISO compliance with the A-6 Operating Reserve Criteria. The audit is scheduled to be conducted on 11/3/00. He noted that the comments contained in the 9/9/00 RRS draft letter had been given to CMAS. Also, CMAS had sent a letter to the NYISO that specified the type of information to be requested of the NYISO during the audit. Mr. Adamson stated that NPCC had withdrawn its invitation to NYSRC RCMS to participate in the audit, but that RCMS could participate in the NPCC CMAS meeting scheduled for 12/6/00. The results of the audit are expected to be discussed at that meeting. Mr. Muir volunteered to attend the 12/6/00 NPCC CMAS meeting and provide a summary report to the RRS and RCMS (AI-18-1). Mr. Adamson noted that the NYSRC is planning to send a letter to NPCC protesting the CMAS decision to limit participation in the audit to only NPCC and NYISO personnel.

4.3 ICAP procurement period

Mr. Adams reported that the NYISO is still considering changing the ICAP procurement period from 6 months to 1 month. He stated that market participants are in favor of such a change. RRS reviewed how the NYISO ICAP market works, but could not reach a consensus on whether or not a change in the procurement period from 6 months to 1 month would impact reliability. RRS noted that NYSRC rule 3.1.4 specifies LSE installed capacity responsibilities and agreed that this issue should be addressed by RCMS as a compliance matter.

4.4 NYCA G&T Adequacy/Summer 2001 Preparations - Press Release

Mr. Adamson reviewed the load and capacity analysis request sent to the NYISO and the response provided by the NYISO. RRS discussed the projected load and capacity information contained in

several tables provided in the NYISO response. Mr. Clayton volunteered to develop an initial draft press release and send to RRS for comments by COB 11/3/00 (AI 18-2).

4.5 Scope of Update to NYSRC Rules Manual

Mr. Adamson reviewed a list of suggested items to be considered for the next update to the NYSRC Rules Manual. These included format review, introduction update, where to document "measurements", relocation of appendices, addition of new rules, time frame for update and highlighting "more specific rules". Mr. Eng stated that NERC is again considering changing its format. Mr. Hochberg stated that it wouldn't be prudent to make major format changes to the Rules manual now in light of the changing nature of the NERC and NPCC formats. RRS agreed that some of Mr. Adamson's suggestions could be incorporated through incremental updates of the Rules manual. Mr. Adamson was requested to prepare a proposal for RRS review (AI 18-3).

5.0 Additional Agenda Items

5.1 Reserve Pick-up Failure

Mr. Davis expressed concern about recent NYISO ACE performance specifically with regard to failures of reserve pick-up (RPU) criteria for loss of units and the excessive number of RPU's for load/schedule changes. Mr. Davis stated that he believes the reason for these problems is that the NYISO is not in compliance with the intent of NERC Operating Policy 1 requirements for regulating and contingency reserve and that generator units are not moving as they did under the NYPP. Mr. Corey stated that the NYISO has separate markets for regulating and spinning reserve. It was noted that when failures of RPU criteria occur, NPCC penalizes the NYISO by increasing the synchronized reserve portion of the NYCA ten-minute reserve requirement. Mr. O'Neal noted that the NYISO Operating Committee has adopted changes to the AGC command signals that are sent to the generators that should improve RPU performance, but would not reduce the number of RPU's. RRS agreed to continue to monitor the RPU performance and refer this issue to RCMS (AI 18-4).

5.2 Locational Reserve Requirements

Mr. O'Neal informed RRS that the NYISO had developed and filed with FERC revised Locational Reserve Requirements (see attached file Rwg6.pdf). The revised requirements are on FERC's agenda for November 8, 2000 and would be implemented if approved. Mr. O'Neal pointed out that the 10 minute spinning reserve requirements had been reduced for Eastern New York and Long Island. Mr. Davis stated that LIPA/KeySpan do not agree with the revisions made by the NYISO and believe they may even be in violation of NERC/NPCC requirements. Mr. Muir stated that the revised requirements might violate Local Rule #2 which states that Con Edison must maintain its 10 Minute Operating Reserve on in-City steam units and Fast Start Gas Turbines. Mr. Davis will summarize the specific LIPA/KeySpan technical concerns and send to RRS (AI 18-5).

5.3 Replenishment of 10 Minute Reserve in 30 minutes

Mr. O'Neal reported that, at the request of the NYSRC, the NYISO had examined whether it could replenish its 10 minute reserve in 30 minutes if the most severe contingency occurred. The NYISO found that there were times it would not have been able to meet the 30 minute replenishment requirement. Mr. O'Neal stated that the NYISO had determined that there was "latent reserve" but that there was no guarantee it would be available if needed. It was noted that ISO-NE counts the replenishment reserve as part of its requirements. RRS agreed that this issue is a compliance matter and should be addressed by RCMS.

5.4 Open Subcommittee Meetings

Mr. Clayton recommended that RRS monitor the EC's experience with open meetings starting January 1, 2001 and possibly adopt the same approach.

6.0 Open Session

The formal open session ran from 1300 to 1315 with no participants on line. The line remained open for the rest of the meeting.

6.1 NYSRC ICAP WG Report

Mr. Adamson reported that the ICAP WG is continuing to work on the 2001 IRM study and is revising the format of the report and the Appendices. This material will be reviewed at the 12/5/00 joint RRS/ICAP WG meeting.

6.2 NYSRC RCMS Report (NYISO Compliance)

Mr. Adamson reported the RCMS had met November 1, 2000 and provided the following status report:

- RCMS is performing a compliance assessment of the NYSRC's five local reliability rules.
- RCMS is preparing a summary of completed compliance reviews--samples will be provided at the next EC meeting.
- RCMS has developed a procedure for compliance reviews (Policy 4)-- that is expected to be brought up for approval at the next EC meeting.

- RCMS templates for year 2000 compliance reviews will be brought up for approval at the next EC meeting.
- RCMS plans to begin working on a year 2001 compliance program at its next meeting.

6.3 NYSRC RRS NERC Compliance Report

There was nothing new to report.

6.4 NYSRC RR Development Report

There was nothing new to report.

7.0 Next Meeting

A two-day meeting was scheduled for RRS Meeting #19. The first day will be a regular session and the second day will be a special joint RRS/ICAP WG meeting to discuss the 2001 IRM study results. The meetings were scheduled to be held Monday December 4, 2000 10:00AM at Niagara Mohawk Eastern Control Center and Tuesday, December 5, 2000 @ 10:00AM at the NYISO.

RRS Meeting #20 was scheduled to be held at Con Edison, NYC on Tuesday, January 9, 2001 @ 10:00AM.

Final Minutes of Meeting #18. Submitted to RRS by Larry Hochberg on December 11, 2000.