Roger and Al,

Please see the below summary for the NYISO's acknowledgement that Con Edison has fulfilled its PR-116a Implementation Plan obligations, and to request postponement of certification for Rule G.4 R2.

Summary

The NYISO is scheduled to certify to NYSRC Rule G.4 R2 – requiring that Con Edison shall have procedures and implement actions for the identification of *Eligible Black Start**Resources -- at the March 3, 2016 RCMS meeting. The NYISO requests that the certification be postponed until September 1, 2016 for the following reasons:

I. This certification is intended, in part, to satisfy Con Edison's requirement in the PRR-116a Implementation Plan (copied below) to provide an initial study related to identifying Eligible Black Start Resources within one year of the PRR's approval. The NYISO has reviewed an initial study conducted by Con Edison and accepts the procedure included with the study, and believes the study satisfies the Implementation Plan's intent.

Implementation Plan from PRR-116a

Within 12 months of receiving FERC approval for the Tariff change, Con Edison shall complete an initial study for identifying any *Eligible Black Start Resource* that would provide a *Material Benefit* to the SRP if included. This study shall be conducted in accordance with Measurement I-M8 requirements. A summary of the study shall be reviewed by the NYISO and NYSRC subject to appropriate confidentiality protections.

II. However, G.4 R2.1 (copied below) specifically states that the study should be performed to identify Eligible Black Start Units, a defined NYSRC term:

Eligible Black Start Resource(s) - Either a non-participating black start capable resource in the Con Edison SRP that has the

physical capability installed to provide black start service or a participating black start resource that has given notice of its

intent to withdraw from black start service in the Con Edison SRP.

R2. Con Edison shall have procedures and implement actions for the identification of *Eligible Black Start Resources* in accordance with R1 and *NYISO* procedures, as follows:

R2.1. Con Edison shall perform and document studies to identify *Eligible Black Start Resources* that would provide a *Material Benefit* to its SRP if included. These studies shall be conducted whenever changes to relevant system conditions may affect the results of the previous study.

As a matter of technical concern, the NYISO cannot certify that Con Edison performed a study "...to identify Eligible Black Start Resources..." because, in this case, the resources identified in the study did not meet the definition as they did not have black start capability physically installed at the time the study was conducted. Yet we acknowledge that the intent of R2 was certainly fulfilled, and believe the procedures used to conduct the study satisfy the requirements.

While the identified units do not meet the technical definition of "Eligible Black Start Resources," we do not construe this to mean that Con Edison should not pursue identifying and enlisting units that are not Eligible Black Start Resources that provide a material benefit to their SRP. The NYISO of course believes that generators that wish to participate in Con Edison's SRP should be able to voluntarily do so outside of the ambit of Reliability Rule G.4. It is the NYISO's understanding that the units identified in the Con Edison study desire to participate in the Con Edison SRP, and have begun efforts to become Eligible Black Start Resources.

It is our understanding that these units likely will meet the definition of Eligible Blackstart Resources by the time Con Edison is required to certify to the NYISO on their TO SRP in September. At that time, the Con Edison Report can be revised to satisfy Rule G.4 R2, and the NYISO will have no objection to certifying compliance with the Rule. Moving this certification date to coincide with the certification to other SRP-related Rules also allows for efficiency in NYISO and TO actions surrounding the SRPs, by allowing for consolidation of efforts.

Thank you for your consideration.

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