

**Minutes**  
**New York State Reliability Council, L.L.C. (“NYSRC”)**  
**Executive Committee**  
**Meeting No. 28 - August 17, 2001**  
**Albany Country Club - Guilderland, NY**

**Members and Alternates:**

Richard J. Bolbrock	Long Island Power Authority (“LIPA”) - Chairman
William H. Clagett	Unaffiliated Member - Vice Chairman
Roger E. Clayton	Wholesale Seller’s Sector, PG&E National Energy Group
Mark J. Cordeiro	Municipals, PLM, Inc
Bruce B. Ellsworth	Unaffiliated Member
Joseph C. Fleury	New York State Electric & Gas Corporation - Secretary
H. Kenneth Haase	New York Power Authority (“NYPA”)
John D. Hauber	Rochester Gas & Electric Corporation (“RG&E”)-by phone
George C. Loehr	Unaffiliated Member
Michael Mager	Retail Sector, Couch, White, LLP (for R.M. Loughney) *
Kenneth A. Mennerich	Central Hudson Gas & Electric Corporation (“CHG&E”)
Mayer Sasson	Consolidated Edison Co. of N.Y.,Inc.(“Con Edison”) *
Herbert Schrayshuen	Niagara Mohawk Power Corp.(“NMPC”)-Alt. Member

**Others**

John Adams	New York Independent System Operator (“NYISO”)
Alan M. Adamson	Consultant
Paul L. Gioia	LeBoeuf, Lamb, Greene & MacRae (“LLG&M”)
Howard A. Tarler	NYS Department of Public Service (“NY DPS” or “PSC”)*

**Visitors - Open Session**

Liam Baker	Orion Power - by phone *
Joseph Plewinski	General Electric Power Systems
S. Mark Petro	Mirant, NY

“\*” - Denotes part time attendance at the meeting.

**Agenda Items - (Item # from Meeting Agenda)**

**I. Executive Session** - An Executive Session was conducted following the Open Session to address NYSRC related issues from the FERC Mediation Process in the Northeast Regional Transmission Organization (“RTO”) Proceeding, pursuant to a directive from the Administrative Law Judge.

**II. Open Session**

**1.0 Introduction**

**1.1 Meeting Attendees** - Thirteen (13) Members/Alternate Members of the NYSRC Executive

Committee (“Committee”) were in attendance for a majority of the meeting.

**1.2 Requests for Additional Agenda Items** - The Committee reviewed the agenda and no new items were added by the Committee. Agenda Item 8.6 will be deferred to the next Committee meeting.

**1.3 Executive Session Topics** - Mr. Bolbrock noted that an Executive Session was to be conducted following the Open Session to discuss the FERC Mediation Process in the Northeast RTO Proceeding.

## **2.0 Meeting Minutes/Action Items List**

**2.1 Approval of Minutes for Meeting No. 27 (July 13, 2001)** - After brief discussion, Mr. Ellsworth moved that the Committee approve the Draft Minutes for Meeting No. 27, which was seconded by Mr. Cordeiro, and approved unanimously by the Committee Members in attendance (11 to 0, 2 absent). The Secretary shall issue the final minutes for Meeting No. 27 and post them on the NYSRC web site - **AI #28-1**.

**2.2 Action Items List** - The Committee reviewed the Outstanding Action Items List. Items were discussed under their respective Agenda Items below.

## **3.0 Organizational Issues**

**3.1 NYSRC Treasurer’s Report** - Mr. Adamson presented the Treasurer’s Report to the Committee.

- i. Summary of Receipts & Disbursements** - Mr. Adamson presented the July 2001 Summary of Receipts and Disbursements. All Members have submitted their payment in response to the Call for Funds issued for the 3<sup>rd</sup> quarter assessment of \$15,000 to the Transmission Owners and the Municipal Electric Systems and Cooperatives’ Sector. Mr. Adamson also reported that his projections indicate that NYSRC expenditures for 2001 should be within the approved budget, providing legal expenses associated with the NYSRC’s activities in FERC’s Northeast RTO Proceeding are controlled. As of August 6, 2001, the NYSRC has a cash balance of approximately \$92,000.

**3.2 Selection of NYSRC Sector Representatives** - Mr. Gioia’s reported that he contacted Counsel for the NYISO Board of Directors who indicated that the proposal submitted by the NYSRC to the NYISO Board of Directors for the selection process for the representatives of the Wholesale Sellers, Large Consumers, and Municipal System & Electric Cooperative Sectors (“Sectors”) on the NYSRC, is scheduled to be addressed at the August 21, 2001 Board meeting. If the Board approves the proposal, Mr. Gioia will notify the Committee and the three Sectors shall proceed with the selection process - **AI #28-2**.

**3.3 Election of Committee Officers** - Mr. Bolbrock noted that Mr. Loughney was assigned to chair the nominating committee to develop a list of candidates for Committee officers for the term commencing on August 1, 2001. The election of officers shall take place as soon as the selection of the Sector representatives is completed (reference Item 3.2 above) - continuation of **AI #27-4**.

#### **4.0 Reliability Rules Subcommittee Status Report/Issues**

**4.1 Subcommittee Status Report & Discussion Items** - Mr. Clayton reported that the Reliability Rules Subcommittee (“RRS”) last met on August 9, 2001. The main focus continues to be the development of Revision No. 2 to the NYSRC Reliability Rules, along with the development of the proposed reliability rule revisions to be included in Revision No. 2. Mr. Clayton also noted that the location for the October 3, 2001 RRS meeting is being changed to the NMPC Office in Syracuse, NY.

#### **4.2 Status of New/Revised Reliability Rules**

- i. Revision No. 2 to NYSRC Reliability Rules** - Mr. Clayton provided a status report on the preparation of Revision No. 2 to the NYSRC Reliability Rules. RRS reviewed and provided comments on the latest draft of Revision No. 2 and has started worked on the Glossary of Terms. The RRS is scheduled to finalize Revision No. 2 and present it to the Committee in September.
- ii. Proposed NYSRC Reliability Rule Revisions**
  - a. List of Potential Reliability Rule Changes** - Mr. Clayton distributed and reviewed the latest List of Potential Reliability Rule Changes, providing a status of the Priority 1 rules.
  - b. Status of New/Revised Reliability Rules** - The Committee reviewed and acted on the Proposed Reliability Rules (“PRR”) as follows:
    - 1. PRR #22 (RR01-01), 32A (RR01-03), 32B (RR01-04), and 33 (RR01-05):** Mr. Clayton noted that these PRRs have been posted for the open review process and comments were received from Orion Power. RRS discussed the comments with Orion Power and the parties agreed that no revisions were required. Mr. Clayton moved that these PRRs be approved by the Committee for inclusion in Revision No. 2, which was seconded by Mr. Loehr. After making minor revisions to PRR #22, the Committee Members in attendance unanimously approved the motion (11 to 0, 2 absent).
    - 2. PRR #31 (RR01-02):** Mr. Clayton noted that the RRS was withdrawing this PRR from the request for approval by the Committee. The RRS is awaiting comments from the NYISO and a concern raised by Orion Power on confidentiality of data must be discussed with Mr. Gioia.
    - 3. PRR #35 (RR01-06):** Mr. Clayton noted that PRR #35 (RR01-06) was posted for the open review process, with comments due by August 31, 2001.
    - 4. PRR #4 (RR01-08) and 36 (RR01-07):** Mr. Clayton noted that these PRRs have been posted for the open review process and no comments were received. Mr. Clayton moved that these PRRs be approved by the Committee for inclusion in Revision No. 2, which was seconded by Mr. Loehr and unanimously approved by the Committee Members in attendance (11 to 0, 2 absent).

5. **PRR #37 (RR01-09) and 38 (RR01-10):** Mr. Clayton moved that these PRRs be approved by the Committee for posting on the NYSRC web site for the open review process, which was seconded by Mr. Loehr. After making minor revisions to PRR #38, the Committee Members in attendance unanimously approved the motion (11 to 0, 2 absent).
6. **PRR #39 through 44 (RR01-11 through 16):** Mr. Clayton moved that these PRRs, which are measurements addressing existing Reliability Rules, be approved by the Committee for posting on the NYSRC web site for the open review process, which was seconded by Mr. Mennerich. After making minor revisions to PRRs #39, 41, and 42, and requesting the RRS to reconsider PRR #43 based on the discussions, the Committee Members in attendance unanimously approved the motion as modified to post PRRs #39-42 and 44 (12 to 0, 1 absent).
7. **PRR #45:** Mr. Clayton noted that the RRS is still working on PRR #45 regarding Local Reliability Rule No. 5.

The Secretary shall revise and post the PRRs on the NYSRC web site as modified and approved by the Committee, and issue a notice to all Market Participants - **AI #28-3**. The RRS shall revise and resubmit PRRs #31 and 43 as discussed above - **AI #28-4**. In addition, the Committee requested the RRS to determine whether a new Reliability Rule is required for the implementation of voltage reduction, along with measurements - **AI #28-5**.

- c. **Generation Deliverability & Transmission Expansion** - Mr. Clayton reported that the RRS is working with the Installed Capacity Working Group (“ICWG”) on the ICWG’s draft scope of work for a demonstration study for developing and testing a procedure to assess the statewide and locational loss of load impacts of bottled generation. The results of this study will be used to evaluate the need for additional reliability rules beyond the existing NERC, NPCC, and NYSRC reliability rules, to address generation deliverability and transmission expansion-continuation of **AI #22-5**.
- d. **One Month Installed Capacity Procurement Period** - Mr. Clayton noted that the LSE Capacity Requirement reliability rule PRR #37 (RR01-09) was revised to assure that resource adequacy criteria will be met when the NYISO implements a one-month installed capacity procurement period.

#### 4.3 Other RRS Issues

- i. **Day-Ahead Unit Commitment - Minimum Downtime Limits Issue** - Mr. Clayton noted that the RRS will be addressing the following issues at its next meeting: (1) whether the NYISO complies with the NYISO Tariff requirements for both the day-ahead (overnight) and 2-7 day unit commitment process to maintain generation needed for reliability, while meeting the minimum down time requirements, and (2) whether the NYISO unit commitment process can

meet all reliability requirements, without intervention by the Transmission Owners - continuation of **AI #25-8**.

## **5.0 Installed Capacity Working Group Status Report/Issues**

**5.1 ICWG Status Report & Discussion Items** - Messrs. Adamson and Clayton reported on the activities of the Installed Capacity Working Group ("ICWG"). The ICWG last met by conference call on August 2, 2001. Mr. Adamson noted that the ICWG is scheduled to complete the 2002-2003 Statewide IRM Study ("Study") for presentation to the Committee in December 2001. A project schedule for the Study was distributed to the Committee. The ICWG continues to develop the assumptions for the Study, which are scheduled to be finalized and submitted to the Committee prior to the September meeting. The ICWG continues to review the forced outage rate and planned outage data.

- i. White Paper on 2002 Study (UCAP)** - Mr. Clayton reported that the RRS received a white paper from the ICWG addressing how the Study will handle the change to unforced capacity ("UCAP"). Further clarification is required from the ICWG by the RRS - continuation of **AI #26-9**.
- ii. Handling of Demand-Side Resources in 2002 Study** - Mr. Adamson reported that the ICWG is working with the NYISO to provide the Committee an explanation of how they will take into consideration how demand-side resources will be accounted for and modeled in the Study - continuation of **AI #27-9**. Mr. Adams reported that during the high load period the week of August 6, 2001, up to 1,500MW of load curtailment measures were implemented by the NYISO, including up to 400MW of Emergency Demand Response Program ("EDRP") and 100MW of special case resources.

## **6.0 Reliability Compliance Monitoring Subcommittee Status Report/Issues**

**6.1 Status Report & Discussion Items** - Mr. Loehr reported that the Reliability Compliance Monitoring Subcommittee ("RCMS") last met on August 16, 2001. The RCMS has rescheduled its next meeting for September 20, 2001, to coincide with the NPCC General Meeting to be held in Toronto. Mr. Loehr noted that the November meeting date and location have been changed to November 1<sup>st</sup> in Albany (location to be determined). Mr. Loehr reported that the NPCC has issued Documents A-6 and A-8 for the open review process. Mr. Loehr also noted that NPCC's Compliance Monitoring Advisory Subcommittee ("CMAS") has completed its review of fifty (50) measurements in its 2001 Compliance Program, finding only three (3) items that must be corrected within a given time frame to be considered in compliance.

## **6.2 Status of NYSRC Reliability Compliance Program ("NYRCP")**

- i. 2001 NYRCP Responsibilities & Milestones** - Mr. Loehr briefly summarized the latest Responsibilities & Milestones document.
- ii. 2001 NYRCP Assessments #7, 8, 9, 10, 11, 28** - Mr. Loehr briefly summarized the six (6) Compliance Monitoring Assessment Forms issued to the Committee by the RCMS. Mr. Adamson shall revise the Assessment Forms regarding Local Reliability Rules to incorporate the RRS revisions being made to the measurements in PRR #43 - **AI #28-6**.

### **6.3 Other RCMS Issues**

- i. NYISO Review of Non-ICAP Provider Obligations Under Emergencies** - Mr. Adams reported that NYISO Staff and Counsel are reviewing whether the NYISO Tariffs and Agreements stipulate any obligations by non-ICAP providers during system emergencies, as a result of recent events - continuation of **AI #23-7**.

**7.0 NYISO Studies - Status Report** - Mr. Adams reported to the Committee on the following NYISO studies:

**7.1 NYISO Transmission Reliability Study** - The NYISO is on schedule with the power flow and stability analyses required for the NPCC Area Transmission Review. The study is on schedule with a draft report due by September 1, 2001. Mr. Adams noted that the Transmission Owners are completing the required short circuit analyses for the study and that the NYISO will be meeting monthly with the parties to provide improved coordination.

**7.2 NYISO Reactive Resource Adequacy Study** - The study has not proceeded as originally planned with several issues needing to be addressed. Data and modeling issues were identified early in the process and the study team has focused on these issues.

**7.3 NYSERDA/NYISO Gas Study** - Mr. Adams reported that NYSERDA has selected Charles River Associates as the contractor to complete the study. The project contract and scope of work are being finalized and a project kickoff meeting was scheduled for August 17, 2001. Mr. Davis is the NYSRC representative on the study team.

**7.4 Other Studies** - Nothing to report.

### **8.0 Other Issues**

**8.1 Millennium Gas Pipeline Proceeding** - Mr. Gioia noted that a public hearing has been scheduled for September 4, 2001 in Mount Vernon, NY to discuss the proposed routing in the Millennium Pipeline Company ("Millennium") Gas Pipeline Project.

**8.2 Reliability Legislation Update** - Mr. Gioia reported that there is no new legislation being proposed with reliability language. Mr. Gioia noted that the legislation proposed by S. Largent referring to the NYSRC, was possibly a re-introduction of the legislation submitted in 2000, grandfathering the NYSRC. Mr. Gioia suggested that he work with the Committee to prepare a letter focusing on the role of the NYSRC, for submittal to the New York contingent - **AI #28-7**. LLG&M shall continue to monitor activities for any text regarding reliability.

**8.3 NY State Energy Plan** - The Secretary noted that NYSRC documents were sent to Mr. Carr of the NY DPS for reference in the State Energy Plan.

**8.4 NYISO Operations Report** - The Secretary distributed and briefly summarized the NYISO Operations Report for July 2001. In addition, copies of the NYISO Major Emergency reports for major emergencies declared on August 8 and 9 were distributed. The Committee discussed the new summer peak load of 30,983MW set on August 9, 2001 and Mr. Adams discussed the load curtailment steps implemented by the NYISO on August 7, 8 and 9.

**8.5 FERC Order - Northeast RTO** - The Committee discussed this item under Executive Session as noted above.

### **9.0 Visitor Comments**

Mr. Bolbrock solicited comments from the visitors participating in the meeting. No further comments were provided.

### **10.0 Meeting Schedule**

Below are the scheduled dates, locations and starting times for the remaining Committee meetings in 2001, as agreed to by the Committee (note change in location for Meeting No. 29):

<u><b>Mtg No.</b></u>	<u><b>Date</b></u>	<u><b>Location</b></u>	<u><b>Time</b></u>
#29	Sept. 14	Albany Country Club, Guilderland	9:30 A.M.
#30	Oct. 12	NYISO Power Control Center, Guilderland	9:30 A.M.
#31	Nov. 9	NPCC Offices - New York City	10:00 A.M.
#32	Dec. 14	NYISO Power Control Center, Guilderland	9:30 A.M.

The Committee Meeting No. 28 was adjourned at 3:30 PM.

Completed By: Joseph C. Fleury - Secretary  
Final Issue Date: September 14, 2001