

NEW YORK STATE RELIABILITY COUNCIL, L.L.C. (NYSRC)

POLICY ~~1-121~~-13

**PROCEDURE FOR REVIEWING,
DEVELOPING, MODIFYING, AND DISSEMINATING NYSRC RELIABILITY RULES**

SECTION 5 ONLY

Approved by NYSRC Executive Committee: July 12, 2024

Section 5: Exceptions to the Reliability Rules

5.1 Introduction

A request for a new exception to a Reliability Rule, or the removal or modification of a current exception to a Reliability Rule (an Exception Change) must be submitted to the Executive Committee for approval. Any request for a new exception shall include a specific date for which the new exception shall expire. An Exception Change request to the Executive Committee shall be initiated in one of ~~three~~four ways: (1) a request by a transmission owner following an annual transmission owner review of current exceptions, (2) a request made at any time by a market participant, (3) a request by the NYISO or any member of the Executive Committee, or (4) a request made by a NYISO Interconnection Customer.

These procedures are in accordance with Reliability Rule C.7 that provides NYISO requirements with regard to granting new exceptions or modifying or removing current exceptions. Current exceptions that do not contain an expiration date may be modified without including a sunset provision. Current exceptions that do contain an expiration date are intended to be temporary exceptions and may be modified provided the proposed changes do not extend the originally approved duration of the current exception. If a current exception is temporary and the entity requesting modification seeks an extension of the duration of the exception, the entity must request a new exception that includes the proposed new expiration date.

The party requesting a New Exception or an Exception Change (the Applicant) shall notify the NYISO when the request is made to the Executive Committee.

An Applicant may request the Executive Committee for an expedited approval of an Exception Change when it considers that its proposed modification is just administrative in nature and therefore does not require the technical review required for a normal Exception Change request. See “Section 5.4, Expedited Approval of an Exception Change Request.”

The Executive Committee shall verify the technical basis for the Exception Change but will not reconsider the original justification for a current exception.

5.2 Supporting Documentation

The Applicant shall meet NYSRC documentation requirements, including the following:

1. For a new exception request or for a requested Exception Changes, a technical assessment shall be submitted to the NYSRC demonstrating that there will be no adverse impact on reliability as the

result of the NYSRC granting the Exception Change request. For a request for a new exception, an assessment of economic impacts, environmental impacts, and ~~or~~ reliability impacts from granting the new exception shall also be submitted.

2. For a request to remove a current exception, a description of the reason for the exception removal shall be submitted to the NYSRC. The Applicant will not be required to submit a technical assessment to demonstrate that there will be no adverse impact on reliability for the removal of the exception.
3. At any point in the review process, the NYSRC may require the Applicant to submit supplemental information in addition to the supporting documentation required in items 1 and 2 above.

5.3 Procedure for Consideration of a request for a new exception or an Exception Change Request

1. The Applicant shall submit the request for the new exception or the Exception Change and supporting documentation to the Executive Committee. In addition, the Applicant shall notify the NYISO's representative on RRS of this request.
2. The Executive Committee shall perform an initial review of the ~~Exception Change~~ request to determine whether the Applicant has submitted the required supporting documentation along with a justification for the proposed expiration date, which is required for a new exception request.

Following its review, the Executive Committee shall either:

- Request the NYISO to review the proposed exception change,
 - Request the Applicant for more information, or
 - Reject the request.
3. The NYISO shall review ~~a~~ requested exception or Exception Change ~~request~~ referred to it by the Executive Committee. The NYISO will provide the Executive Committee with its recommendation as to whether the ~~Exception Changerequest~~ should be granted or denied.
 4. The Executive Committee shall direct RRS to review the ~~Exception Change~~ request and the comments and recommendations received from the NYISO to verify that the technical merits of the request justify the Exception Change. RRS may request that the Applicant provide additional information in order to complete its verification review.
 5. RRS shall report to the Executive Committee its recommendation as to whether the required procedures were followed, whether it deems the request to be technically acceptable and whether the requested ~~Exception Change~~ should be approved.
 6. The merits of the requested exception or Exception Change shall be assessed by the Executive Committee. The Executive Committee will notify the Applicant and the NYISO of its decision to approve or deny the ~~Exception Changerequest~~, and the reasons for its decision.

7. Following approval of new exception or an Exception Change, the NYSRC shall update its list of exceptions to the Reliability Rules.

5.4 Procedure for an Expedited Approval of an Exception Change

1. When an Applicant determines that an Exception Change request warrants an expedited approval, it shall submit the request directly to the RRS, with a copy to the Executive Committee.
2. The RRS shall review the request for an expedited approval of an Exception Change to ensure that the proposed Exception Change is just administrative in nature and does not require a technical review. If the RRS does not agree that an expedited review is justified, it shall recommend to the Executive Committee that the Exception Change request follow the normal Exception Change procedure described in Sections 5.2 and 5.3.
3. If the RRS agrees that the proposed Exception Change is just administrative in nature it shall recommend to the Executive Committee that the Exception Change be approved.

A flowchart showing the key steps of the Exception Change Request Procedure is shown in Appendix A.