

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

POLICY ~~1-121-13~~

March 5, 2026

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

SECTION 5 ONLY

Approved by NYSRC Executive Committee: ~~July 12, 2024~~March 13, 2026

Section 5: Exceptions to the Reliability Rules

5.1 Introduction

A request for a new exception to a Reliability Rule ([a New Exception](#)), 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 submitted after March 13, 2026, shall include a specific date for which a request for a New Exception or an Exception Change made 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.

Commented [DA1]: This date can be changed to actual date EC approves these redlines.

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 an expiration date. Exceptions that 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 exception. Except as provided in section 5.5 below, if an entity requesting an Exception Change seeks an extension of the duration of the exception, the entity must request a New Exception that includes the proposed new expiration date.

Commented [DA2]: This is new as a result of EC's feedback on Feb 12

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 or](#) ~~request for an~~ Exception Changes request, 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~~ New Exception or 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 if the Executive Committee has requested such assessments be provided.

Commented [DA3]: New change pursuant to Feb 12 feedback

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 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 including a justification for the proposed expiration date, which is required for all New Exception requests submitted after March 13, 2026. Following its review, the Executive Committee shall either:
 - Request the NYISO to review the proposed request; exception change,
 - Request the Applicant for more information, or
 - Reject the request.
3. The NYISO shall review an 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 Change~~ request 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 approving the request Exception Change request. 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 New 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 Change request~~, and the reasons for its decision.

7. Following approval of a [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.

5.5 Reporting to NYSRC Prior to the Expiration of an Exception

1. The requestor of an exception, and the affected transmission owner(s), shall report to the NYSRC Executive Committee no sooner than twelve (12) months and no later than 6 months prior to the expiration of the exception to provide notice and discuss any factors or concerns regarding the expiration of the exception. Should these discussions indicate that the expiration of the exception will be premature, the requestor, an affected transmission owner, the NYISO, or a member of the Executive Committee may request the Executive Committee grant a one-time extension of the expiration date for a period not to exceed 18 months from the original expiration date. Should a longer extension of the exception be required a request for a [New Exception](#) must be submitted.

Commented [DA4]: New language based upon EC's 2/12 feedback.