

Meeting Notes

Balancing Authority Controls SDT — Project 2007-05

January 13, 2008 | 8 a.m.–5 p.m.

January 14, 2008 | 8 a.m.–noon

DFW Airport Marriott

Dallas, TX

1. Administration

a. NERC Antitrust Compliance Guidelines

Andy Rodriquez reviewed the NERC Antitrust Compliance Guidelines with meeting participants.

b. Introduction of Attendees

The following members and guests were in attendance:

- Larry Akens, Chair
- Gerry Beckerle
- David Folk
- Will Franklin
- Steve Gillespie
- Dave Huff
- Howard Illian
- Ken McIntyre
- Sydney Niemeyer
- Kris Ruud
- Raymond Vice
- Andy Rodriquez

It was noted that Will Franklin is changing companies. Andy Rodriquez will follow up with Will to determine if his new employer would support his continuing participation in the BACSdT.

c. Approval of Agenda

The drafting team reviewed and approved the Agenda.

d. Approval of Meeting Notes

The drafting team reviewed meeting notes from the previous two meetings. Kris Ruud moved that the SDT approve the October meeting notes. The motion was seconded and passed unanimously. Ken McIntrye moved that the SDT approve the November meeting notes. The motion was seconded and passed unanimously.

2. Update on Coordination Efforts – RBCSDT, FRSDT, NAESB

Raymond Vice and Sydney Niemeyer provided a brief overview of the status of the Reliability Based Controls SDT. Everything is going well. The MISO BA formed January 6 and its Ancillary Services Market seems to be working efficiently. ERCOT is planning on joining the RBC field test. WECC is considering participation as well, but they would write their own Field Trial document and try to achieve 100% participation before moving forward.

Larry Akens and Raymond Vice provided an update on the Frequency Response SDT. The Frequency Response effort has been halted as a standard for now and will be pursued via a data request. The SAR as written only will let the team collect and analyze data. If a standard is to be drafted, there will need to be another SAR.

Larry suggested that it might be beneficial to have the three drafting teams meet jointly to review the matrix and make sure we are all still on the same page. Andy will set up a coordination call for a discussion between the three chairs and their associated facilitators.

Andy Rodriguez discussed the coordination with NAESB. The TIMTF and the BACSDT seem to be on the same page with regard to the use of a .010 Hz offset during time error corrections, but there was not agreement with regard to Unilateral Payback method 2 and adding language to be clear that the NAESB business practice did not direct people to deviate from their current CPS reporting methods. There will be another call set up to discuss this later in the week with Raymond, Jim Busbin, Rae McQuade, and Andy.

Andy mentioned the e-mail from David Folk suggesting that entities may need to look closely at the NAESB Measurement and Verification business practices for Demand Response and the BAL-002 specifications regarding reserves. Raymond indicated that this was very similar to the old Policy 10/IO Services work.

3. Discussion of BAL-004 Time Error Correction

The SDT reviewed the Eastern Interconnection field test document and made some modifications to the draft. The document was sent to the team. The next step will be to bring it to the standards committee, but not until we have determined what the resolution to the NAESB conflicts will be.

Ken McIntyre provided an overview of the status of the ERCOT field trial. NERC has provided ERCOT with a letter clarifying that ERCOT may halt time error corrections without violating any NERC standard. The proposal will need to go through the stakeholder process, as it involves a minor deviation from the ERCOR protocols. Expected time frame is still February/March.

Howard Illian provided a review of his draft of responses to the survey comments. The SDT walked through the draft and made changes to the comments throughout the review. The responses were sent out to the group, and will be finalized for posting at the February meeting.

4. Review of BAL-005 Draft

Andy presented his draft of BAL-005. This draft attempted to lock things down more explicitly. The team was concerned that the language might be too strong, as well as be based on some assumptions about ACE that Andy made that were not correct, and there was a need to take another look at it this effort. Howard Illian and Ken McIntyre volunteered to work on new drafts, using components from Andy's draft where appropriate.

5. Discussion of BAL-006 Inadvertent

Andy also reviewed the "BAL-00x" items that Andy had drafted related to Control Performance and Inadvertent. This attempted to identify the components that contribute to "bad" inadvertent, and target requirements to keep "bad" inadvertent from occurring. This will probably need to be discussed with the other SDTs, and can be brought up during the three-way coordination call.

Sidney suggested that there should be a requirement that governors respond and be in service. The team agreed this might be of value.

6. Review of SAR

The SDT reviewed the SAR to verify we were still on task. Andy was tasked with developing a "roadmap" that shows what we are doing and what our next steps are.

7. Discussion of BAL-002 DCS

Howard provided a review of a presentation from ERCOT entitled "Steel Mill and Governor Dead Band Impact on CPS1 and CPS2 Scores." The presentation showed a graphical depiction of the impact of the "36 mHz deadband," which flattened the normal distribution and created more outliers with regard to frequency. By tightening the controls on some generators (in this example, only 6%) to a tighter deadband, the distribution could be much more normal. This

does not mean you should have NO deadband, but that there should be more consideration for how deadbands should be developed (maybe on a per-generator basis, or do so through a market product offered by a generator).

Gerry Beckerle discussed his ideas with regard to BAL-002. Larry Akens and Gerry agreed to work together on BAL-002 prior to the next meeting.

Per action items from the last meeting, Andy confirmed that a new SAR might be needed if the team wanted to create standards on reserves, as the SAR is currently focused on solely changes to BAL-002, -004, -005, and -006. However, Andy pointed out that if we think we need to do so, someone on the team can write a supplemental SAR to move forward. Additionally, Andy was also asked to confirm with whether or not Reserve Sharing Groups will continue to be a functional entity. Andy checked with compliance, and confirmed that this is the case.

8. Review of SAR

9. Assignments and Action Items

Andy to follow up with Steve regarding the Folsom meeting

Andy to check with NERC to see if we can do WebExes at our in-person meetings to assist with travel constraints

Andy to set up a coordination meeting with the chairs of the RBC, FR, and BAC SDTs and their facilitators to touch base

All to do a final review of the Survey Responses

Howard and Ken will take Andy's BAL-005 and create new drafts that are more technically correct and/or palatable

Andy to develop Road Map/Map for tracking requirements

Larry and Gerry to work on preliminary ideas on the BAL-002 topics

10. Future Meetings (*Italics not confirmed*)

Feb 18/19 – Sacramento (CAISO), 8-5, 8-12

March 26/27 – Washington DC (NERC), 8-5, 8-12

Will meet with FERC on the afternoon of the 26th.

April 21 – ConCall/WebEx, 10-4 Eastern

May 20/21 – Little Rock (Entergy), 8-5, 8-12

The SDT agreed that in an effort to reduce travel costs, we would try to meet every other month, with WebEx/ConCall meetings on the off months.

Potential future locations:

TVA/Chattanooga
Ameren/St. Louis
CAISO/Folsom
Entergy/Little Rock
SoCo/Atlanta
SoCo/Birmingham
ERCOT/Austin
MISO/St. Paul

11. Adjourn

The drafting team adjourned on January 14, 2008.