

Notes

TPL Table 1 Order — Project 2010-11

June 7, 2010

1. Administrative Items

a. Introductions and Quorum

The Chair brought the meeting to order at 1300 EDT on Monday, June 7, 2010 at the Georgia Power facility in Atlanta, GA. Meeting participants were:

Bill Harm	Bob Jones	Brian Keel
Ron Mazur	John Odom, Chair	Bernie Pasternack
Bob Pierce	Chifong Thomas	Jim Useldinger
Dana Walters	Tom Gentile, Observer	Charles Long, Observer
Ray Kershaw, Observer	Steve Rueckert, Observer	Eugene Blick, FERC Observer
Ed Dobrowolski, NERC		

Jim Useldinger reported that he is resigning from the SDT due to a change of responsibility at KCP&L. The Chair thanked Jim for his efforts on the standards efforts.

b. NERC Antitrust Compliance Guidelines — Ed Dobrowolski

No questions were raised on the NERC Antitrust Compliance Guidelines.

c. Agenda and Objectives — John Odom

The objective of the meeting was to respond to comments from the comment period and initial ballot resolving any required changes to footnote 'b' so that the NERC staff can file the proposal by the June 30th deadline.

2. Develop Changes to Footnote 'b'

The SDT was provided the comments in advance of the meeting and requested to review them so that they would be prepared to provide responses during the meeting. It was decided to work on any changes to the footnote required by the comments first and then to actually work on the responses themselves.

John provided an overview of the comments to start the discussions. The ballot received an approximate 63% approval with 67% needed to pass the ballot. There were a significant number of comments (90) and they ranged from stating that the changes were too restrictive (47 comments) to not being restrictive enough (3 comments), that the footnote was dealing with state rights issues and weren't under FERC auspices, the intent of the 2nd sentence of the original footnote (2nd paragraph of the revised footnote) was changed incorrectly (12 comments), and the issue was really a quality of service concern and not a reliability concern. Duke and Progress Energy offered alternative language to address their concerns with the revised language being too restrictive and many other commenters provided various other wording proposals for consideration.

The SDT was reminded that the goal was not to be chasing votes but that they should be looking to do what is right for BES reliability.

It seems clear that the original drafters of footnote 'b' intended to allow a planner to decide when and if to drop a limited amount of load or else there wouldn't have been a footnote to begin with. It was stated that it must be clear that footnote 'b' is in effect after the first contingency.

In the April Standards Committee (SC) meeting, the SC authorized the SDT to make changes that went beyond those normally allowed with a recirculation ballot. The SDT had to decide whether to stay the course with minor grammatical changes or whether to make contextual changes to the footnote as per the comments.

The SDT agreed that dropping local load does not adversely impact the BES and should not be a reliability concern. Therefore, given the vast majority of negative comments on the issue and the SDT's general agreement on the position, the SDT decided to change the footnote.

FERC staff raised a question on whether the local load in question was served by Firm Transmission Service. The SDT response was that it may be but that it doesn't have to be.

John produced a straw man based on the Duke and Progress Energy alternatives for consideration by the SDT. After lengthy discussions about various alternatives to limit the amount of allowable load loss, including reliability metrics and hours of

exposure, the SDT determined that a new condition for allowable load loss should be added.

The SDT changed the footnote to adopt a bullet format and created a new bullet that would allow for non-radial situations with a 50 MW limit for peak load levels >90%. The MW limit was chosen due to it representing an approximate 10% overload on a high capacity 161 kV line. No further constraints were installed as the SDT felt that they were not necessary. Customer response with state oversight will prevent this from happening too often plus the instituting event (transmission line trip) just doesn't contribute a very large amount to end user customers' outages. A similar constraint was not considered necessary for bullet 2 as this is describing radial lines which would not be a part of the BES.

The word 'Load' was replaced by 'Demand' to agree with the wording in the rest of the standard. "Firm" was deleted from the footnote and another bullet was added to provide an exception for "Interruptible Load or Demand Side Management". The phrase 'Firm Transmission Service' was replaced with 'firm transfers' to agree with the wording in the rest of the standard.

The phrase 'impact BES reliability' was deleted as the SDT didn't feel it was necessary. An entity couldn't invoke the exceptions if it made the BES situation worse as it wouldn't be meeting the required performance in the standard.

Minor changes were made to the 2nd paragraph for clarity. The SDT felt that no other changes were necessary. The SDT explained the reasoning behind this approach to those entities with negative votes and comments in the comment responses.

3. Develop Responses to Initial Ballot and Posting Comments

The SDT developed the comment responses during the meeting taking care to explain the changes made (or not made) to footnote 'b' based on the comments.

4. Next Steps — John Odom

The required documents will be submitted to NERC staff for review and posting as quickly as possible so that the recirculation ballot can begin. If the recirculation ballot passes, the Board of Trustees will be asked to approve the footnote changes and a filing will be submitted to FERC. If the recirculation ballot fails, the SDT will need to wait for further direction from the standards Committee on how to proceed.

5. Next Meetings

There are no meetings scheduled for this project.

6. Action Items and Schedule — Ed Dobrowolski

Ed will clean up the documents and submit them to NERC staff for review and posting by June 9, 2010.

If the project is posted for the recirculation ballot by June 16th, the target submittal date to FERC can still be met.

7. Adjourn

The Chair thanked Southern Company for their hospitality and adjourned the meeting at 1330 EDT on Tuesday, June 8, 2010.