

Meeting Notes

Project 2010-17

Definition of Bulk Electric System – Phase 2

December 4, 2012

Conference Call

Administration

1. Introductions

The chair brought the call to order at 1:00 p.m. ET on Tuesday, December 4, 2012. The call participants were:

Members		
Brain Evans-Mongeon, Utility Services	Phil Fedora, NPCC	Pete Heidrich, FRCC, chair
John Hughes, ELCON	Barry Lawson, NRECA, vice chair	Jeff Mitchell, RFC
Rich Salgo, Sierra Pacific Power	Jason Snodgrass, GTC	Jonathan Sykes, PG&E
Ed Dobrowolski, NERC		
Observers		
Carlos Candelaria, FPL	Mark Cole, Autry, Horton, & Cole	Jennifer Dering
David Dockery, AEI	Jeff Gindling, Duke	Chris de Graffenreid, Con Edison
Jonathan Hayes, SPP	Bill Hughes, Redding	Marcus Lotto, SCE
Ryan Mauldin, NERC	Susan Morris, FERC	Alain Pageau, HQ
DeWayne Scott, TVA	Ken Shortt, Pacificorp	Tim Soles, Occidental
Phil Tatro, NERC	David Trego, Fayetteville	

2. Determination of Quorum

The rule for NERC Standard Drafting Teams (SDT) states that a quorum requires two-thirds of the voting members of the SDT to be physically present. With 9 of the 11 current members present, a quorum was achieved.

3. NERC Antitrust Compliance Guidelines and Public Announcement

The NERC Antitrust Compliance Guidelines and public announcement were delivered.

4. Review Team Roster

There were no other changes to membership or roster information.

5. Review Meeting Agenda and Objectives

There were no changes made to the published agenda.

The principal goal of the call was to attempt to finalize the proposed language change to Inclusion I4.

Agenda

1. Review of Previous Action Items

- a. Pete Heidrich will submit a letter to the Planning Committee expressing the dissatisfaction of the SDT with the draft Planning Committee report. This letter needs to be sent prior to the Planning Committee meeting in December.
 - i. After considerable discussion with various members of the NERC community, Mr. Heidrich is recommending that the SDT not submit a letter to the Planning Committee at this time. There are several reasons behind proposing this approach: (1) The report is still in draft stage; (2) Pete Heidrich has had several conversations with the Planning Committee leadership and some of the more controversial language in the draft has been removed or changed – particularly the section created by the System Analysis and Modeling Subcommittee (SAMS); and (3) Pete Heidrich does not want to place the SDT in a potentially adversarial position based on a draft report. Mr. Heidrich will make a presentation to the NERC Standards Committee (SC) on this matter on December 13, 2012 where he will alert the SC to the potential problems and will ask for guidance at that time on how to proceed with the various unsolicited recommendations contained in the draft report if they are approved by the Planning Committee. The Planning Committee meets on December 12-13, 2013 to approve the report. If the Planning Committee doesn't approve the report at that time, Mr. Heidrich will continue informal discussion with the Planning Committee on the areas of concern while also alerting the SC of a possible scheduling concern for this project.

The SDT agreed with this course of action. This action item will remain open pending the receipt of the final report.

- b. Rich Salgo to lead a sub-group that will look into the Planning Committee report in detail to see if there is any room for the SDT to move on threshold issues moving forward in Phase 2. This work will be distributed to the SDT for review no later than January 18, 2013.

2. Definition Clarification Items

- a. Discuss clarifications to Inclusions I2 and I4

- i. Distributed to the plus list server on August 20, 2012.

Is Inclusion I4 still needed? There is an open question as to comparability between generation types and size of generators. There are two alternatives that may answer this question. Both leave Inclusion I2 as is which would pick up all generation above 20 MW for single units and 75 MW aggregated for multiple plants at a single site. The first alternative would be to try to craft Inclusion I4 to handle the single point of failure concept that was brought up in the Guidance Document comments. The second alternative would be to eliminate Inclusion I4 in favor of an exclusion that would essentially accomplish the same thing. Some SDT members thought that the exclusion alternative might be a cleaner approach. The SDT formed a sub-team to explore the alternatives and to create proposed language (including diagrams). The alternatives will be discussed on the next conference call in January 2013. The sub-team will be composed of Mr. Heidrich (lead), Brian Evans-Mongeon, Jennifer Sterling, Jennifer Dering, and Ken Shortt.

Action Item – A sub-team will report back to the SDT at the next conference call on proposals to address the I2/I4 comparability issue.

- b. Discuss possible changes to threshold values
 - i. 100 kV bright-line – *waiting for Planning Committee report*
 - ii. Generation – *waiting for Planning Committee report and sub-group report*
 - 1. Unit limits in Inclusion I2 and I4
 - 2. Single threshold for generation
 - iii. Local network – *waiting for Planning Committee report*
 - 1. Power flow
 - 2. Size limitation
 - iv. Reactive resources – *waiting for Planning Committee report*

- c. Should reactive resources be specifically included in Exclusions E1 and E3?

It is hard to tell why these devices may have been installed and the VARs may never reach up to the BES. The feeling is that they would have been installed primarily to assist in solving local problems. It might be possible to observe SCADA data to see VAR flow values and thus make a determination. However, it is not clear that there is a problem with the current language and there is certainly been no groundswell of comments on this topic. Therefore, the SDT decided that any one-off situations could be handled through the exception process and that this item was closed.

- d. Discuss the need for including the net capacity delivered to the BES from customer-owned generation in Exclusions E1 and E3 generation totals.

This is not really an issue for Exclusion E3 as any problems will be caught by the “no flow back to the BES” criterion. For Exclusion E1, this discussion would fall under E1c as there would always be industrial load involved. The SDT decided to make a clarifying change to the Exclusion E2 wording to state that any excess capacity delivered to the BES should be considered as non-retail generation. However, this change will necessitate a change for the Phase 2 issue of the Guidance Document (page 26) where retail and non-retail generation are discussed. This discussion also raised another point on consideration of generation on underlying elements for Exclusion E1b and E1c. That discussion point will be added to future agendas for resolution.

- e. Discuss the need to include statements concerning the exclusion of customer-owned “transmission” equipment in Exclusion E2 – deferred due to time constraints.
- f. Discuss the need to change the sequence of Exclusions based on the hierarchical application of the definition which starts with Exclusion E2 and then goes through Exclusion E4 to Exclusion E3 and finishes with Exclusion E1 – deferred due to time constraints.

Discuss any needed changes to the ERO Statement of Compliance Registry Criteria due to the revised BES definition – deferred due to time constraints.

3. Phase 2 Schedule

The project is currently on schedule for the proposed March posting. However, it was noted that this assumes all open items will be resolved no later than the February meeting.

There is also some concern about schedule if the Planning Committee doesn’t approve the draft report and thus cannot deliver by its December 20, 2012 deadline.

4. **Next Steps**

A conference call/webinar was scheduled for Friday, January 25, 2012 to discuss the reports of the 2 active sub-teams.

5. **Future Meetings**

- a. There is a conference call scheduled for January 25, 2013 from 1:00 to 5:00 p.m. ET. Details to follow.
- b. There is a face-to-face meeting scheduled for February 20-21, 2013 from 8:00 a.m. to 5:00 p.m. PT each day in San Francisco, CA at the PG&E offices. Details to follow.

6. **Action Item Review**

The following action items were developed during this call:

A sub-team will report back to the SDT at the next conference call on proposals to address the I2/I4 comparability issue.

7. **Adjourn**

The chair adjourned the call at 4:45 p.m. ET on Tuesday, December 4, 2012.