

## Notes

# Project 2010-17 Definition of Bulk Electric System

March 2-3, 2011 | 8:00 a.m.- 5:00 p.m. ET

March 4, 2011 | 8:00 a.m.-12:00 p.m. ET

Location: NRECA, 4301 Wilson Boulevard, Arlington, VA 22203

### Administration

a. Introductions and Quorum

The Chair brought the meeting to order at 0800 on Wednesday, March 2, 2011 at the NRECA offices in Arlington, VA. Meeting participants were:

Members		
Jennifer Dering, NYPA	Brian Evans-Mongeon, Utility Services	Phil Fedora, NPCC
Ajay Garg, Hydro One	Pete Heidrich, FRCC, Chair	John Hughes, ELCON
Barry Lawson, NRECA, Vice Chair	Joel Mickey, ERCOT	Jeff Mitchell, RFC
Jerry Murray, Oregon PUC	Rich Salgo, Sierra Pacific	Jason Snodgrass, GTC
Jennifer Sterling, Exelon	Jonathan Sykes, PG&E	Ed Dobrowolski, NERC Coordinator
Observers		
Bob Cummings, NERC	Paul Cummings, City of Redding	Frank Cumpton, BG&E
Richard Dearman, TVA	Jeff Gindling, Duke	Joharath Kutty, NYPA
David O'Connor, FERC	Alain Pageau, HQTE	Bob Snow, FERC
Tim Soles, Occidental	Bob Stroh, FERC	Dave Thompson, TVA
Orhan Yildiz, EIA	Pete Yost, Con Ed	

b. NERC Anti-trust Guidelines – Ed Dobrowolski

The NERC Anti-trust Guidelines were read and no questions were raised.

c. Review Agenda and Meeting Objectives – Pete Heidrich

An item was added to the agenda for a report on the presentation made to the OC/PC/CIPC webinar on Tuesday, March 1, 2011.

The goal of the meeting was to finalize the SAR and responses to industry comments as well as to complete the draft definition.

## **Agenda**

### **1. Review of OC/PC/CIPC Webinar Presentation – Pete Heidrich**

Pete reviewed the presentation he provided to the OC/PC/CIPC Webinar on March 1, 2011. The Power Point will be distributed with the meeting notes.

### **2. Continue Development of Definitions and Criteria**

The SDT leadership presented a straw man definition for SDT review that was based on the output of the first meeting but attempted to address several of the open issues from that meeting.

The SDT worked on revising the draft Bulk Electric System (BES) definition and criteria. There is still a great deal of confusion about the criteria and the exemption process. Communication will be the key to clearing that up. To assist in this concern, the SDT changed the criteria listed with the core definition to designation.

Coordination with the Rules of Procedure (ROP) team is a concern of the SDT and of the industry as it was expressed in numerous comments received.

The SDT will use ‘bright-line’ moving forward.

An inclusion was added to capture the concept of wind farms and other dispersed generation. This new inclusion for distributed generation introduces the concept of a discontinuous BES and is different than what is proposed for other generation in inclusion statements #2 and #3. The SDT is comfortable with introducing this difference due to the differing circumstances in the various configurations involved. It was also pointed out that this doesn’t imply that individual standards can’t reach out and grab these elements on a case-by-case basis as appropriate. However, the SDT is still concerned about possible ‘gaps’ in the BES. Industry comments to the first posting should tell the SDT if the differentiation is acceptable.

Local distribution networks were added to the exclusion list even though it may not be a bright-line in the truest sense. Some data will be required to

prove the point but it is all easily available. There are concerns with this statement if it would effectively exclude New York City or Washington, DC. This will need to be checked.

A generic statement was added after the inclusion/exclusion matrix to reference any items that may eventually be added or deleted through the ROP process.

A question was raised about a 250 MW unit connected at 69 kV. Should it be part of the BES? With the current approved definition, it is not and the proposed definition wouldn't change anything. The SDT decided that this was appropriate. If such a unit is deemed as necessary for reliability, the Regional Entity can always petition to have it included through the ROP process.

There could be a problem with the 20 MVA limit on individual generating units in Canada. In Canada, at least in Quebec, they have been using a 50 MVA limit based on their use of the NPCC regional definition of BES. Ajay suggested a blanket 'exemption' for Canada in this regard to allow them to continue to utilize their 50 MVA limit. The SDT was not certain as to how to proceed with this request. For the time being, the SDT left the inclusion designation at 20 MVA but they requested input from NERC Legal as to how to handle this moving forward.

**AI** – Ed to contact NERC Legal for advice on how to handle the Canadian request on the 20/50 MVA limit question.

Exclusion designation #1 now contains a simple '1 + 2' to indicate that it is the combination of the 2 points above it. For posting purposes, this should be spelled out in English text.

The SDT debated whether facilities connecting Balancing Authorities at voltages under 100 kV should be included in the BES. No compelling argument was forwarded for such an inclusion and the SDT felt that if any such facilities need to be included that they can be brought in on a case-by-case basis through the ROP process.

The 'common bus' wording was retained. It is part of the current registry criteria wording and hasn't resulted in any confusion that anyone is aware of.

'Regardless of voltage' was added to the blackstart inclusion statement to clear up any possible confusion.

The SDT discussed the issue of whether generation plant controls needed to be explicitly included in the BES definition. The belief of the SDT was that they did not need to be spelled out. Where appropriate, plant controls can be included in specific standards requirements without being defined as the

BES. This case-by-case basis was seen as being more equitable as a blanket inclusion could be onerous with no perceived value to reliability.

### **3. Review Responses to Industry Comments – All**

The individual assigned responsibility for providing the draft responses to the various questions led the SDT through a high level review of the straw man responses. Emphasis was placed on items that required SDT discussion or decision. Several generic responses were developed as there were common themes expressed in several questions.

### **4. Develop Summary Response to Informal Comments**

A brief review of these comments didn't seem to provide any additional inputs for the SDT over and above what was already provided in the SAR comments. Summary responses to these comments will be developed later.

### **5. Revising SAR**

No major changes were made to the SAR. Only a general clean-up effort is required for the SAR to move forward. Ed will clean up the language and distribute the results.

*AI* – Ed will clean up the SAR and distribute the results to the SDT.

### **6. Review Implementation Plan – Ed Dobrowolski**

The 18 month timeframe was lifted from the Order. As part of suggesting a delay in implementation, the SDT must justify the time involved by stipulating what the SDT expects the industry to be accomplishing during the delay.

NPCC submitted a 24 month timeframe in their rehearing request. The SDT will need to consider whether to use an 18 month timeframe for all or 18 months for some and 24 months for others such as NPCC believed to be more widely affected by the changes.

Phil supplied draft language for the time delay justification.

Ed will issue a revised Implementation Plan.

*AI* – Ed to revise and distribute a revised Implementation Plan based on the SDT discussions.

### **7. Next Steps – Pete Heidrich**

SDT members are expected to revise their straw man responses based on the concepts discussed at this meeting and deliver those revisions to Ed for aggregation and cleanup no later than close of business (COB) on Wednesday, March 9, 2011.

**AI** – SDT members to provide revised comment responses by COB on March 9, 2011.

The Canadian representatives are expected to provide a statement on their concerns about the 20 MVA limit prior to the next conference call.

**AI** – Ajay to provide a statement on the Canadian concerns about the current proposed inclusion levels for generation prior to the next conference call.

## **8. Future Meetings**

- a. Conference call and webinar on Friday, March 18, 2011 from 10:00 a.m. to 2:00 p.m. ET. Details will be distributed. The goal of this call will be to finalize the responses and definition/criteria prior to posting.
- b. Conference call and webinar on Monday, March 28, 2011 from 10:00 a.m. to 2:00 p.m. ET. Details will be distributed following the March 18<sup>th</sup> call. The goal of this call will be to clean up any final items prior to posting.
- c. Face-to-face meeting has been scheduled for June 7-9, 2011 (3 full days) based on the proposed posting dates in the schedule. The location is San Francisco, CA at the PG&E offices on Market St. Jonathan will confirm the room sizes no later than Friday, March 11, 2011 so that the formal meeting announcement can be prepared. Ed will distribute hotel information shortly so that people can make reservations.
- d. An additional meeting has been tentatively scheduled for June 21 – 23, 2011 at Exelon in Philadelphia. Details will follow.
- e. The SDT will wait to hear from Susan Morris as to whether FERC staff wants to meet with the SDT.

## **9. Action Items & Schedule – Ed Dobrowolski**

The following action items were developed during this meeting:

- Ed to contact NERC Legal for advice on how to handle the Canadian request on the 20/50 MVA limit question.
- Ed will clean up the SAR and distribute the results to the SDT.
- Ed to revise and distribute a revised Implementation Plan based on the SDT discussions.

- SDT members to provide revised comment responses by COB on March 9<sup>th</sup>.
- Ajay to provide a statement on the Canadian concerns about the current proposed inclusion levels for generation prior to the next conference call.

It doesn't appear that the SDT will make their first deadline for submitting the revised SAR to the NERC Standards Committee. However, it shouldn't be significantly delayed and since the SDT is already working on the first posting material, the overall project schedule shouldn't be affected.

#### **10. Adjourn**

The Chair thanked NRECA for their hospitality and adjourned the meeting at 11:30 a.m. on Friday, March 4, 2011.