

Agenda Distribution Factor Working Group

September 24, 2008 | 8 a.m.–12 p.m.
Mandalay Bay Resort
3950 Las Vegas Blvd. South
Las Vegas, Nevada

Administrative

1. Arrangements
2. Review NERC Antitrust Compliance Guidelines (**Attachment 1**).
3. Determination of Quorum: The rule for NERC working groups is that half of the members (that are entitled to vote) of the working group constitutes a quorum, and a motion passes if it receives two-thirds affirmative votes of the votes cast.
4. Summary of Parliamentary Procedures (**Attachment 2**).
5. Approve and set timing for the agenda. (Closed sessions will be conducted as required.)
6. Review DFWG Roster (**Attachment 3**).
7. Review and approve minutes of the April 15–16, 2008 meeting (**Attachment 4**).
8. Future meetings and conference calls.
 - A. None scheduled

Projects and Model Development

1. Book of Flowgates
 - A. Project Status – Mohamad Yassin
 - B. BoF CO-01 (Conversion of IDC Data Format to PSS/E Version 30)
Status – Implemented
Action – Accept as implemented
 - C. BoF CO-02 (BoF to Support 5% Threshold for Market Flows)
Status – Implemented
Action – Accept as implemented

- D. BoF CO-03 (9000 Series Flowgates)
 - Status – Dede Subakti to draft change order
 - Action – Review draft change order

- 2. Discussion of IDC Model
 - A. Should the working group provide the IDC with a solved PSS/E Model?
 - B. Access to IDEV files by working group members.

- 3. DFWG Web site
 - A. NERC has not posted the Book of Flowgates, Monthly IDC Model, and Monitored Element to the DFWG Web site since May 2008.
 - B. The working group will discuss the archiving of these files within the current Book of Flowgates application.

- 4. Member comments

- 5. Other

Antitrust Compliance Guidelines

I. General

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. Prohibited Activities

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.

- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.
- Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Parliamentary Procedures

Based on Robert's Rules of Order, Newly Revised, 10th Edition, plus "Organization and Procedures Manual for the NERC Standing Committees"

Motions

Unless noted otherwise, all procedures require a "second" to enable discussion.

When you want to...	Procedure	Debatable	Comments
Raise an issue for discussion	Move	Yes	The main action that begins a debate.
Revise a Motion currently under discussion	Amend	Yes	Takes precedence over discussion of main motion. Motions to amend an amendment are allowed, but not any further. The amendment must be germane to the main motion, and can not reverse the intent of the main motion.
Reconsider a Motion already approved	Reconsider	Yes	Allowed only by member who voted on the prevailing side of the original motion.
End debate	Call for the Question or End Debate	Yes	If the Chair senses that the committee is ready to vote, he may say "if there are no objections, we will now vote on the Motion." Otherwise, this motion is debatable and subject to 2/3 majority approval.
Record each member's vote on a Motion	Request a Roll Call Vote	No	Takes precedence over main motion. No debate allowed, but the members must approve by 2/3 majority.
Postpone discussion until later in the meeting	Lay on the Table	Yes	Takes precedence over main motion. Used only to postpone discussion until later in the meeting.
Postpone discussion until a future date	Postpone until	Yes	Takes precedence over main motion. Debatable only regarding the date (and time) at which to bring the Motion back for further discussion.
Remove the motion for any further consideration	Postpone indefinitely	Yes	Takes precedence over main motion. Debate can extend to the discussion of the main motion. If approved, it effectively "kills" the motion. Useful for disposing of a badly chosen motion that can not be adopted or rejected without undesirable consequences.
Request a review of procedure	Point of order	No	Second not required. The Chair or secretary shall review the parliamentary procedure used during the discussion of the Motion.

Notes on Motions

Seconds. A Motion must have a second to ensure that at least two members wish to discuss the issue. The "second" is not recorded in the minutes. Neither are motions that do not receive a second.

Announcement by the Chair. The Chair should announce the Motion before debate begins. This ensures that the wording is understood by the membership. Once the Motion is announced and seconded, the Committee "owns" the motion, and must deal with it according to parliamentary procedure.

Voting

Voting Method	When Used	How Recorded in Minutes
Unanimous Consent	When the Chair senses that the Committee is substantially in agreement, and the Motion needed little or no debate. No actual vote is taken.	The minutes show "by unanimous consent."
Vote by Voice	The standard practice.	The minutes show Approved or Not Approved (or Failed).
Vote by Show of Hands (tally)	To record the number of votes on each side when an issue has engendered substantial debate or appears to be divisive. Also used when a Voice Vote is inconclusive. (The Chair should ask for a Vote by Show of Hands when requested by a member).	The minutes show both vote totals, and then Approved or Not Approved (or Failed).
Vote by Roll Call	To record each member's vote. Each member is called upon by the Secretary,, and the member indicates either "Yes," "No," or "Present" if abstaining.	The minutes will include the list of members, how each voted or abstained, and the vote totals. Those members for which a "Yes," "No," or "Present" is not shown are considered absent for the vote.

Notes on Voting

(Recommendations from DMB, not necessarily Mr. Robert)

Abstentions. When a member abstains, he is not voting on the Motion, and his abstention is not counted in determining the results of the vote. The Chair should not ask for a tally of those who abstained.

Determining the results. The results of the vote (other than Unanimous Consent) are determined by dividing the votes in favor by the total votes cast. Abstentions are not counted in the vote and shall not be assumed to be on either side.

"Unanimous Approval." Can only be determined by a Roll Call vote because the other methods do not determine whether every member attending the meeting was actually present when the vote was taken, or whether there were abstentions.

Majorities. Robert's Rules use a simple majority (one more than half) as the default for most motions. NERC uses 2/3 majority for all motions.

Distribution Factor Working Group

Attachment 3

Chairman SERC (SOCO)	James Busbin Supervisor - Bulk Power Operations (System Dispatcher)	Southern Company Services, Inc. 600 N. 18th Street Birmingham, Alabama 35291-2625	(205) 257-6357 (205) 257-6663 Fx jybusbin@ southernco.com
VACAR-S Primary (Vice Chairman)	Victor Howell Senior Engineer	Duke Energy 526 S. Church Street (EC02B) Charlotte, North Carolina 28201-1006	(704) 382-0354 (704) 373-3500 Fx vahowell@ duke-energy.com
FRCC	Richard Becker	Florida Reliability Coordinating Council	rbecker@frcc.com
FRCC	Paul G. Graves Lead Engineer	Progress Energy 6565 38th Avenue North St. Petersburg, Florida 33710	(727) 384-7519 (728) 384-7865 Fx paul.graves@ pgnmail.com
NYISO	Phillip Shafeei Senior Engineer	New York Independent System Operator 3890 Carman Road Schenectady, New York 12303	(518) 356-7679 (518) 356-6118 Fx pshafeei@ nyiso.com
PJM	Rob Morasco Engineer	PJM Interconnection, L.L.C. 955 Jefferson Avenue Norristown, Pennsylvania 19403	(610) 635-3452 (610) 666-4286 Fx morasr@pjm.com
Entergy	Scott McMahan Senior Engineer	Entergy Services, Inc. 5201 West Barraque Street Pine Bluff, Arkansas 71603	(870) 541-4579 smcmaha@ entergy.com
SPP	Yasser Bahbaz Ops. Engineer I	Southwest Power Pool 415 North McKinley Suite 140 Plaza West Little Rock, Arkansas 72205-320	(501) 688-1607 ybahbaz@spp.org
IESO	Jose Alcaraz	Independent Electricity System Operator	jose.alcaraz@ ieso.ca
ICTE	Jason Davis Engineer	Southwest Power Pool, Inc. as Independent Coordinator of Transmission for Entergy Services, Inc. 415 North McKinley Suite 140 Little Rock , Arkansas 72205-3020	(501) 614-3374 (501) 851-1784 Fx jdavis@spp.org
IESO	Hardeep Kandola Section Head - Models & Data	Independent Electricity System Operator Station A, Box 4474 Toronto, Ontario M5W 4E5	(905) 855-6205 hardeep.kandola@ ieso.ca
ISO-NE	Cheryl Mendrala Principal Engineer	ISO New England, Inc. One Sullivan Road Holyoke, Massachusetts 01040	(413) 535-4184 cmendrala@ iso-ne.com
MISO	Neil Shah AFC Engineer	Midwest ISO, Inc.	nshah@ midwestiso.org

(MISO)	Patrick J. Shanahan Senior Engineer	American Transmission Company, LLC 2489 Rinden Road Cottage Grove, Wisconsin 53527-9598	(608) 877-7677 (608) 877-7641 Fx pshanahan@ atllc.com
PJM	Mona Soliman Engineer	PJM Interconnection, L.L.C. 955 Jefferson Ave Norristown, Pennsylvania 19403	6106664623 (610) 666-4282 Fx solimm@pjm.com
TVA	Benjamin Taylor Electrical Engineer Network Modeling Transmission and Reliability	Tennessee Valley Authority 3712 Wiley Ave Chattanooga, Tennessee 37412	4236974077 (423) 697-4025 Fx btaylor@tva.gov
	James Vermillion	Associated Electric Cooperative, Inc. 2814 South Golden Springfield, Missouri 65801	(417) 885-9307 jvermillion@ aeci.org
SPRC	Yong Zheng, P. Eng. Network Management Engineer II	SaskPower Grid Control Centre Highway #33 East Regina, Saskatchewan S4P 0S1	(306) 566-3119 (306) 566-3479 Fx yzheng@ saskpower.com
SERC (EES) Alternate	Matt McNeece Supervisor, Transmission Operational Planning Support	Entergy Services, Inc. 5201 West Barraque Street Pine Bluff, Arkansas 71611	(870) 541-4544 (870) 541-3963 Fx mmcneec@ entergy.com
SPP Alternate	Jason Smith, PE Supervisor, Operations Engineering Analysis/Support	Southwest Power Pool 415 North McKinley Suite 140 Plaza West Little Rock, Arkansas 72205-3020	(501) 614-3293 jsmith@spp.org
MISO	Scott W. Hoberg Senior Operations Engineer	Midwest ISO, Inc. 1125 Energy Park Drive St. Paul, Minnesota 55108-5001	(651) 632-8438 (651) 632-8417 Fx shoberg@ midwestiso.org
VACAR-S Alternate	Michael G. Lowman System Operator	Duke Energy (EC02B) P.O. Box 1006 Charlotte, North Carolina 28201-1006	(704) 373-5195 vahowell@ duke-energy.com
SPRC Alternate	Walter Omoth, P.Eng. Supervisor, System Security & Performance	SaskPower Grid Control Centre Highway #33 East Regina, Saskatchewan S4P 0S1	(306) 566-3264 (306) 566-3479 Fx womoth@ saskpower.com
NERC Staff	Larry J. Kezele Manager of Reliability Support Services	North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, New Jersey 08540-5721	(609) 452-8060 (609) 452-9550 Fx larry.kezele@ nerc.net

Minutes Distribution Factor Working Group

April 15–16, 2008
Midwest ISO Office
1125 Energy Park Drive
St. Paul, Minnesota

The Distribution Factor Working Group (DFWG) met on April 15–16, 2008 in St. Paul, Minnesota. The meeting notice and agenda are affixed as **Exhibits A** and **B**, respectively. Chair Jim Busbin presided, and Larry Kezele announced that a quorum was present.

Attendees

Jim Busbin, Chairman	Southern	Mona Soliman	PJM
Hardeep Kandola	IESO	Yong Zheng	SPRC
Yasser Bahbaz	SPP	Mohammad Yassin	OATI
Vic Howell	VACAR-S	Jason Davis	ICTE
Cheryl Mendrala	ISO-NE	Dede Subakti	MISO
Phillip Shafeei	NYISO	Nelson Muller	OATI
Jim Latimer	OATI	Ben Taylor	TVA
Armando Rodriguez	TVA	Larry Kezele	NERC
Neil Shah (via speakerphone)	MISO	Ron DeLoach	PJM

Antitrust Compliance Statement

Chairman Busbin summarized the NERC Antitrust Compliance Guidelines.

DFWG Roster

The working group reviewed and revised the roster. The amended roster is attached (**Exhibit C**).

Distribution Factor Working Group Meeting Minutes

Cheryl Mendrala moved to approve the minutes of the January 8, 2008 meeting. The working group approved the motion.

Election of Vice Chair

Phillip Shafeei moved to elect Vic Howell as the vice chair of the DFWG, pending management approval. The working group approved the motion.

Future Meetings

Meeting/Conf. Call	Purpose	Date
None Scheduled		
IDCWG Meeting	Regular Meeting	May 20, 2008 (1 p.m.–5 p.m. EDT) and May 21, 2008 (8 a.m.–5 p.m.) in Montreal, Québec

Review of Agenda

Chairman Busbin reviewed the agenda and prioritized agenda items. The working group will conduct closed sessions as required.

Projects and Model Development

1. Book of Flowgates

- a. **Project Status** — Mohammad Yassin reported that the Book of Flowgates (BoF) went into production on February 27, 2008. He also summarized the user feedback received since the BoF went into production. The primary user issues were 1) user log ins and 2) flowgate ranges. In addition, he noted that users can access the BoF through the IDC.
- b. **BoF CO-01 (Conversion of IDC Data Format to PSS/E Version 30)** — Nelson Muller reported that BoF CO-01 converts the data format used in the BoF to PSS/E Version 30. OATI has already completed the development of CO-01. Mr. Muller tested the implementation of CO-01 by uploading the summer model into the BoF. Some data validation errors were discovered, which need to be addressed.

Phillip Shafeei moved to approve CO-01 for development. The working group approved the motion.

2. Discussion of IDC and SDX Model Data Exchange Practices

- a. **Conversion to PSS/E Version 30** — Dede Subakti reviewed the notes of the IT conversion team meetings. The IT conversion team is meeting by conference call every two weeks to discuss conversion to PSS/E Version 30 issues. The conversion team is requesting access to the final summer model on May 5, 2008 for final verifications by team members. It is anticipated that the Version 30 conversion will be completed by June 3, 2008.

3. **Revisit the Assigned BoF Flowgate Ranges** — The working group reviewed the current flowgate ranges identified in the BoF. The range 3300–3799 was assigned to both TVA and MISO. During implementation of the BoF, the range was assigned solely to MISO. The working group discussed various approaches to assigning flowgate ranges.

4. **Lessons Learned from First Use of New BoF Data Management System for April 2008 Model Upload** — The working group discussed the lessons learned from the first use of the BoF data management system, including emergency edits. IESO does not have the capability to perform this function, but could perform this functionality on an emergency basis.

Mr. Yassin explained that as a new base case is uploaded, an error file is generated and this file is sent to the BoF reliability coordinator administrators. Mr. Muller reviewed the list of administrators and the working group noted that some administrators were not in the list. The notification list will be augmented to include all BoF users. This BoF administrative change will be made prior to the May 2008 model upload.

The working group also discussed the preparation of a query following each model upload that documents which flowgates were modified administratively. Chair Busbin asked Mr. Muller to implement this BoF change request.

5. **DFWG Web Site Posting of Reference Base Cases, Must Files, and BoFs** — Larry Kezele explained that the current and archived monthly reference base cases, the monitored elements lists and the BoF spreadsheets are available on the DFWG Web site. Mr. Muller reported that these files are also available in the new BoF database management system. The files are available to NERC CRC (i.e., central repository for curtailment events) users; therefore, before terminating the posting of these files to the DFWG Web site the CRC users would require notification. The working group will discuss a transition plan at a future meeting.
6. **Flowgate Administration Reference Document** — Larry Kezele reported that the Operating Committee approved Version 4 of the Flowgate Administration Reference Document at its March 12–13, 2008 meeting. The revised reference document is posted in the Operating Manual. The working group requested that Version 4 be posted to the DFWG Web site.

The working group discussed the approval of temporary flowgates as outlined in the Flowgate Administration Reference Document. Chair Busbin, Vice Chair Howell, and Philip Shafeei will review the reference document to determine if changes are required.

Adjourn and Reconvene

The working group adjourned at 4:39 p.m. CDT and reconvened the following morning at 9:00 a.m. CDT.

7. **BoF CO-01 (Conversion of IDC Data Format to PSS/E Version 30) Test Session** — Messrs. Muller and Yassin reviewed and tested the development of BoF CO-01. The testing was performed by uploading the summer 2007 base case and a trial version of the summer 2008 base case. The working group reviewed several of the error messages generated during the upload process. Fatal errors must be corrected before the base case can be certified as validated. Cheryl Mendrala asked if there was a priority to the warning messages generated. Mr. Muller will document the priority levels associated with warning messages. The working group also observed the uploading of the BoF to the IDC test system and observed the processing of this information by the IDC.

The working group agreed that all future IDC base cases submitted by IESO to OATI are not required to be solved.

The working group identified several issues during the test session, which will be corrected, and the working group will then retest BoF CO-01.

8. **BoF CO-02 (BoF Modification to Support 5% Threshold for Market Flows)** — Chair Busbin explained that an Operating Reliability Subcommittee task force, the TLR standard drafting team, and the Standards Committee approved a recommendation to increase the market flow curtailment threshold to 5% during the remainder of the market flow field trial. He stated that BoF CO-02 modifies the Book of Flowgates to permit users to set the market flow threshold at 5%, in addition to the current 0% and 3%. The changes will be carried over to the IDC when the IDC model and flowgate list is updated.

Jason Davis moved to approve BoF CO-02 for development. The working group approved the motion.

9. **DFWG Model Formation Process** — Chair Busbin explained the process used by the working group, the SDX and IDC vendors, and IESO to develop the monthly IDC and SDX models. He suggested the development of a process flow document that details this process.

Adjournment

The meeting was adjourned at 12:29 p.m. on April 16, 2008.

Larry Kezele

Larry Kezele
Secretary