

Functional Model Working Group

August 2, 2007 — 1–5 p.m. (CDT)
August 3, 2007 — 8 a.m.–noon (CDT)

Chicago Airport Hilton

Meeting Agenda

For those unable to attend in person:

Conference phone number: 1-732-694-2061
Conference code: 1208080207

WebEx information:

Thursday: To join the online meeting

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1. Go to <https://nerc.webex.com/nerc/j.php?ED=99005987&UID=0>
 2. Enter your name and email address.
 3. Enter the meeting password: FMWG
 4. Click "Join".

Friday: To join the online meeting

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1. Go to <https://nerc.webex.com/nerc/j.php?ED=99006037&UID=0>
 2. Enter your name and email address.
 3. Enter the meeting password: FMWG
 4. Click "Join".

1. Administration — Secretary

- a. Introductions — Chairman Cyrulewski led introductions of attendees:

Jim Cyrulewski	Mike Raezer	Bob Millard	Steve Myers	Al DiCaprio
Tony Jankowski	Mike Yealland		Roman Carter	Kevin Conway
Mark Fidrych	Ben Li		Ellis Rankin	Steve Crutchfield

- b. Meeting Procedures
- c. NERC Antitrust Compliance Guidelines — Mr. Crutchfield reviewed the NERC Antitrust Compliance guidelines with the group
- d. FMWG Membership requirements — Mr. Crutchfield reviewed the membership guidelines with the group. An **action item** for Mr. Crutchfield was taken to contact the group members who were not in attendance to determine their interest in continuing with the group. Once a final determination is made, an analysis will be made based on membership requirements and additional members may be requested.

2. Functional Model Working Group Version 4 Scope Review

- a. Review/revise Pages 1–12 addressing those concerns listed in the December 21, 2006 letter from the Operating Committee and in the Version 3 mark up by Gerry Cauley that reflect Standards Committee members concerns.
- b. Review/revise Pages 13–53 addressing those concerns listed in the December 21, 2006 letter from the Operating Committee and concerns raised by Standards Drafting Teams.
- c. Review/Revise Page 54 addressing review and approval process for subsequent versions of the Functional Model starting with Version 4.
- d. Review/revise Technical Document to conform with tenor of Pages 1–12.
- e. Review recent FERC Orders that mention Functional Model and address any suggestions.

General notes on scope: Chairman Cyrulewski led the overview of the above scope items and the proposed additions to scope below. The group also discussed a potential timeline for completing the scope and getting the documents approved. We discussed NERC's OC and PC position on the FM and concurred that this was a guideline document and not a standard. While the FM will be filed with FERC, it will be an informational filing only. FERC ruled in Order 693 that the FM was a guidance document (see paragraphs 127 and 128 of the Order). The group focused on item a) above during the meeting. Notes are in the FM Version 4 draft document. Further focus in the short term will be all comments received from the NERC OC.

Action items:

- Ben Li to contact Maureen Long about FMWG offer to facilitate drafting teams with issues relating to the FM.
- Ben Li to discuss RRA/RRO issue with Stan and Jim. Issue surrounds removing the word "region" from these entities.
- Mike Yealland to review the FM Tech Document and provide input at next meeting

3. Proposed Additions to Scope of Work (see below)

4. Create sub-teams to address items in 2 and 3 above and develop schedules for completion of tasks

5. Schedule next meeting for sub groups and FMWG

- a. Plan a WebEx (4 hours) at the end of August.
- b. Schedule 1–1/2 day meeting at the end of September/first of October (preferably Chicago)

6. Adjourn

Proposed Additions to Scope of Work (from NERC Staff)

1. One of the new functions we need to consider including is that of Curtailment Service Provider, which aggregates portions of customer load to bid into various capacity and ancillary service markets. One entity that is currently performing this function is EnerNOC.
2. There is a need to resolve the issue of identifying entities that perform reliability-related tasks under the direction of a reliability coordinator. These entities are typically transmission owners who work under delegation agreements. Right now these folks fall under the radar for compliance with requirements for system operator training & certification, and requirements to have facilities for monitoring, communication and control of a local transmission area.
3. There is also a need to resolve the issue of the Planning Coordinator. FERC seems to want to require that to the extent possible, we write standards that require the use of almost identical assumptions, models, etc in conducting planning and operating studies. The latest version of the Functional Model does not have any restrictions on the size of the service area addressed by a Planning Coordinator — thus the PC can have a service area that is very small or very large, and there are no longer any requirements for every facility to be in the service area of just one PC and just one Transmission Planner. This means that if NERC asks for all the long-range plans from all the PCs in North America the plans will have some overlaps where more than one PC has planned to use the same facility or facilities. Some debate on the service area of PCs would be a great help and if the PC's service area matched exactly the service area of a Reliability Coordinator. It would be much easier to move forward and require that the PC and RC share models with the same assumptions, etc.
4. There is another FM issue that arose in the backup facilities group and it concerns Transmission Owners. Apparently there are some TO's that operate control centers that while usually small in size could potentially have impact on the reliability of the Bulk Electric System. These TO's are not registering as TOPs. Therefore, items that apply to TOPs are not being applied to these control centers, e.g., backup facilities. Some people feel this is a problem with the registration process while others feel it is a shortcoming in the FM. In the initial SAR for BFSDT, we tried to raise this point by applying the SAR to TO as well as TOP. Industry comments clearly indicated that people felt that this was incorrect. The general tone of the comments was that NERC should make the offending entities register as TOP as well as TO and then the standard would apply to TOP only and be correct, i.e., problem solved. However, as best as I can tell: (1) we can't force someone to register one way or the other and (2) we don't necessarily know who the bad guys are anyway. Therefore it seems that we need to handle this situation within the FM so that we can correctly address the applicability issues.
5. See "Rev to TP Relationships.doc"

6. There seems to be a missing entity. If you look at the model, it tends to focus on "planning" and "operations." However, we think there needs to be an area between those two, where someone bridges the gap. The ATCT discovered this problem when we were trying to use the model to determine the responsibilities for determining ATC and TTC. The Transmission Planner and Planning Coordinator are generally responsible for 1+ years out, and the RC seems to cover this in real-time, but no one seems to really be on the hook from next-hour to one year. Based on this, the team suggested the creation of an "Operations Planning" function and an "Operations Planner" entity. This entity would be tasked with managing that gap between time frames (load forecasting, ATC updates, outage coordination, etc...). Their role would essentially be that of the Transmission Planner, Resource Planner, and maybe even Planning Coordinator all rolled into one, but with only the short and medium term time frames. I spoke with Don Benjamin about this a bit, and he pointed out that the current "Reliability Concepts" paper (http://www.nerc.com/~members/reliability_concepts/concepts_v4_d11_comment.doc) covers this in some more detail. If you look at page 31, you can see the area between "Real time" and "planning" that is described as "Operations Planning." This is the area the drafting team thinks needs to get covered.