

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

Functional Model Working Group Meeting

April 7–8, 2005
San Antonio, TX

Minutes

The first regular meeting of the NERC Functional Model Working Group was held on April 7–8, 2005 in San Antonio, Texas. The meeting notice, agenda, and attendance list are affixed as **Exhibits A, B, and C**, respectively.

Functional Model Working Group Chairman Jim Cyrulewski presided.

Don Benjamin reviewed the NERC antitrust guidelines.

The meeting began with a general discussion of the Functional Model and the relationship between the Model and the NERC reliability standards. The discussion included the following points:

- Whether the organization certification requirements should be based on the Functional Model or on the standards.
- The degree of detail in the Model versus the standards.
- The differences between the Model and the “real world.”

Stan Kopman then moved to develop a “map” that shows how the Model aligns with the reliability standards. The working group discussed the merits of creating this map. Tony Jankowski then moved to postpone the discussion (table the motion) until the next working group meeting. The working group approved Mr. Jankowski’s motion.

After further discussion of the role of the Functional Model, the working group informally agreed to the following concepts:

1. The Functional Model should serve as a goal that will take some time to fully implement. In the meantime, NERC should strive for “convergence” between the Model and the reliability standards. However, NERC should not force the Model to fit the standards or vice versa.

A New Jersey Nonprofit Corporation

Phone 609-452-8060 ■ Fax 609-452-9550 ■ URL www.nerc.com

2. NERC may need to adjust the Functional Model based on “real world” experiences with the Model and the standards.

The working group then discussed the recommendations from the Functional Model-Reliability Standards Coordination Task Force. The discussion included the following points and issues:

1. Transmission Operator
 - a. There may be multiple Transmission Operators within a Balancing Authority area. Coordination is very important between those Transmission Operators and the Balancing Authority.
 - b. The name of the Transmission Operator should not be changed to the Transmission Authority (which the Functional Model-Reliability Standards Coordination Task Force had recommended) because the working group did not believe the industry would support that change.
2. Interchange Authority. The working group will incorporate the recommendations of the Interchange Authority Implementation Task Force into the Model. The working group also supports changing the name of the Interchange Authority to the Interchange Coordinator.
3. Planning Authority. The working group formed a task group of Mike Raezer (chairman), Stan Kopman, and Bob Millard to address the Functional Model-Reliability Standards Coordination Task Force recommendations on the Planning Authority. That includes changing the name to the Planning Coordinator.
4. Regional Reliability Process Plans. The working group formed a task group of Linda Campbell (chairman), Scott Moore, Steve McCoy, Steve Myers, Jim Hartwell, and John Norden to draft the guidelines for these plans. (See **Exhibit D** for a draft list of the elements of the regional reliability plans.)

The working group scheduled its next meetings for May 16–17, 2005 in Denver and August 9–10, 2005 in Tampa.

The Functional Model Working Group meeting adjourned at 11 a.m. on April 8, 2005.



Donald M. Benjamin
Secretary

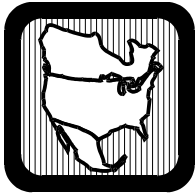


Exhibit A

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

Functional Model Working Group

Thursday, April 7, 2005 — 8 a.m. to 5 p.m.

Friday, April 8, 2005 — 8 a.m. to noon

Meeting Logistics and Registration Form

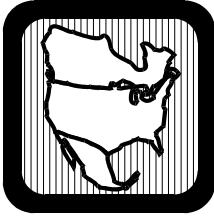
Hotel	Sheraton Gunter San Antonio 205 E. Houston Street San Antonio, TX 78205
Phone and fax	Ph: 210-227-3241 ■ Fax: 210-227-9305
Room rate	\$109 single/\$119 double occupancy.
Room block	Nights of April 6–7, 2005
Reservation cut-off date	March 14, 2005 (NOTE: After this date, the hotel will release this block of rooms and only accept reservations on a space-available basis.)
Check-in and check-out times	Check-in: 3 p.m. Check-out: noon
Transportation	The hotel is located about 20 minutes away from the San Antonio International Airport. <ul style="list-style-type: none">• Shuttle service is available at baggage claim. Approximately \$15• Taxi: Approximately \$25–30
Hotel reservation instructions	When making your hotel reservation, please be sure to mention the “NERC/North American Electric Reliability Council” meeting to get the preferred rate and to ensure your reservation is credited to the NERC room block. NERC may be charged a penalty if the total rooms blocked for this event are not picked up. Also, if you use a travel agency for your travel plans, please make sure the agency mentions NERC.
Attire	Business casual.

Please type or print.

Name:	
Title:	
Company:	
Telephone:	
Email:	
Attending: <input type="checkbox"/>	Not Attending: <input type="checkbox"/>

A New Jersey Nonprofit Corporation

Phone 609-452-8060 ■ Fax 609-452-9550 ■ URL www.nerc.com



NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

Functional Model Working Group+ Meeting

Thursday, April 7, 2005 — 8 a.m.–5 p.m.

Friday, April 8, 2005 — 8 a.m.–noon

Sheraton Gunter San Antonio

205 E. Houston Street

San Antonio, TX 78205

Phone: 210-227-3241 – Fax: 210-227-9305

Agenda

- 1. Administrative**
 - a. Arrangements
 - b. Procedures
 - c. Introductions
- 2. Meeting Objectives**
- 3. Document Review**
- 4. Functional Model Concepts**
- 5. Regional Reliability Plans**
- 6. Recommendation List and Action Plan**
- 7. Timeline and Deliverables**
- 8. Define Near-Term Tasks, Next Meeting Agenda, and Work on Recommendations**

Attendance List

Jim Cyrulewski

Don Badley

Don Benjamin

Bill Blevins

Jim Byrd

Linda Campbell

Kevin Conway

Mark Fidrych

Jim Hartwell

Tony Jankowski

Stan Kopman

Bob Millard

Scott Moore

Steve McCoy

Steve Myers

John Norden

Mike Raezer

Karl Tammar

Joe Willson

Mike Yealland

Charles Yeung

Regional Reliability Process Plan Draft Contents Outline

1. Encompass the functions and responsible entities
 - a. Planning Authority
 - b. Transmission Planner
 - c. Balancing Authority
 - d. Transmission Operator
 - e. Reliability Authority
 - f. Transmission Owner
 - g. Generator Owner
 - h. Distribution Provider
 - i. Resource Planner
2. Asset and Boundary Conditions
 - a. Ensure that all assets are in a BA
 - b. Every BA in an RA
 - i. No holes or gaps
 - c. All assets are under a Transmission Operator
 - i. No conflicts
3. Registration Matrix
4. Task delegation
 - a. Must have documents that explain *how* the tasks are carried out if they are delegated to other organizations
5. Approval Process
 - a. Review process
 - b. Role of OC and PC