

Meeting Notes Regional Reliability Standards Working Group

May 19, 2009 | 1p.m.–5 p.m. EST

May 20, 2009 | 8a.m.–noon EST

SERC Offices

Administrative

1. Introductions and Attendance

| | |
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| Judith James | TRE |
| Peter Heidrich | FRCC |
| Guy V. Zito | NPCC (day 1) |
| Robert W. Millard | RFC |
| Patrick Huntley | SERC |
| Kenneth J. Wilson | WECC |
| Stephanie Monzon | NERC Staff |

Observers:

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| Charles Yeung | SPP |
| Nick Henery | FERC Staff |
| Scott Sells | FERC Staff |
| Lee Pedowicz | NPCC |
| Dan Schoenecker | MRO |
| Ibrahim Oweis | FERC Staff |
| Steve Myers | ERCOT |
| Vann Weldon | ERCOT |
| Sarah Hensley | TRE |
| Anthony Jablonski | RFC |

Jason Christopher FERC Staff
Stuart Hansen FERC Staff

2. Stephanie reviewed the NERC Antitrust Compliance Guidelines.

RRSWG Topics

3. Discuss Updated Drafting Team Guidelines

- a. Changes to the ROP — Development of VSLs and VRFs — Guy Zito
 - Guy — the VSLs and VRFs are not part of the standards. FERC separated the VSLs and VRFs from the standard. How will the regions develop the VSLs and VRFs? What is the NERC review process for the compliance elements?
 - The group discussed the potential impacts to the RDA's and the RE standards development procedures. One thought is to develop the requirements first (and follow the process) then conduct ballot followed by development of the compliance elements with a non-binding poll.
 - Guy summarized the discussion — the teams should develop the requirements but hold off development of the VSLs until the end of the project. The compliance staff may then develop the compliance elements or there should be a non-binding poll. There are several options for development of the VRFs and VSLs.
 - Guy will develop a summary proposal. This proposal (which eventually will be agreed upon by the regions) will provide guidance on potential changes and impacts to the delegation agreements. Several of the regions indicated that they would be impacted by this change in approach in their delegation agreements.
 - The regions should be following the VSL guidelines.

4. Letter Addressing Applicability in Standards — Stephanie Monzon

Gerry drafted a letter that addresses applicability in regional and continent wide standards that potentially deviates from the registry criteria. The letter reinforces what is in the criteria today stating that a Region may expand the criteria based on impact on the system. The letter adds that expansion to applicability beyond the criteria will need to be technically justified.

Stephanie reported that Gerry sent this letter to Maureen for review by the SC. The letter will be formatted but it is unclear as to whether the letter is open for comments and edits. Bob Millard has an issue that the letter does not clearly distinguish between facilities and entities.

The RRSWG will review the letter and provide comments. Bob Millard will provide the first set of comments and distribute to the RRSWG.

5. Update on Letter to the Regions (fill in the blank standards) — Stephanie Monzon

Gerry Adamski provided a redline with edits to the version of the letter that included Guy Zito's and Pat Huntley's comments. Stephanie distributed the letter to the RRSWG upon arrival at the SERC offices.

Dan S. began by focusing the discussion on the risks with the proposed parallel paths. Bob Millard explained that from his perspective it is up to the Region to determine if the resources and effort in developing the regional standards will be a benefit to the region in the interim. Ken Wilson explained that the letter should be a status report on the progress of the fill in the blank efforts.

Judith stated the Regions are the most appropriate entities to determine if regional standards are necessary. What is required — a letter that references an old letter and states that the Regions are expected to make their own determination based on the status of the cws if regional standards are necessary. Bob agreed with Judith and Ken Wilson.

Pat H. stated that the work plan, particularly the project schedules for the four fill in the blank standards, need to be modified (updated) to reflect the development in the regional standards.

Bob M. suggested that the RRSWG should submit comments to the work plan given that the existing work plan includes expectations that are no longer applicable based on the content of the revised letter. Stephanie suggested scheduling a conference call in June with the RRSWG to pull together comments.

6. Impact of FERC Approved Standards on the Fill in the Blank Standards — Bob Millard

7. Process for Approving Regional Definitions

Ken proposed that when a region proposes a definition a SAR is created to adopt the definition at a continent-wide level. Some at the RRSWG did not like this approach because regional definitions do not necessarily apply to other regions or across the continent. Bob Millard suggested a "First come first serve" approach.

Stephanie will come up with a matrix of regional definitions under development; the team will review the matrix and identify potentially redundant definitions or definitions that may have broad impacts across regions.

8. Attribute No. 7 and Website Update Process — Pat Huntley and Stephanie Monzon

a. Attribute No. 7 of the Delegation Agreements with the Regions reads:

- [Regional Entity Name] will coordinate with NERC such that the acknowledgement of receipt of a standard request identified in step 1, notice of comment posting period identified in step 4, and notice for vote identified in

step 5 below are concurrently posted on both the [Regional Entity Name] and NERC websites.

The RRSWG will discuss the intent of attribute No. 7 and will discuss the how to improve the process of keeping the websites up to date.

- The group suggested several improvements to the NERC website that would link to the Regional websites – such as including all regional standards under development to the NERC standards under development page. This will permit all interested stakeholders to determine all standards under development at the regional level and above on a particular subject area.
- Stephanie emphasized that there is no easy way to update the NERC regional page under development. The team agreed to send Stephanie an email specifically to her when the status if regional standards changes (posting announcements, etc.). Stephanie will acknowledge emails that require action specifically updates to the NERC regional website. This will be the interim process until technology is in place to make data exchange between the organizations to facilitate the process of coordinating and exchanging information.
- The RRSWG agreed that the websites should reflect consistent information and that we should move towards consolidating information on the NERC website and encouraging the industry to view the regions’ pages for the details.

9. Review of Standards Committee Process Subcommittee — Bob Millard and Guy Zito

- The group is working on
 - a. the violation risk factor tool — Terry Bilke’s tool (MISO)
 - b. the changes to the RSDP addressing the changes in process to the development of the VRFs and VSLs
 - c. Variances — the group has not made significant progress on addressing the variance language in the ROP

10. Standards Committee Communications and Planning Subcommittee — Pat Huntley and Judith James

The Committee held a conference call on May 15, 2009. The meeting focused on getting organized. The group reviewed the list of items (project list) — twelve items.

The SC assigned a h/m/l to the original list of projects. The group will be coming up with the list of the “highs” and create sub-groups to address the highest priority items. A call is scheduled for June to review the results of the prioritization of the projects. The group will be attempting to organize monthly meetings. The group will try to meet in conjunction with the SC meeting in July (in Vancouver).

Raj Rana of AEP is the chairperson of the group. Shaun Streeter of NERC coordinates the group. Some of the projects include work-plan related activities, outreach to trade organizations, training for SDT members, assistance to the workshop, etc.

11. Review and discuss the NERC Regional Standards Evaluation Procedure

Finalize the changes to the procedure during the meeting.

12. Participation on Regional Standards Activities and Ensuring Consistency — Guy Zito

Guy — supporting regional standards activities. In particular, reviewing the standards under development. There are opportunities to ensure consistency across the regions.

During the performance assessment some pointed out that the regions’ websites are difficult to navigate. Guy proposed removing a lot of redundancy on the pages and consolidating the information.

13. Discuss fill-in-the blanks projects and regional progress on standards under development (see tables below):

FRCC — developing MOD 24 and 25 criteria and anticipate approval late summer. Stephanie will update the regional criteria catalog on the NERC website.

Regional Standards Under Development — the “date” column on the website should be updated to better reflect the content of this column. **Stephanie to modify.**

| Florida Reliability Coordinating Council (FRCC) | | | | |
|---|---|----------|--|------------------------------|
| PRC-002-FRCC-01 Status: Still on hold pending completion of the NERC project. Project is continuing in the form of developing regional criteria. | FRCC Regional Disturbance Monitoring and Reporting Requirements | 08/25/08 | Standard Under Development | Monitoring Regional Progress |
| PRC-003-FRCC-01 Status: On hold. This project will continue once the DME criteria are established. This standard is justified on the basis that it will be more stringent than the NERC cws. | FRCC Regional Procedure for Analysis of Misoperations of Transmission and Generation Protection Systems | 08/25/08 | Request Accepted | Monitoring Regional Progress |
| PRC-006-FRCC-01 Status: Closed version 8 comment period. SDT working on response to comments. Close finalizing the standard – most likely ballot version 9 in the near future. May be requesting NERC approval in the fall time frame. Stephanie to review version 8 and comments to | FRCC Automatic Under Frequency Load Shedding Program | 08/25/08 | Standard Under Development | Monitoring Regional Progress |

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| version 8. | | | | |
| BAL-002 – still assessing need | | | | |
| PRC-012 – still assessing need (cws will not start until 2010) | | | | |
| PRC-024-FRCC-01 Status: Same drafting team for UFLS – on hold until UFLS is completed. This standard is justified on the basis that it will be more stringent than the NERC cws. | FRCC Regional Generator Performance During Frequency and Voltage Excursions | 08/25/08 | Standard Under Development | Monitoring Regional Progress |

| Northeast Power Coordinating Council (NPCC) | | | | |
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| BPS-501-NPCC-01 Status: Project is on hold – addressing the new BES definitions. | Classification of Bulk Power System Elements | 02/07/08 | Standard Under Development | Monitoring Regional Progress |
| PRC-006-NPCC-01 Status: First posting anticipated in July 2009. | Automatic Underfrequency Load Shedding Program | 07/29/08 | Approved SAR | Monitoring Regional Progress |
| PRC-012-NPCC-01 Status: On hold. Do not anticipate action in the near future. | Special Protection Systems | | Approved SAR | Monitoring Regional Progress |
| BAL-002- no action – have not yet determined a need for a regional standard. | | | | |
| PRC-002-NPCC-01 Status: Posted late 2008. Responded to comments/modified standard. Second posting by June 1. Compliance elements are not included in the standard – will be posting the standard without the compliance elements at this time. | Disturbance Monitoring | | Approved SAR | Monitoring Regional Progress |

| <u>ReliabilityFirst Corporation (RFC)</u> | | | | |
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| BAL-502-RFC-02 Status: Submitted to NERC for approval. | Planned Resource Adequacy Assessment | 01/26/09 | RFC Board Approved December 4, 2008 | |
| EOP-001-RFC-01 Status: This may be retired as regional standard and regional criteria. | Emergency Operations Plans | 02/25/09 | Standard Under Development | Monitoring Regional Progress |
| EOP-501-RFC-01 Status: This may be retired as regional standard and regional criteria. | Transmission Emergency Action Plan | 02/25/09 | Standard Under Development | Monitoring Regional Progress |
| PRC-002-RFC-01 Status: Approved by RFC board last week. Expecting to be submitting to NERC for posting and evaluation. | Disturbance Monitoring and Reporting Requirements | 05/14/08 | Standard Under Development Approved by the RFC Board May 14, 2009 | Monitoring Regional Progress |
| PRC-006-RFC-01 Status: Still under development – will be balloting shortly. Will be conducting an industry webinar in June. Anticipated ballot in July. The team is working on responses to comments to the NERC 45-day posting. | Automatic Underfrequency Load Shedding Requirements | 02/26/09 | Standard Under Development | Electronic Comment Form Unofficial Version (Word) |
| PRC-012-RFC-01 Status: Includes considering condition restrictions on installation of SPS – not currently being addressed in a NERC standard. This project has recommended work on the regional standard. | Special Protection Systems Requirements | 05/14/08 | Standard Under Development | Monitoring Regional Progress |

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| <p>MOD-024-RFC-01</p> <p>Status: Board remanded standard back to the drafting team. This standard will be re-balloted in the near future. Anticipate NERC posting after RFC board approval in August / September timeframe.</p> | <p>Verification and Data Reporting of Generator Gross and Net Real Power Capability</p> | <p>10/09/08</p> | <p>Standard Under Development</p> | <p>Monitoring Regional Progress</p> |
| <p>MOD-025-RFC-01</p> <p>Status: Team will be responding to comments from last posting. Close to completing development and anticipate balloting in the 2009 timeframe (unsure about board approval).</p> <p>45 NERC day posting – the team needs to respond to the comments.</p> | <p>Verification and Data Reporting of Generator Gross and Net Reactive Power Capability</p> | <p>02/26/09</p> | <p>Standard Under Development</p> | <p>Electronic Comment Form Unofficial Version (Word)</p> |

| SERC Reliability Corporation (SERC) | | | | |
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| <p>PRC-002</p> <p>Status: DME – on hold but it appears that no regional standard needed for the SERC region</p> | | | | |
| <p>BAL-002</p> <p>Status: need for regional standard is on hold pending direction from NERC (NO SAR OR STANDARD)</p> | | | | |
| <p>PRC-012</p> <p>Will review the need for a regional standard in 2010.</p> | | | | |
| <p>PRC-006-SERC-01</p> <p>SERC UFLS</p> <p>Status: Developing draft 3 of</p> | <p>SERC Under Frequency Load Shedding</p> | <p>10/09/08</p> | <p>Standard Under Development</p> | <p>Monitoring Regional Progress</p> |

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| standard. Will be meeting to develop comments on the NERC posting and determining the regional project's next steps. | | | | |
| <u>Southwest Power Pool, Inc. (SPP)</u> | | | | |
| PRC-002 Status: DME – The working group commented on the NERC posting. Do not anticipate a SAR as of yet. | | | | |
| while there are no active projects for the two remaining fill in the blanks the Trustees may ask that a project be initiated. PRC-012 – possible SAR in 2009 BAL-002 – possible SAR in 2010 | | | | |
| PRC-00X-SPP-01 Status: First posting – March 31. Team is responding to comments. There is a reliability need for the standard and as a result a sense of urgency in developing this regional standard. | Under Frequency Load Shedding | 12/05/07 | Standard Under Development | Monitoring Regional Progress |
| <u>Texas Regional Entity (TRE)</u> | | | | |
| SAR-001-TRE-02 Approved by TRE Board – NERC BOT approved. Remove from website | Provision for the ERCOT ISO to Participate and Have a Vote in the Processes | 08/06/08 | SAR Approved | Monitoring Regional Progress |
| DME, SPS, BAL – on hold for the cw projects and will be monitoring the cw efforts. ERCOT has protocols in place for these programs. A SAR for DME has been drafted but has not yet been considered by the RSC. An | | | | |

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| approved SAR may be posted in the near future. | | | | |
| SAR-002-TRE-01 Status: If the NERC standard remains the same there will not be a need for a regional standard. | Development and Documentation of Regional UFLS Programs | 05/16/08 | Standard Under Development | Monitoring Regional Progress |
| BAL-001-TRE-01 Status: Posted for comment and the team is responding to comments. Anticipate another posting summer/fall. | FERC-Ordered Modification to ERCOT Waiver to R2 of BAL-001-0 CPS2 | 05/16/08 | Standard Under Development | Monitoring Regional Progress |

Western Electricity Coordinating Council (WECC)

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| DME – submitted comments to the cws and will not be doing a regional reliability standards UFLS – are not developing a standard SPS – do not plan on developing a standard | no changes in status | | | |
| VAR-001-WECC-1 Status: Survey to better define the issues and have a meeting scheduled for next month. | Voltage and Reactive Control | | | Standard Under Development |

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| The standard will then commence development. | | | |
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| MRO | | | |
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| <p>PRC-006-MRO-01</p> <p>Status:</p> <p>Working in parallel with the NERC development. The team is assuming at this point that the regional standard may not need to follow through with NERC approval.</p> | Underfrequency Load Shedding | | |
| <p>PRC-502-MRO-01</p> <p>Status:</p> <p>Regional Standard approved by Board. The drafting team is looking at comments by NERC. This standard will be reviewed by the SC – it may be withdrawn.</p> | Power System Stabilizer Requirements | | Standard Under Development |
| <p>TPL-503-MRO-01</p> <p>Status:</p> <p>Regional Standard approved by</p> | System Performance Requirement | | |

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| <p>Board. The drafting team is looking at comments by NERC. The SC will review this regional standard and make a determination on future development. May be a variance.</p> | | | |
| <p>TPL-504-MRO-01</p> <p>Status:</p> <p>Regional Standard approved by Board. The drafting team is looking at comments by NERC. The SC will review this regional standard and make a determination on future development. May be a variance.</p> | <p>Sub-synchronous Resonance Requirement</p> | | |
| <p>BAL-002 - the criteria may be retired – no apparent need for a regional standard</p> <p>PRC-012 Regional criteria – no apparent need for a regional standard</p> | | | |

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| <p>RES-501-MRO-01</p> <p>Status:</p> <p>The team has addressed the initial set of NERC comments. This standard (of the four) is the highest priority.</p> | <p>Planned Resource Adequacy</p> | | |
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Standing Agenda Items

14. Review action items from last RRSWG meeting (March, 2009)

| Action Items | Status: | Assigned To: |
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| <p>WECC to provide feedback on the ROP Variance language – particularly the additional information to provide NERC with the submission of the standard for approval</p> | <p>In Progress (updated 1/28/09) – Ken to provide before March RRSWG meeting. Completed</p> | <p>Ken Wilson</p> |
| <p>Naming convention for regional standards interpretations (check that whatever is being proposed supports the technical solution being used by Compliance)</p> | <p>created November, 2008</p> | <p>Stephanie to follow up with Maureen Long</p> |
| <p>Guy to send Stephanie proposed language on the Canadian Regulatory involvement in the NERC Evaluation Procedure</p> | <p>created November, 2008</p> | <p>Guy Zito</p> |
| <p>Stephanie to discuss schedule of the fill in the blank standards in the work plan and the impact on this schedule by the continent wide projects. Stephanie will have a discussion with Gerry about the original “directive” and possible ways to address the delay in establishing regional standards as a result of the delay in the continent wide projects.</p> | <p>In Progress – 1/27/09</p> | <p>Stephanie</p> |

| Action Items | Status: | Assigned To: |
|--|--|-------------------------|
| Stephanie to send a revised version of the letter to the RRSWG for review. | | |
| At what point (procedurally) do we identify a Variance? NERC to identify the appropriate procedure to address the identification of a Variance (as opposed to a Regional Standard) 3/19/09 - The team is tracking the progress of the SC Process Subcommittee and the modifications to the ROP Variance language. | created January 2009 | Stephanie |
| Guy Zito and Pat Huntley to create a first draft of a RRSWG presentation to the Standards Committee. Stephanie to work with Maureen to add an RRSWG discussion on a future SC agenda. 3/19/09 – the team decided to NOT present at the April SC meeting but to have one on one conversations with SC members to better understand their concerns. | created January 2009 Completed | Stephanie Guy Pat |
| Ken Wilson to provide language for the NERC Evaluation by March 2009 RRSWG meeting | created January 2009 Completed | Ken Wilson |

15. Other

16. Review Proposed 2009 RRSWG Schedule:

| Date | Location | Comments |
|-----------------|----------------------|------------------------|
| January 27–28 | TRE — Austin | Confirmed |
| March 18–19 | APS — Phoenix, AZ | Confirmed (Ken Wilson) |
| May 19–20 | SERC — Charlotte | Confirmed |
| September 16–17 | NPCC — New York City | Confirmed |
| November 10–11 | FRCC — Tampa | Confirmed |

June conference call — WebEx

- Proposed June 1, 2009, 2–4:30 p.m. EDT.
- Comments to the work plan issued for public review (open through July 6)
- Cover the two remaining agenda items from the May 2009 RRSWG meeting

17. Next Steps

18. Adjourn