

## Conference Call Notes Backup Facilities SDT — Project 2006-04

### 1. Administrative Items

#### a. Introductions

The call was brought to order at 10:30 a.m. EDT on Thursday, July 30, 2009.  
Call participants were:

Sam Brattini, Chair	Blaine Dinwiddie	Barry Lawson
Mike Schiavone, Vice Chair	James Vermillion	Ted Franks, FERC
Nick Henery, FERC	Danny Johnson, FERC	Dave Taylor, NERC
Laurel Heacock, NERC	Ed Dobrowolski, NERC	

#### b. NERC Antitrust Compliance Guidelines — Ed Dobrowolski

No questions were raised on the NERC Antitrust Compliance Guidelines.

#### c. Conference Call Agenda and Objectives — Sam Brattini

FERC staff asked to add an item to the agenda on the status of Requirement R3.

The objective of the call was to hear FERC staff concerns on EOP-008-1.

### 2. Discuss 'One Size Fits All' Requirement

This item was in reference to FERC Order 693a, paragraph 94. FERC staff expressed concerns that large entities could have a disastrous impact on the BES if they were allowed to go 'blind' for 2 hours. While a 2 hour window might be acceptable for a smaller entity, shouldn't there be a different, shorter timeframe for these large entities? For example, CAISO and PJM have both gone to a 7x24 manned backup.

The SDT discussed this concept in detail and was unable to come up with a reliability based reason for differentiating between entities solely based on size. Part of this discussion covered the fact that in most cases, these larger entities will have smaller entities (e.g., an RC or ISO would presumably have TOPs and BAs) under them that would still have operable systems and therefore, the BES isn't flying 'blind'. It was also pointed out that Requirement R1, part 1.6 addresses the transition period while

previous calls with FERC staff made it quite clear that they were not advocating 7x24 manned backups for anyone.

If the SDT decides to stay with this approach, FERC staff is looking for ‘data’ to justify it and that would point out that the BES is not at risk during the transition.

### **3. Discuss Change from One Hour (EOP-008-0) to Two Hours (EOP-008-1) for Backup**

FERC staff felt that EOP-008-0, R1.8 defined a 1 hour time period for establishing a backup. Therefore, they see the current timeframe in EOP-008-1 of 2 hours as less stringent criteria.

The SDT pointed out that EOP-008-1, R1.8 only mandates the implementation of the backup plan within 1 hour and actually doesn’t address when the backup must be up and running. The proposed EOP-008-1 therefore goes much farther and becomes much more stringent. Indeed, the proposed EOP-008-1 covers the transition period, testing of the plan, etc., none of which was addressed in the earlier version. The 2 hour timeframe was commented on by industry and the SDT responses included items such as the need to pick a realistic timeframe so that sufficient geographic separation can be maintained between centers, balance risk vs. cost, etc.

FERC staff suggested that these discussion points be explicitly cited in the eventual filing.

### **4. Requirement R3**

FERC staff asked for an update on the status of Requirement R3.

On Tuesday, the SDT had a conference call to discuss Requirement R3. At that time, based on the lack of documentation on the matter requested from NERC by the SDT, the SDT voted unanimously to retain Requirement R3. The documents were delivered to NERC staff with the request to move this project forward to ballot. NERC staff is going to recommend that the Standards Committee reject the SDT’s request and remand the standard back to the SDT for the removal of the requirement. NERC staff does not want to set a precedent in this area and is basing its position on the statements from Compliance that such a requirement isn’t needed and that the SDT essentially disregarded the majority of industry comments on this matter.

FERC staff asked how the reliability issue covered by Requirement R3 would be handled if the requirement is deleted as they feel that it directly responds to directives in Order 693 addressing issues such as centralized dispatch centers. NERC staff stated that they appreciated FERC staff’s comments on this issue.

### **5. Next Steps — Sam Brattini**

The next steps for this project depend on the actions of the Standards Committee. If they accept the SDT position, then the standard will go to ballot. If they don't accept the SDT position, then the standard will be returned to the SDT for further deliberation.

NERC staff stated that if the standard goes to ballot with Requirement R3 still in place and the standard passes industry voting, they will recommend that the Board of Trustees reject the standard.

#### **6. Action Items — Ed Dobrowolski**

The SDT will consider the issues raised by FERC staff.

#### **7. Adjourn**

The call was adjourned at 11:30 a.m. EDT.