

Meeting Notes

Project 2012-05 ATC Revisions (MOD A)

August 27-30, 2013

Colorado Springs Utilities
Colorado Springs, CO

Administrative

1. Introductions

The meeting was brought to order by the Chair at 1:10pm MT on Tuesday, August 27, 2013. Phillip Shafeei of Colorado Springs Utilities provided the team and observers with building and safety information and logistics. Participants were introduced and those in attendance were:

Members		
Aaron Staley, Chair, Orlando Utilities Commission	Michael Lowman, Vice Chair, Duke Energy	Dede Subakti, CAISO
Marilyn Jayachandran, PJM	Phillip Shafeei, Colorado Springs Utilities	Tung Nguyen, MISO
Ryan Harrigill, SPP	Ross Kovacs, GTC	Sunish Mathew, Southern Company
James Randall, BPA*	David Dockery, AECl	Ryan Stewart, NERC

Observers		
Nick Henery, FERC	Matthew Wharton, PJM*	Jack Armstrong, Duke Energy
Dave Rahman, Duke Energy	Shauna Speve, Colorado Springs Utilities	Scott Miller, MEAG Power
John Martinsen, Snohomish PUD	Craig Williams, WECC	Bob Harshbarger, Puget Sound Energy*
Margaret Olczyk, BPA	Shamai Elstein, NERC*	Michael Gildea, NERC

Observers		
Paul Morland, Colorado Springs Utilities	Jean Mueller, Colorado Springs Utilities	Marshallia Green, TVA*
Cheryl Mendrala, ISO-NE*	Stephen Tran, BC Hydro*	Rebecca DeCorse, TEP*
Sueyen McMahan, LADWP*	Nate Schweighart, TVA*	Jeffrey McLaughlin, PJM*
Milena Yordanova, NERC*		

2. Determination of Quorum

The rule for NERC Standard Drafting Team (SDT or team) states that a quorum requires two-thirds of the voting members of the SDT. Quorum was achieved as all of the total members were present.

3. NERC Antitrust Compliance Guidelines and Public Announcement

The NERC Antitrust Compliance Guidelines and public announcement were reviewed by Ryan Stewart. There were no questions raised.

4. Review Meeting Agenda and Objectives

No changes were made to the agenda. The objectives of this meeting were to modify proposed standard MOD-001-2 in response to industry comments and identify significant unresolved issues.

Agenda

1. Update on Ballot Results and Process Toward Successive Ballot

- a. The SDT conducted an initial review of the comments on the proposed standard and discussed the major issues raised in those comments, as explained in more detail below.
- b. The SDT reviewed the ballot results. With the ballot results being slightly over 51%, the proposed standard will be posted for a 45-day successive comment period and ballot. The group discussed possible options for moving forward and discussed holding a subsequent SDT meeting after that successive comment period and ballot closes.

2. Major Issues and Proposed Resolutions

- a. Transmission Operator (TOP) vs. Transmission Service Provider (TSP)
 - o The SDT discussed concerns raised by commenters that Total Transfer Capability (TTC), Total Flowgate Capability (TFC), and Transmission Reliability Margin (TRM) are commercial values that should be calculated by TSPs based on the TOP’s System Operating Limits (SOLs) and Interconnection Reliability Operating Limits (IROLs) values, but not a reliability value that must be calculated directly by the TOP. The SDT discussed this issue at length and decided not to propose any revisions to MOD-001-2 that assigned TTC and TFC and TRM to the TOP, which is consistent with the currently effective Reliability Standards.

- The SDT concluded that the responsibility should be assigned to the TSP or TOP “depending on who determines the value”. The SDT determined that Requirements R1 and R4 should remain with the TOP only. For the situations where the TSP and the TOP have a coordinated functional registration, then the TSP has “taken on the role” of the TOP for those requirements on their behalf.
- b. TOP Applicability
- Certain commenters raised concerns with the general applicability of Requirement R1 to all TOPs, stating that the requirement should not be applicable to every TOP because some TOPs do not operate facilities that a TSP uses to provide transmission service or operate Facilities that are part of a Flowgate or transfer path. Additionally, commenters noted that certain TOPs do not have a monitored Facility of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, or a comparable monitored Facility in the ERCOT or Quebec Interconnections, and is not a monitored Facility included in an IROL. The SDT agreed with these comments that the standard should not obligate a TOP to have a written methodology for determining TTC or TFC if they do not make such determinations. The team concluded that this issue was best addressed within the language of Requirement R1 rather than through modifications to the Applicability section. The SDT proposed to work with one of the commenters to refine the language in Requirement R1 to address this concern.
- c. Capacity Benefit Margin and Transmission Reliability Margin Implementation Documents (CBMID and TRMID)
- The drafting team also discussed the need to require each TSP or TOP to have a CBMID and TRMID even if the entity does not calculate CBM or TRM. The measure for these requirements was revised to simply require an affidavit, statement, or document that the entity does not determine CBM or TRM.
- d. Clarification of the phrase “prepare, keep current, and implement”.
- The SDT discussed the overall intent and clarity of the “prepare, keep current and implement” language for the various methodologies and implementation documents. The SDT notes that the phrase “prepare and keep current” is used in other existing FERC approved standards. During the informal development, the ad hoc group had added the word “implement” to the end of “prepare and keep current” to clarify that the entity must have a document that is current, or updated, but that it must also implement the methodology in that document. Based on the comments during the initial comment period, however, the SDT notes that the phrase could be confusing. The SDT has modified the language in Requirements R1 through R4 to remove this phrase and clarify the overall intent of the requirements.
- e. Modifications to Requirement R2.
- Commenters raised issues as to whether Requirement R2 needs to be more prescriptive. Many of the existing MOD-030 (Flowgate) users expressed concern that Requirement R2 needs to be more prescriptive to capture certain components of Available Transfer Capability (ATC) or Available Flowgate Capability (AFC). Several commenters had suggested adding the same language in Requirement R1 into Requirement R2 for TSPs that calculate ATC or AFC. The SDT considered the

- comments and agreed to add the same language in Requirement R2 that is in Requirement R1 for the calculation of ATC of AFC.
- Commenters requested clarification on (1) the frequency with which AFC or ATC values must be calculated, and (2) how the technical issues are addressed when there is a failure in the process and the calculation of AFC or ATC values does not occur. In discussing these comments, the SDT stated that these situations should be addressed in the entity's Available Transfer Capability Implementation Document (ATCID). Therefore, the SDT decided not to make a change with on this item.
 - Certain commenters suggested that the equation for calculating AFC or ATC should be included as a Requirement. The SDT considered this suggestion and noted that the equation for calculating AFC or ATC should be included as part of an entity's ATCID and the equation for ATC is a NERC defined term. The SDT also noted that including the actual equation is not necessary for reliability purposes.
- f. Responding to Requests for Methodologies, Data or Clarification
- To be consistent with other similar NERC Standards, the 30-day response time was modified to be 45-days. The team notes that responding to a request is the crucial part, not the exact time period within which it is responded to; however, some sort of bounds are required.
 - The team revised the language regarding the "document owner's confidentiality, regulatory or security requirements" for clarity.
 - The team revised Requirement R6 to (1) clarify the handling of either a single data request or a request for data on an ongoing basis, and (2) emphasize that the TOP or TSP does not have to provide data more frequently than the time frame in which they determine the data or hourly, whichever is less frequent.
 - The language in Requirement R6 was enhanced to reflect that the TOP or TSP is only obligated to provide the data in the format that they maintain or use the it, and that data provided through a third party such as NERC System Data Exchange (SDX) or Open Access Same-Time Information System (OASIS) can meet that obligation to provide data even if the requestor doesn't currently have (but could secure) access to those systems.
- g. Evidence Demonstration and Retention
- The SDT wrote the measures to emphasize that "current values" are sufficient evidence of the calculation being done per the TOP or TSP's documentation. Most systems in use can easily demonstrate how forward looking (current) values are determined which is the information the auditor needs to determine if the process described is that process followed.
 - The SDT wrote short retention periods for data used to demonstrate that values are calculated from raw components as described by the entities process. This retention period is similar to that required in the existing standards and tries to balance the auditors need for demonstration (met mostly by forward looking values) with the difficulty in keeping the data and showing how the data is in keeping with the process.
- h. Coordination with the North American Energy Standards Board (NAESB)

- The SDT had members of NAESB and the Wholesale Electric Quadrant join the meeting by conference call to discuss the transfer of certain existing MOD A requirements from NERC to NAESB. The SDT, NERC, and NAESB discussed next steps for facilitating that transfer, including NERC expecting to submit a formal request to NAESB the day after the proposed standard is adopted by the NERC Board of Trustees. During the next 45-day successive comment period, the SDT, NAESB, and NERC will continue to coordinate on this issue and engaging FERC staff with those discussions. Coordination is essential since all currently approved Requirements in this project must be specially addressed via a transfer or incorporation into this MOD project.

3. **Action Items and Next Steps**

- a. VSLs – Based on changes to the Requirements, the VSLs will be worked to accommodate those changes.
- b. Future coordination with NAESB – FERC and NERC staff will reach out and schedule the next coordinated meeting.
- c. Consideration of comments – Members of the SDT will draft narrative responses to industry comments for inclusion in the Consideration of Comments Document that will be posted on the NERC MOD A project page.
- d. Finalize modifications to the proposed standard based on industry comments. – Clean and redline versions of the revised standards will be posted during the successive ballot and comment period.
- e. Schedule next face-to-face meeting once the standard is posted for a successive comment period and ballot.

4. **Future meeting(s)**

- a. November 20-22, 2013 – Florida Reliability Coordinating Council

5. **Adjourn**

The meeting adjourned at 11:40 a.m. MT on August 30, 2013.