NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

Meeting Notes
Project 2014-01 Standards Applicability for Dispersed Generation Resources Standards Drafting Team

April 30, 2014 | 9:00 a.m. to 5:00 p.m., Central
May 1, 2014 | 9:00 a.m. to 5:00 p.m., Central

Austin, Texas

Administrative

1. **Introductions**

   NERC staff initiated the meeting and reviewed the NERC Antitrust Compliance Guidelines, Public Announcement, Participant Conduct Policy, and Email List Policy. NERC staff thanked all members and observers of the Project 2014-01 Standards Applicability for Dispersed Generation Resources (DGR) Standard Drafting Team (SDT) for participating on the call. Dana Showalter explained the facility evacuation plan, and Kevin Gresham, E.ON North America Vice President for External Affairs, welcomed the SDT to E.ON and provided introductory remarks. The following members and observers participated:

Name	Company	Member/ Observer
Tony Jankowski	We Energies	M
Tom Pruitt	Duke Energy	M
David Belanger	Exelon Generation	M
George Brown	Acciona Energy North America	M
Stephen Enyeart	Bonneville Power Administration	M
Brian Evans-Mongeon	Utility Services Inc.	M
Jessie Nevarez	Terra-Gen Operating Company	M
Jeff Plew	NextEra Energy Resources	M

Name	Company	Member/ Observer
Dana Showalter	E.ON Climate & Renewables	M
Randhir Singh	PSEG Fossil	M
Eric White	MidAmerican Energy	M
Tim Jyrkas	Xcel Energy (by phone)	O
Rob Robertson	First Wind	O
Bill Shultz	Southern Company (by phone)	O
Sean Cavote	NERC	M
Ryan Stewart	NERC	M
Lacey Ourso	NERC	O
Phil Tatro	NERC	M
Leigh Anne Faugust	NERC (by phone)	O
Stacey Tyrewala	NERC	M
Gary Kruempel	MidAmerican Energy (by phone)	O
Susan Morris	Federal Energy Regulatory Commission (by phone)	O

2. **Review Meeting Agenda and Objectives**

   Chair Tony Jankowski reviewed the meeting agenda and objectives.

Agenda Items

1. **Discuss Industry Webinar Feedback**

   The DGR SDT discussed feedback from the April 28, 2014 industry webinar explaining the DGR SDT's recently posted white paper. The webinar proposed three poll questions:

   1) *Do you agree with the proposed applicability options?* The poll results indicated that the webinar participants agreed with the proposed applicability options. Based on webinar comments the SDT DGR agreed to clarify the term "point of aggregation" in the white paper, which may include using an explanatory diagram.

2) *Do you agree with the criteria used to group the standards into categories?* The poll results indicated that the webinar participants agreed with the approach used by the SDT.

3) *Do you agree with the recommended high-priority standards (PRC-004-2.1a, PRC-005, VAR-002)?* The poll results indicated that the webinar participants agreed with the DGR SDT on its recommended high-priority standards. However, commenters questioned why FAC-008 and TOP-001 are not high-priority standards for this project. The DGR SDT reiterated that the segmentation of high, medium, and low priorities were established to align the priorities of all of the Reliability Standards reviewed. The DGR SDT committed to continue discussing this approach and make modifications to the white paper as necessary based on comments it receives on the white paper.

The DGR SDT discussed additional webinar comments pertaining to the project as a whole.

2. **Develop Standards Applicability Changes**

NERC staff noted that the DGR SDT would need to recommend applicability changes where warranted to the following classes of standards:

1. Currently enforceable version of the standard unless it will become inactive prior to July 1, 2014;
2. any versions approved that become enforceable in the future;
3. any version pending regulatory approval, e.g., PRC-005-3; and
4. any version in development and presumed to soon be approved by the NERC Board, e.g., PRC-005-4 and VAR-002-3.

<u>PRC-004</u>

The DGR SDT discussed the high priority standards beginning with PRC-004.

A member expressed concern about designating a 75 MVA threshold within the applicability section of PRC-004, and that the DGR SDT should focus on the string of turbines, not on a number. The team deliberated about the origin of the 75 MVA threshold and how it ties to the NERC Compliance Registry Criteria. The SDC also discussed common mode failures as they relate to different dispersed generation configurations. Coupled with the various scenarios of the technical details of the common mode failures, a member suggested to possibly define common mode failure in the NERC Glossary of Terms, which was rejected by the team.

The DGR SDT discussed how guidance or a guideline works versus a standard. Specifically, whether guidance would be more appropriate than a requirement for dispersed generation unit protection systems. NERC staff clarified that a guideline is part of the standards development process identified in Section 11.0 within the NERC Standards Process Manual.

The DGR SDT discussed three applicability options in relation to Generator Owners: (1) all individual generator components are included; (2) all out; or (3) something else. The DGR SDT came to consensus that option number three was the realistic option for the group moving forward, and developed proposed applicability language in the applicability section of the standard.

The DGR SDT PRC sub team committed to developing recommended language based on discussions among the wider group, and in coordination with NERC staff and the Project 2010-05.1 - Protection System: Phase 1 (Misoperations) SDT.

PRC-005

The DGR SDT discussed PRC-005 and developed recommended applicability language to exclude certain DGRs in the Facilities section of the standard. Although the DGR SDT ultimately determined that a threshold of 75 MVA was most appropriate for this standards, at least one member suggested that another threshold level – perhaps 20 MVA – would be most appropriate. The DGR SDT PRC sub team committed to developing language and a technical justification for the recommended applicability changes.

VAR-002

The VAR-002 sub team discussed the proposed redline changes to VAR-002b and VAR-003. The DGR SDT noted that it determined that VAR-002 was a high priority because of the turbine transformers. The DGR SDT proposed adding footnotes to exclude certain DGRs in VAR-002b and VAR-003 as reflected in the redline versions of that standard.

Lastly, it was noted that VAR-002-3 is in final ballot before presentation to the NERC Board of Trustees, and that the team would need to continue coordination with the Project 2013-04 Voltage and Reactive Control SDT on the DGR SDT's recommended changes.

3. **Guidance Documentation Strategy**

   The DGR SDT discussed the role of NERC in developing guidance for DGRs during the Bulk Electric System (BES) definition implementation, particularly to the regions where gaps may be created for new BES facilities. The DGR SDT committed to providing problem statements as a starting point where guidance is suggested for a particular standard.

4. **Future Meeting and Action Dates**

   a. Posting comments due on May 5, 2014

   b. SDT conference call May 16, 2014, 10:00 a.m. to 12:00 p.m. Eastern

   c. SDT meeting in Salt Lake City, Utah on May 28 to 29, 2014

   d. SDT conference call August 7, 2014, 11:00 a.m. to 2:00 p.m. Eastern

   e. SDT meeting in Milwaukee, Wisconsin on August 26, 27, and 28

   f. Future SDT meeting dates and locations to be determined

5. **Adjourn**

Vice Chair Tom Pruitt adjourned the meeting at 5:00 p.m., Central.
