

**Transmission Loading Relief Standards Drafting Team
NAESB Business Practices Subcommittee**

**NERC Offices
Washington, DC**

**November 27, 2007 — 9:00 a.m.–5:00 p.m. CDT
November 28, 2007 — 9:00 a.m.–noon CDT**

Joint Meeting Agenda

- 1. Administration**
 - NERC Antitrust Compliance Guidelines
 - Introduction of Attendees
 - Adoption of Agenda
 - Approval of Minutes
- 2. Future Meetings and Schedule Review**
 - January 29–30 (TW) — 9 a.m.–5 p.m., 9 a.m.–noon — Houston NAESB Offices
 - April 1–2 (TW) — 9 a.m.–5 p.m., 9 a.m.–noon — MSP/MISO, Carmel/MISO or other (TBD)
- 3. ORS Meeting Update — TLR 3C**
- 4. Joint Operator Manual**
 - IRO-006-4 Effective Date
 - “NERC Formatted” Document Review
- 5. Phase III Work**
 - Report: Ben Li (R3 Redraft)
 - Report: Frank Koza (Measures)
 - Review of Draft; Discussion
 - Posting Schedule and Comment Form
- 6. Phase II Work (Field Test) Report**
 - Report — Tom Mallinger
 - Discussion of Reliability Threshold
- 7. New business**

- NAESB Annual Plan, PJM/MISO TLR Development Request
- Changes to IRO-006-4 to support IRO-017-1

8. Adjourn

Conference Call and WebEx Information

- **November 27, 2007**
 - Conference Call
 - Dial in: 732-694-2061
 - Password: 1205112707
 - WebEx
 - <http://nerc.webex.com>
 - Password: standards
- **November 28, 2007**
 - Conference Call
 - Dial in: 732-694-2061
 - Password: 1205112807
 - WebEx
 - <http://nerc.webex.com>
 - Password: standards

NERC ANTITRUST COMPLIANCE GUIDELINES

I. GENERAL

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. PROHIBITED ACTIVITIES

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
 - Discussions of a participant's marketing strategies.
 - Discussions regarding how customers and geographical areas are to be divided among competitors.
 - Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

III. ACTIVITIES THAT ARE PERMITTED

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation and Bylaws are followed in conducting NERC business. Other NERC procedures that may be applicable to a particular NERC activity include the following:

- Reliability Standards Process Manual
- Organization and Procedures Manual for the NERC Standing Committees
- System Operator Certification Program

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

Approved by NERC Board of Trustees, June 14, 2002 Technical revisions, May 13, 2005 2

Transmission Loading Relief Standard Drafting Team

October 4–5, 2007 — Plymouth, MN

Meeting Notes

1. Administration

a. Introduction of Attendees

The following members and guest were in attendance:

- Ben Li, Chair
- Daryn Barker
- Jim Busbin
- Ed Davis
- Francis Halpin
- David Huffman
- Laura Kennedy
- Frank Koza
- David Lemmons
- Tom Mallinger
- Nelson Muller
- Ellen Oswald
- Narinder Saini
- Kathy York
- Andy Rodriguez

b. NERC Antitrust Compliance Guidelines.

Andy Rodriguez read the NERC Antitrust Compliance Guidelines.

c. Approval of Agenda

The drafting team approved the agenda unanimously.

d. Approval of Meeting Notes

The drafting team approved the meeting notes from the previous meeting unanimously.

2. Review of Meeting Schedule

- a. November 27–28, 2007 — Washington, D.C., at NERC — 9 a.m.–5 p.m., 9 a.m.–noon.
- b. January 29–30, 2008 — Houston at NAESB, pending confirmation — 9 a.m.–5 p.m., 9 a.m.–noon.
- c. April 1–2, 2008 — MSP or Carmel at MAPP or MISO, pending confirmation — 9 a.m.–5 p.m., 9 a.m.–noon.
- d. If needed, the team will have WebEx and conference call meetings, to be announced.

3. Joint Operator Manual Update

The drafting team discussed the Joint Operator Manual (JOM). Jim Busbin reviewed the work that had been done on the JOM. Andy Rodriguez was tasked with sending the JOM to Barbara Bogenrief for NERC formatting. Andy Rodriguez was also tasked with working with Barbara to see if the flow chart could have its links to the proper sections established, as well as any other appropriate links in the document. **Andy Rodriguez was tasked with removing the box with Yellow and Red on page 62,** and ensuring the document is marked as a draft. The drafting team was asked to review the document by October 11th and confirm via e-mail that the document was ready for posting. The group set a target to post the document by October 21st for industry comment, then giving the document to the SC for approval (target of January 15–17). Andy Rodriguez will check to see when the new IRO-006 will become effective, and confirm with Maureen Long what an appropriate posting period should be.

4. Phase III Work

The group reviewed the Phase III work, and made changes to the document (Andy Rodriguez to send the most current version to the group). It was suggested that the reference in 5.1.9 to the MIC be removed, and possibly be replaced with something similar to “the RC shall report the TLR event to the ERO.” The concept of a joint glossary between NERC and NAESB was discussed. Andy Rodriguez was tasked to follow up on this with NAESB and NERC leadership. **It was requested that in the next posting, we ask the industry how they feel about deleting TLR Level 6.** The approach would be to delete the level, explain in the question why we did so, and ask the industry for their opinion.

The drafting team discussed the schedule for Phase III. Ben Li intends to redraft R3. Frank Koza will look at the measures. Target for the next revision is to distribute to the drafting team by the 26th of October. Drafting team members will be expected to respond with comments by November 8th. The team will discuss the document at the Nov 27–28 meeting.

The group briefly reviewed the concepts of TLR 3C. The concept of the “5% threshold” was discussed, and it was determined that currently, it appears that NAESB has oversight of this value.

Andy Rodriguez presented the concepts developed by NERC staff for the next major version of IRO-006. The group agreed to have Andy Rodriguez explore these ideas further with FERC, NAESB, and other entities.

5. Phase II Work (Field Test) Report

- a. Tom Mallinger provided presentation giving a review of the status of the Phase II Field Tests.

6. New Business

The drafting team discussed the VSL work. Tom Mallinger reviewed the changes to the VSL Guidelines for Attachment 1. Ben Li is still pursuing the approval of these items (if needed) through the CCC.

Ben Li presented the VSLs he had developed per the request of the VSLDT to the team. The team agreed with the work Ben had undertaken.

7. Adjourn