

Transmission Loading Relief Standard Drafting Team

August 22–23, 2007

Meeting Notes

1. Administration

a. NERC Antitrust Compliance Guidelines

Andy Rodriguez reviewed the NERC Antitrust Compliance Guidelines.

b. Introduction of Attendees

The following members and guest were in attendance:

- Ben Li, Chair
- Daryn Barker
- Jonathon Booe
- Frank Koza
- David Lemmons
- Tom Mallinger
- Steve Myers
- Nelson Muller
- Ellen Oswald
- Narinder Saini
- Kathy York
- Andy Rodriguez

c. Adoption of Agenda

Ben Li moved for the agenda to be approved. The motion was seconded, and passed unanimously.

d. Approval of Minutes

Frank Koza moved for the meeting notes from the last meeting to be approved. The motion was seconded, and passed unanimously.

2. Future Meetings and Schedule Review

Ben Li reviewed the status of the standards, and expressed concern that the drafting team had not accomplished much work between this meeting and the last meeting. Ben Li briefly reviewed the support in the industry for approving the standard, which seems to be positive at this time.

Ben Li briefly reviewed the “due process” for the Joint Operating Manual and the VSL Guidelines. The JOM can be approved by simple action of the Standards Committee. The VSL Guidelines may not require approval, but Ben Li will pursue with the SC and the Compliance Certification Committee.

Ellen Oswald indicated there might be a need for compliance to approve the VSL guidelines as well.

The team reviewed and agreed upon the following meeting schedule for the weeks ahead:

- i. Conference Call — September 6 — 2–3 p.m. EDT — To review no-vote comments, make assignments
- ii. Conference Call — September 13 — 1–5 p.m. EDT — To review responses to no-vote comments, approve for posting
- iii. Regular Meeting — October 4–5 — 9 a.m.–5 p.m., 9 a.m.–noon CDT — Minneapolis, MN at OATI
- iv. Regular Meeting — November 27–28 — 9 a.m.–5 p.m., 9 a.m.–noon EDT) Washington, DC at NERC

3. Joint Operating Manual Update

The team briefly discussed the work being done to incorporate the IDC reference document into the Joint Operating Manual. However, since two of the principal authors (Sue Mangum-Goins and Jim Busbin) were not present, it was agreed to defer further most discussion until the next meeting. The group agreed to set the following deadlines for the final version of the JOM:

- i. Final draft to be distributed via e-mail on or before September 26, 2007.
- ii. Submission to SC for approval to be determined at the October 4/5 meeting.

4. Phase III Work

a. Guidance from NERC re: Regional Standards

Andy Rodriguez reported that after significant discussion, NERC has agreed to defer to the drafting team on the best approach for writing the standards (which is currently believed to be three regional standards).

b. Regional Standards

- i. WECC Report — David Lemmons

David Lemmons reported that WECC was continuing to work on their standards. At this point, it was unlikely that the LSE would be responsible for making curtailments; it was 50/50 that the RC would be involved; and it was likely that the Transmission Operator would still be the entity initiating the procedure.

- ii. ERCOT Report — Steve Myers

ERCOT provided some draft language that might serve as a starting point for their regional standard. The language was

straightforward and simple, and did not contain much other than the base reliability responsibilities. ERCOT expressed concern that while reliability oversight was acceptable, they did not want to have NERC or other entities assert compliance jurisdiction over their market operations.

c. IRO-006-5 (Attachments 3, 3a and 4)

The group reviewed the language Andy Rodriguez had drafted, as well as language drafted by Nelson Muller. The group discussed the concepts from the ERCOT proposal and the concept of a new standard that was silent on “how” and focused on “what,” letting tariffs and business practices address the “how.” Andy Rodriguez was requested to talk to Julia Souder about raising the following questions with FERC:

1. How to address the ERCOT and WECC procedures (full procedure, or reliability excerpts).
2. Structural approaches for writing the standards (three regional standards, one national + 2 regional differences, 1 national umbrella and three regional standards).
3. How to address the commercial aspects of TLR (group would be interested in simplifying to core reliability functions, but how does this apply to NJEs?)

If a meeting with FERC to discuss these issues is possible, Ben Li would like to see the following in attendance: rep from ERCOT, WECC, and NAESB, Andy R, and Kathy Y.

The group agreed to use Nelson Muller’s draft as a base from which to work. Andy Rodriguez would add the TLR level guidelines drafted in the meeting as an appendix. Tom Mallinger agreed to work on a draft of the compliance and measures for the draft. Ben Li agreed to look at the violation risk factors and the retention timelines. Nelson, Kathy, Jim, and Sue would begin thinking about how the manual would need to change to accommodate the new version of the standard. Ben Li requested that Andy Rodriguez send out the revised v5 document, and that all members review and respond, and provide any assignments described above, no later than September 25th.

5. Update on Phase II

Tom Mallinger provided an update on the SPP, MISO, and PJM field test. The field test started for PJM on June 3rd; MISO and SPP intend to start on October 1. At the September ORS, participants intend to provide an initial report of the outcomes and request an ORS task force be created (or reconstituted) to review the results of the field test and make a recommendation(s) upon its completion. The field test is currently scheduled

to complete on June of 2008 for PJM. MISO and SPP are scheduled to complete on October 2008, but they may shorten their participation.

6. Adjourn