

Meeting Notes

Balancing Authority Controls SDT — Project 2007-05

February 18, 2009 | 8 a.m.–5 p.m.

February 19, 2009 | 8 a.m.–noon

California ISO Offices

Folsom, CA

1. Administration

a. NERC Antitrust Guidelines

Andy Rodriquez reviewed the anti-trust guidelines with meeting participants.

b. Introduction of Attendees

The following members and guests were in attendance:

- Larry Akens, Chair
- Gerry Beckerle
- Terry Bilke
- Ernie Cardone
- Sam Ciccone (for David Folk)
- Al DiCaprio
- Corey Galik
- Steve Gillespie
- Howard Illian
- Darren McDonald
- Ken McIntyre
- Sydney Niemeyer
- Chris Perry
- Guy Quintin
- Kris Ruud
- Scott Sells
- Mark Thomas
- Andy Rodriquez

c. Approval of Agenda

The drafting team reviewed and approved the agenda.

d. Approval of Meeting Notes

The drafting team reviewed and approved the meeting notes from the previous meeting.

2. Update on Coordination Efforts — RBCSDT, FRSDT, NAESB

Andy provided a brief summary of the three-way coordination call with the leadership of the RBCSDT and the FRSDT. On the three-way call, it was agreed that the BACSDT should lead the effort to address the concept of the “reserve” standard, coordinating with the other two teams as appropriate. Larry Akens briefly discussed another concept from that call, which was the elimination of DCS once a reserve standard had been developed.

Sydney Niemeyer provided an update on the work of the RBCSDT. Sydney indicated that the RBC was working on addressing the transmission limit issue (a fix for the unlimited ACE when you are supporting frequency). MISO is working on a technique to calculate variable limits to address this issue. ERCOT is working on joining the Field Trial, as is MISO. Test results are showing better frequency control, but this may not be related to the BAAL – it may be due to other issues (e.g., state of the economy). January data has not yet been reviewed, so it is unknown what the impact of the MISO BA consolidation was with regard to BAAL and frequency.

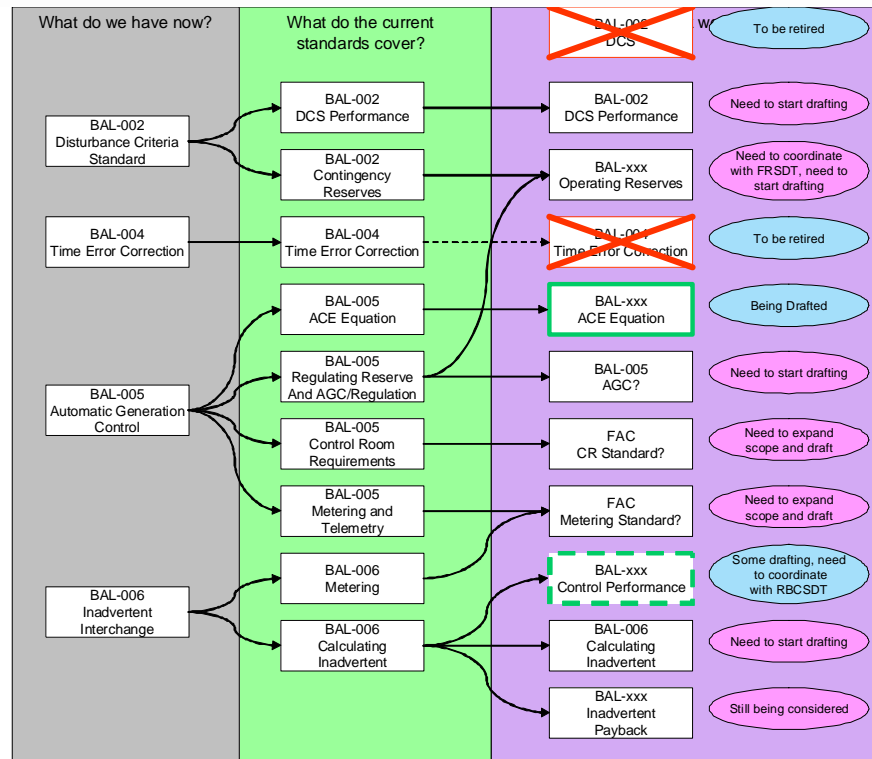
Sydney also provided an update on the FRSDT. The original effort of the FRSDT is now being addressed through a NERC data request, so it is likely the SAR will need to be expanded to allow them to now analyze the data collected through the data request and ultimately propose standards based on that data. It is uncertain who will do this at this time. Terry Bilke suggested that it might be possible to have NERC hire a consultant to look at this data.

Andy provided a brief overview of the developments at NAESB with regard to Time Error Correction and Inadvertent Payback. Changes to Time Error were acceptable, but there was some debate around Inadvertent Payback Method 2. In the end, the Executive Committee approved a motion to include the language proposed by the BACSDT that indicated Method 2 did not allow an entity to modify their reporting ACE to offset the impact of a payback. However, it was uncertain whether or not the modified version would pass the required weighted EC ballot overall. If it does not pass, the NAESB business practices will not be changed and things will remain as they are today.

3. Review of Road Map

Andy reviewed the current roadmap (noting that the elimination of DCS has not yet been agreed to).

BACSDT Road Map



The team again briefly discussed the concept of retiring DCS and replacing it with a reserve standard. The current DCS standard is largely an “after-the-fact or post” measure used to verify whether or not you were able to recover from an event. Larry suggests this should be turned into a “pre” measure, which directs entities to be prepared to events, and let BAAL address the “post” measure issue.

The team briefly discussed AGC. The requirement about operating in Tie-Line Bias mode may no longer be necessary, as we allow people to control as they like but measure their performance (not the method they used to control). Al DiCaprio reiterated that the bias control signal should not be defined, but ACE (Reporting ACE) should be, as it is the common bond that ties BAs together. The team briefly discussed the ACE Special Cases and whether or not they need to come back to NERC. Terry Bilke provided some brief history on this. The BACSDT agrees that these should come back. Further discussion will be necessary with NAESB in the future.

The group generally agreed that “Accounting for Inadvertent” and “payback of Inadvertent” belong to NAESB. Although there remains a need to ensure that there are limits on Unilateral Payback, it is believed these can be addressed through CPWS and BAAL. The group may still need to develop a “Control” standard that seeks to minimize the creation of “Bad” Inadvertent.

4. Discussion of BAL-004 Time Error Correction

Ken McIntyre provided an overview of the status of the ERCOT field trial. The proposal is still going through the stakeholder process. It has passed through the ERCOT Reliability Operating Subcommittee and is now moving to the ERCOT Technical Advisory Committee. Some stakeholders have identified that there are some meters that use 60Hz as their reference that do not have remote terminal capability, meaning people would have to manually go reset them if accumulated time error becomes excessive. Some of the disturbance recorders in ERCOT may also be problematic, but this is still being investigated. There may be a need to do another survey of the ERCOT QSEs or TSPs; if so, this might add 3-4 months onto the schedule. If no survey, this field trial may be able to begin in May. Andy was tasked with bringing this to the leadership of the SC and determining if they were OK with the approach being taken (i.e. an ERCOT field test rather than a NERC field test).

The group agreed to continue holding off on discussing the Eastern Interconnection field trial until the results of the NAESB WEQ issues are addressed. Terry Bilke reported back that he had sent NIST some questions regarding the modification or cessation of Time Error Corrections. They are considering the question and will forward any information he receives. There is a question concerning how to do a field trial that does something different than what NAESB specifies, as entities typically are directed by FERC to include NAESB business practices in their Tariff's. In other words, if the NAESB standard is not approved, there may be a need to have participants request waivers from their tariffs in order to participate in any field trials related to modifying or ceasing Time Error Corrections.

Andy suggested that the way to eliminate Time Error Corrections would be to mandate that scheduled frequency for reporting ACE always be 60Hz. Steve Gillespie reminded the team that the WECC is implementing their Automatic Time Error Correction process soon and, in that process, control ACE is equal to reporting ACE.

The team agreed to briefly review Howard Illian's draft of responses to the survey comments, and agreed that the Survey Responses are ready for posting. Andy will submit this to the appropriate staff for posting.

5. Review of BAL-005 Draft

Ken McIntyre reviewed the draft BAL-005 that he and Howard Illian developed. The team discussed the document extensively and suggested additional changes. Andy proposed to rearrange the document and was tasked with formatting and cleaning-up the document including adding any needed definitions. Upon completion, Andy will send out to the group for review. Once that review is completed, Larry and Andy will present the document on the next three-way

coordination call with the leadership of the RBCSDT and FRSDT (to be scheduled).

6. Discussion of BAL-006 Inadvertent

The group agreed that Inadvertent Accounting and Inadvertent Payback were really NAESB issues. To the extent NERC continues to have any standards on Inadvertent, it would be related to “bad” control leading to “bad” inadvertent. Howard suggested that, if we want to head in that direction, there might be value in taking one-minute data used to calculate ACE and reconciling it against hourly ACE data. However, he stressed that he was not proposing to head in that direction due to the volume of data and work effort required.

7. Discussion of BAL-002 DCS

The drafting team discussed the DCS standard. Darren McDonald expressed his concerns with making sure that the DCS standard (to the extent it was kept) should be written broad enough to allow him, as a load, to provide contingency reserves. Larry suggested that we might want to eliminate DCS and replace it with standards on reserves (contingency, frequency responsive and regulating). The group agreed this should be discussed during our meeting with FERC. Howard suggested that some of the questions being discussed concern the point of view held when the standards were originally written in the 1970s as policies. Now, with the ability to disaggregate some of the characteristics of reserves into different components, market solutions can be more flexible, but we have to specify how those characteristics translate into requirements. Larry volunteered to work on a first draft of an Operating Reserves standard. Howard volunteered to send out an IEEE whitepaper he wrote related to this topic.

8. Assignments and Action Items

- Andy to follow up with Gerry Adamski on the disposition of the Frequency Response Standards Drafting Team
- Andy to post the Time Error Survey results
- Andy to send note to the Standards Committee regarding the ERCOT field trial to ensure they have no objection to it
- Andy to format the new BAL-005 updates, incorporate the definitions, and send out to the group. Once the group has reviewed, it will be brought to the FRSDT and RBCSDT leadership for their review
- Larry to write a first draft of an Operating Reserves standard
- Howard to send out one of his whitepapers related to Operating Reserves

9. Future Meetings (*Italics not confirmed*)

March 6 (Time TBD) — Conference Call to Prepare for FERC Meeting

March 26–27 — Washington, DC (NERC) from 8 a.m.–5 p.m. and 8 a.m.–noon — will meet with FERC on the afternoon of the 26th.

April 21 — Conference Call and WebEx from 10 a.m.–4 p.m. EST

May 20–21 — Little Rock (Entergy) from 8 a.m.–5 p.m. and 8 a.m.–noon

June 29 — Conference Call and WebEx from 10 a.m.–4 p.m. EST

July (20–24?) — Montreal (HQ) from 8 a.m.–5 p.m. and 8 a.m.–noon

10. Adjourn

The drafting team adjourned at approximately 11 a.m. on February 19, 2009.