

## Meeting Notes Project 2010-14.1 Phase 1: Reserves Balancing Authority Reliability-based Controls

August 18, 2011 | 8:00 a.m.–5:00 p.m. ET  
August 19, 2011 | 8:00 a.m.–12:00 p.m. ET

Orlando Utilities Commission Office  
Orlando, FL

### Administrative

#### 1. Introductions and quorum

Attendees: Larry Akens, TVA; Don Badley, NWPP; David Lemmons, Xcel Energy; Steve Myers, ERCOT; Scott Sells, FERC; Tom Siegrist, EnerVision; Glenn Stephens, Santee Cooper; Tom Washburn, FMPP; Darrel Richardson, NERC

Via Conference Call: Eddy Lim, FERC; Carlos Martinez, AS Researchers; Sydney Niemeyer, NRG Texas; Steve Swan, MISO; Wayne Van Liere, LGE/KU

#### 2. Participants were read the NERC Antitrust Compliance Guidelines and Public Announcement

#### 3. The meeting notes from the July 22, 2011 conference call were approved with no modifications

#### 4. The current meeting agenda was reviewed with no modifications

#### 5. The Standard Drafting Team (SDT) roster was reviewed

Larry Akens and Darrel Richardson reviewed the team roster. Larry will be contacting those individuals that have not participated for some time to check if they are still interested in being a SDT member.

### Standard Development

#### 1. Balancing Authority ACE Limit (BAAL) Field Trial Update

Larry Akens led a brief discussion of the BAAL Field Trial.

## 2. Discussion of proposed project schedule (Gantt Chart)

Darrell Richardson discussed two project schedules that are in draft form. One proposed schedule includes a successive ballot and the other does not. The first would extend the project to February 2013 and the latter would end the project in October of 2012. Common to both proposed schedules is submitting draft standards BAL-00X, BAL-001, and BAL-002 to NERC staff for quality review on or before October 31, 2011.

## 3. Review and discussion of BAL-00X\*

Tom Siegrist led the discussion for the draft operating planning standard, BAL-00X. Several changes to the draft standard were proposed. These included updating the list of those terms included in the standard that will be included as new or changes to the existing NERC glossary. The purpose statement was modified to remove the word “frequency”. The frequency or periodicity of the plans as defined by each requirement (regulating, contingency, frequency responsive) needs to be discussed. Are the plans hourly, daily, day ahead? A copy of BAL-00X reflecting the changes discussed as well as changes to the requirements section and will be distributed prior to and discussed during the August 2011 meeting in Carmel, IN.

## 4. Review and discussion of BAL-001\*

The BAL-001 draft standard (which includes the requirement for the BAAL and removes the requirement for CPS2) was discussed. This standard is only applicable to the Balancing Authority (BA). The definition for Area Control Error was copied to an existing attachment in the proposed standard. A copy of BAL-001 reflecting those changes was discussed as well as changes to the requirements section and attachment will be distributed prior to and discussed during the August 2011 meeting. The team feels this standard should be ready for submittal to NERC staff for quality review after final review at the August 2011 meeting.

## 5. Review and discussion of BAL-002\*

Don Badley led a review of the BAL-002 draft that had been developed by Jerry Rust and reviewed by his NWPP legal staff. The proposed draft strives to reduce the ambiguity of the current standard. Much time was spent discussing how the proposed standard would address Disturbance Control Standard (DCS) accountability when firm generation scheduled over firm transmission could not be delivered. If a qualified firm generation is providing energy over firm transmission, and then following the loss of generation, who would be accountable for the DCS event? If the schedule is changed within the disturbance recovery period, who would be responsible for the DCS recovery and how would the disturbance recovery period be impacted? Team members are encouraged to give this discussion thought prior to the upcoming August 2011 meeting.

David Lemmons pointed out that the existing BAL-002 standard; R3.1 requires a BA or Reserve Sharing Group (RSG) to carry enough contingency reserves for its MSSC. Discussion included the question: Did the draft standard have this same language to require a BA or RSG to prove it had contingency reserves (over what period) or would compliance be assessed only when a contingency event occurred? There was additional discussion that certain marketing terms such as “schedules”

should be removed. The existing standard proposes to use Responsible Entity which is defined in the proposed standard as BA and RSG. Because Responsible Entity is used in other NERC standards and because BA and RSG are used in the Applicability section of other standards, it was recommended that BA and RSG be used instead of Responsible Entity. Other minor word changes were discussed.

A copy of the proposed BAL-002 reflecting changes discussed in the meeting will be distributed prior to and discussions will continue during the August 2011 meeting.

#### **6. Review action items, make assignments for next scheduled meeting**

- a. Glenn Stephens reviewed the action items from the last meeting
- b. Action items
  - i. Darrel Richardson will develop and distribute meeting minutes
  - ii. Larry Akens will contact those that have not attended either in person or by phone more than three meetings
  - iii. Tom Siegrist will update the terms included BAL-00X that should be added to or revised in the NERC glossary
  - iv. Larry Akens will search for a continent-wide reserve policy “white paper” that was done some time ago for the team’s determination if this might be helpful as these proposed standards are submitted for review by stakeholders
  - v. Larry Akens will begin developing a table that shows how each FERC 693 directive is being addressed

#### **7. Next steps**

Larry Akens discussed next steps

#### **Future Meeting(s)/Conference Call(s)**

1. **A face to face meeting scheduled for August 30-21, 2011 at the MISO Office in Carmel, IN**
2. **A face to face meeting scheduled for September 21-22, 2011 at the NWPP Office in Portland, OR**

#### **Adjourn**

The meeting was adjourned at 11:30 a.m. ET

\*Background materials included.

### BAL-00X Proposed Operating Reserve Planning

- The Definition of Terms Used in Standard needs to be reviewed and limited to those that are newly defined or those that need to be revised in the NERC Glossary of Terms. These new or revised terms will be part of the proposed standard subject to review and ballot by the stakeholders.
- Contingency Event in lieu of Disturbance needs to be consistent among proposed standards (see proposal for BAL-002).
- Reserve Sharing Group needs to be added to the Applicability section of the proposed standard and explanation boxes for Coordinated Functional Registration (CFR) removed. Each Requirement needs to be reviewed and modified to include Reserves Sharing Group as appropriate.
- Need final review of the Background section. It is well written and will help the reader understand why this standard has been proposed.
- Requirement 3, documentation of frequency responsive reserves, needs to be coordinated with Frequency Response SDT.

### **BAL-001-2, Proposed Real Power Balancing Control Performance**

- The Definition of Terms Used in Standard needs to be reviewed and limited to those that are newly defined or those that need to be revised in the NERC Glossary of Terms. These new or revised terms will be part of the proposed standard subject to review and ballot by the stakeholders.
- Reserve Sharing Group needs to be added to the Applicability section and the notes for CFR removed. Each Requirement needs to be reviewed and modified to include Reserves Sharing Group as appropriate.
- Definition for Area Control Error (ACE) equation needs to be added to this standard by modifying Attachment 1. Team needs to discuss during the August 2011 meeting.

### **BAL-002-2 Proposed Disturbance Control Performance**

- This standard has been rewritten to remove as much ambiguity as possible. The team needs to discuss and agree with the proposed draft or quickly offer another direction.
- The proposed definition for “Contingency Event” needs to be agreed upon by the team as a better term than “Disturbance”.
- There are several terms listed in the definitions that are either new or revised. Each needs to be discussed and for those that are accepted, any changes to other standards need to be coordinated. Question for Darrel: If the SDT proposed a change to the NERC glossary such as the elimination of Disturbance and addition of Contingency Event, how is this coordinated with existing NERC Reliability Standards?
- Need to finalize discussions regarding using instantaneous or clock-minute averages for BAL-002. Clock-minute has been suggested. Need to ensure consistency among standards.
- Need to finalize discussions regarding BAL-002 not limiting contingency reserves to only being used for contingency. Howard Illian has agreed to address.