

Meeting Notes

Project 2016-EPR-02 Enhanced Periodic Review of VAR Standards

January 24-26, 2016

Conference Calls

Administrative

1. Introductions

The meeting was brought to order by the Chair, S. Solis at 1:00 p.m. Eastern on Tuesday, January 24, 2016. S. Solis provided the team with overarching goals to complete the templates. Those in attendance were:

Name	Company	Member/ Observer	1/24	1/25	1/26
Stephen Solis	Electric Reliability Council of Texas, Inc. (ERCOT)	Chair	Y	Y	Y
Dennis Sauriol	American Electric Power (AEP)	Vice Chair	Y	Y	Y
Alex Chua	Pacific Gas & Electric (PG&E)	Member	Y	Y	Y
Kevin Harrison	ITC Holdings	Member	Y	Y	Y
Bill Harm	PJM Interconnection, LLC	Member	Y	Y	Y
Tim Kucey	PSEG Fossil, LLC	Member	Y	Y	Y
Michael Scott	NextEra Energy, Inc.	Member	Y	Y	Y
Laura Anderson	North American Electric Reliability Corporation	NERC Staff	Y	Y	Y
Scott Barfield-McGinnis	North American Electric Reliability Corporation	NERC Staff	Y	Y	Y
Soo Jin Kim	North American Electric Reliability Corporation	NERC Staff	-	-	-

Name	Company	Member/ Observer	1/24	1/25	1/26
Lauren Perotti	North American Electric Reliability Corporation	NERC Staff	Y	Y	Y
Juan Villar	Federal Energy Regulatory Commission (FERC)	Observer	Y	Y	Y
Juan Luz	Federal Energy Regulatory Commission (FERC)	Observer	Y	Y	Y
Guy Zito	Northeastern Power Coordinating Council (NPCC)	Observer	Y	-	Y

2. Determination of Quorum

The rule for NERC Standard Drafting Team (SDT or team) states that a quorum requires two-thirds of the voting members of the SDT. Quorum was achieved each call as all seven members were present.

3. NERC Antitrust Compliance Guidelines and Public Announcement

NERC Antitrust Compliance Guidelines and public announcement were read by S. Barfield-McGinnis. The group was reminded at the beginning of each call that participants are under the guidelines.

4. Roster Updates

The team reviewed the roster and confirmed that it was accurate and up to date.

5. Roster Review Meeting Agenda and Objectives

S. Barfield-McGinnis reviewed the meeting agenda and there were no questions.

Agenda

1. Reactive Reserves

The team considered the topic of reactive reserves as not being specifically addressed in VAR-001-4.1. Reactive reserves are currently required by IRO-005-3.1 Requirements R1.4 and R12 as being monitored by the Reliability Coordinator, however these two requirements are being retired on April 1, 2017. While these requirements were identified as being addressed by future requirements relative to Real-time Assessments for SOL/IROL exceedances, the team felt that not all instances of reactive reserve deficiencies will manifest themselves in an SOL or IROL exceedance as steady state results may not capture the transient voltage response that may worsen as dynamic reactive reserves are depleted. Unless a stability limit had been predetermined, this may identify a reliability gap where lack of explicitly requiring monitoring of reactive reserves may result in reliability issues manifesting themselves with insufficient time to bring on additional dynamic reactive resources such as generation, before more extreme actions such as pre-contingency load shed would be necessary.

G. Zito noted that in reviewing Order 817 approving IRO-008-2 he didn't see any concern raised regarding lack of explicitly monitoring of reactive reserves. While agreeing that the lack of reactive reserves could affect transient voltage response, he was not sure the VAR-001-4 standard is the appropriate standard if the RC is the one to do the monitoring. Perhaps, if this is viable gap it should be considered in a revision of IRO-008-2 in the future. In the interim, the RC's will continue to monitor their reactive reserves irrespective of it being in the standard. The team believes it is still important and will ask for industry's feedback.

2. Cost Effectiveness

G. Zito provided comments about cost effectiveness and the intent from industry policy makers. Overall, the team had no concerns about the two standards being cost effective.

3. Action Items

The templates will be reviewed by NERC staff. A team review will be performed at a later date, prior to posting.

4. Future Meeting(s)

Conference call to address cleanup for February 2017, if necessary.

5. Adjourn

The meeting adjourned at 11:20 a.m. Eastern on Thursday, January 26, 2017.