

Meeting Notes

Project 2017-01 Modifications to BAL-003-1.1

December 4-5, 2018

Duke Energy
Charlotte, NC

Administrative

1. Introductions

The meeting was brought to order by the Chair, David Lemmons, at 8:34 a.m. Eastern on Tuesday, December 4, 2018. Tom Pruitt with Duke Energy provided the team with building and safety information/logistics. Participants were introduced and those in attendance were:

Name	Company	Member/ Observer	In-person (Y/N)	Conference Call/Web (Y/N)
David Lemmons	EthosEnergy	M	Y	
Rich Hydzik	Avista	M	Y	
Linda Lynch	NextEra	PMOS	Y	
Greg Park	NWPP	M	Y	
James Fletcher	American Electric Power	M	Y	
Tom Pruitt	Duke Energy	M	Y	
Terry Bilke	MISO	M	N	N
Bill Shultz	Southern Company	M	Y	
Danielle Croop	PJM	M		Y
Jessica Tang	IESO	M	Y	
Daniel Baker	SPP	M	Y	
Josh Boone	LG&E and KU Services, Inc.	M	Y	

Name	Company	Member/ Observer	In-person (Y/N)	Conference Call/Web (Y/N)
Antonio Franco	Gridforce	M	N	N
Sandip Sharma	ERCOT	M	Y	
Syed Ahmad	FERC	O	Y	
Dennis Fuentes	FERC	O		Y
Michael Gildea	FERC	O		Y
Laura Anderson	NERC	NERC staff	Y	
Candice Castaneda	NERC	NERC staff	Y	
Darrel Richardson	NERC	NERC staff		Y
Bob Cummings	NERC	NERC staff	Y	
Soo Jin Kim	NERC	NERC staff		Y
Elizabeth Davis	PJM	O		Y
Brad Gordon	NERC	NERC staff	Y	
Danielle Croop	PJM	M		Y
Adam Guinn	Duke Energy	O	Y	
Sammy Roberts	Duke Energy	O	Y	
Tom Siegrist	Stone, Mattheis, Xenopoulos & Brew, P.C.			Y
Elsa Prince	NERC	NERC staff		Y
Rian Sackett	BPA	O		Y
Chris Busltsma	WAPA	O		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 as 9 of 13 total members were present.

3. NERC Antitrust Compliance Guidelines and Public Announcement

NERC Antitrust Compliance Guidelines and public announcement were reviewed by Laura Anderson. There were no questions raised.

4. Team Roster

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

Agenda

1. Phase I:

- a. David Lemmons led team discussion of frequency nadir point limitations. Discussion resulted in the value of 20.
- b. The standard drafting team (SDT) reviewed draft slides for upcoming industry webinar.
 - i. Phase I general slides – the SDT worked on providing detail in the slides for Attachment A, administrative processes.
 - ii. Added to sub-bullet in slide deck in background section to touch on the terms consolidated to Resource Loss Protection Criteria (RLPC).
 - iii. Greg Park presented the slides for Form 1 changes.

2. Phase II Project Timeline

- a. Phase I will hold priority until completion of Phase I
- b. Phase II Project Timeline was discussed and draft timeline drafted, which assumes additional postings. The team will touch again on the project timeline at the next meeting when the sub-teams present recommendations and the SDT can make better assumptions on development timeline based on sub-team recommended development.

A quantitative approach to selecting the RLPC can be implemented that minimizes the need for detailed system analysis to be performed annually. Currently, each Balancing Authority (BA) or Reserve Sharing Group (RSG) determines its Most Severe Single Contingency (MSSC) with respect to resource loss as required by BAL-002-2(i), Requirement R2. The MSSC calculation is done in Real-time operations based on actual system configuration.

3. Consider/revise Frequency Response Obligation (FRO) calculation methodology

- a. Characteristics affecting Frequency Response (e.g., load response, mix and type of generation). Extensive discussion was held by the SDT with several possible approaches. This will be assigned to a sub-team for continued vetting and to develop a recommendation.
- b. Eliminate retrospective allocation
 - i. Interconnection FRO level – Greg Park led the discussion. Extensive discussion was held by the SDT with several possible approaches. This will be assigned to a sub-team for continued vetting and to develop a recommendation.
 - ii. Balancing Authority FRO level - Extensive discussion was held by the SDT with several possible approaches. This will be assigned to a sub-team for continued vetting and to develop a recommendation.

4. Consider/revise responsibility for provision of Frequency Response

- a. Should additional reliability entities have responsibility (e.g., Generator Owners/Generator Operators) – Greg Park led discussion on responsibility of additional entities. The team did extensive vetting of this issue. An informal vote of both SDT members and observers was taken

and a 17-3 vote favored not revising responsibility; however with the extensive discussions held by the SDT, this will be assigned to a sub-team for continued vetting and to develop a recommendation.

5. Review/revise the Frequency Response Measure (FRM) methodology - Extensive discussion was held by the SDT regarding Agenda Items 5(a) – 5(c). This discussion entailed several possible approaches. This will be assigned to a sub-team for continued vetting and to develop a recommendation.

- a. Consideration of both System and equipment level.
- b. Ensure that over-performance by one entity does not negatively impact evaluation of performance by another.
- c. Consider measurement of types/periods of response in addition to Frequency Response, particularly primary Frequency Response.

6. Action Items

- a. Consolidate Industry Webinar slides into master slide deck – Laura Anderson
- b. Add into a slide for Industry Webinar IFRO discussion on step changes and how Load credit is taken into account – David Lemmons
- c. Sub-teams formed and will meet for further vetting of assigned subjects and present recommendations. The teams formed are:
 - i. FRO – Tom Pruitt (Sub-team chair), Bill Shultz, Greg Park, Antonio Franco, and Becky Davis
 - ii. FRM – Terry Bilke (Sub-team chair), Daniel Croop, Jessica Tang, Chris Bultsma, and Josh Boone
 - iii. C-Point – Sandip Sharma (Sub-team chair), Bob Cummings, Rich Hydzik, Jim Fletcher, Danielle Croop, and Matthew Varghese
 - iv. Bridge from FRO/FRM – David Lemmons and Rich Hydzik will look at when recommendations from other sub-teams are available. David Lemmons, Rich Hydzik, Laura Anderson, and Darrel Richardson offered coordination and facilitation to the sub-teams.

7. Future meeting(s)

- a. January 29-30, 2019 – Juno Beach, FL

8. Adjourn

The meeting adjourned at 1:52 p.m. to break into sub-teams on December 5, 2018.