

## Meeting Notes

# Project 2021-07 Extreme Cold Weather Grid Operations, Preparedness, and Coordination Standard Drafting Team

January 3 and 5, 2022 | 1:00 – 3:30 p.m. Eastern

### Review NERC Antitrust Compliance Guidelines and Public Announcement

Alison Oswald, NERC staff, called attention to the NERC Antitrust Compliance Guidelines and the public meeting notice.

### Roll Call and Determination of Quorum

A team roll call was taken and quorum was determined on both days. The member attendance sheet is attached as attachment 1.

### Vice Chair Remarks

The chair had to join the meeting late and the vice chair, Matt Harward welcomed everyone and commented that winter Storm Elliot just highlights the need for the work of this SDT. He stated he looked forward to seeing the team in Tucson in a couple of weeks for our in-person meeting.

### Agenda

The main agenda topic was to review Key Recommendation 1h (*To require Balancing authorities' operating plans (for contingency reserves and to mitigate capacity and energy emergencies) to prohibit use for demand response of critical natural gas infrastructure loads*) and create language to support this item.

### Discussion of Recommendation 1h

Matt Harward led the discussion and started with a discussion on the difficulty of how to define a “critical natural gas infrastructure load” in such a way that would be applicable to all situations and locations. Matt’s perspective was leaning to not creating a new NERC Glossary term. There was a lengthy and robust discussion on this topic with both drafting members and observers giving comments and sharing thoughts on the best path forward.

Colin Martin provided what Texas is looking at adopting. Matt shared a summary of his discussion with NERC and that his recommendation was to leave it up to local regulators to define critical natural gas infrastructure load. Matt also shared proposed language of “Any natural gas infrastructure load identified as critical by the applicable electric retail regulatory authority or the Department of Energy, which, if de-energized, could adversely affect BES reliability”.

Questions and additional discussion resulted such as:

- How does this approach work if a BA spans multiple states?
- Concerns about a NERC standard not standing on its own and referencing other entities that could change language over time;
- Concern of leaving the definition up to each BA; and
- Does the BA have the necessary information to determine what is critical and what is not?

This discussion prompted some members and observers to share links in the chat of what others are starting to draft language to identify critical gas infrastructure. Links were shared to documents from NYISO, SPP, and ISO-NE.

The discussion also took a turn to, are we trying to implement Recommendation 1h during all months or just winter. There was concern expressed about the ability of NERC to limit entities from participating in demand response at times other than emergency conditions.

David Huff of FERC reminded the team of Recommendation 28 in the Uri Report and believes keeping the language at a high level is best, as to not have too narrow of a limitation. He stated the discussion from the report development was to prohibit entities from participating any time. Again, there were concerns raised about anti-trust issues if the team takes this approach. Also, it was commented that the SDT SAR was only focused on winter.

Chairman Kenny then referred back to draft language of 2.2.7 stating, “Provisions of the use of interruptible Load, curtailable Load and demand response which prohibit the inclusion of designated critical natural gas infrastructure loads in these programs”.

Matt then asked the team if anyone saw a need to define critical natural gas infrastructure in the NERC Glossary and no one responded with a desire to.

Kenny then proposed some changes to the draft language in 2.2.7. Colin Martin also made some additional working changes. There were comments and suggestions to the changes. Jill Loewer offered a suggestion, which was discussed, as her proposal would ‘mirror’ prior language in EOP-011-2, 1.2.4. The team then had a discussion about the phrase “demand response” and what it would include. David Huff gave his opinion that it would be any type of program that could impact Gas supply. This prompted a return to the discussion on the time frame to limit participation in a demand response. It was shared that PJM was looking to limit it at all times (12 months) and this was the case for Texas.

A suggestion for a vote on two versions of the draft language to address recommendation 1h was proposed by Matt Harward, but it was ultimately agreed not to vote at this time and take up the discussion at the next meeting.

The team reviewed the NERC Glossary for the terms Demand-side Management and Interruptible Load.

David Huff reminded everyone the intent of 1h was not limited only to demand response. Jill Loewer and Colin Martin provided updated wording as a proposal to start the discussion. After the review of this language, the discussion turned again to the need to have additional NERC Glossary definition of what is “Critical Natural Gas Facility”.

There was also discussion on which entity (BA’s, DP’s, TP’s) is in the best position to determine, at any given time, what is a critical natural gas asset. It was mentioned that the Gas pipeline could be in the best position to determine this, but they are not under NERC.

The group was reminded by Matt that Texas has a plan, but it was also stated that Texas is a bit unique as their pipelines are mostly regulated by the state.

Aaron Breidenbaugh (observer) shared a link to a PJM document on natural gas infrastructure as well as a link to what NYISO had approved. Jill Loewer also shared a link to a draft NERC Reliability Guideline on Natural Gas and Electric Operation Coordination.

After some additional discussion, Matt raised the questions again on who could best define terms. Venona commented that entities like DP’s, TOP’s, BA’s, and RC’s may not always know the loads in a production field and when they may participate in demand response. Matt stated our focus needs to be on entities under NERC jurisdiction.

David Huff reminded us that the report recommendation is a building block approach to a solution. The expectation is such that different regions are different and a local approach may be best. Recommendation 28 was shared for the team to review (see below).

*Recommendation 28: Reliability Coordinators, Balancing Authorities, Regional Entities, Transmission Operators, Transmission Owners, Distribution Providers and one or more entities representing U.S. natural gas infrastructure entities should jointly conduct a study to establish guidelines to assist natural gas infrastructure entities in identifying critical natural gas infrastructure loads to manual and automatic load shedding entities, in order for the critical natural gas infrastructure loads to be protected from manual and automatic load shedding. The guidelines should establish identification criteria in a format which manual and automatic load shed entities can readily distribute to natural gas infrastructure entities they serve. Development of the guideline should include determining:*

- *whether there is a need to rank the types of critical natural gas infrastructure loads that are protected from manual and underfrequency load shedding for those situations in which the amount of load required to be shed does not allow for rotating load shed; and*
- *a means for periodic review and update of the guideline, to include considering whether the current criteria for identifying critical natural gas infrastructure loads are sufficient to avoid adversely affecting BES natural gas-fired generation.*

David McRee also mentioned we need to be cautious of the workload; we potentially put too much on the BA, especially during an extreme event. Questions were also expressed about the phrase “extreme cold

weather”, and could we say this would apply only during the months of Dec/Jan/Feb? Others raised the concern of trying to limit demand response participation other than extreme during cold weather. Work continued on wording in sections 2.2.7 and 2.2.8 and we were reminded that Interruptible Load is a NERC defined term. Colin suggested edits on EOP-011-03 sections 1.2.5.5 and 1.2.5.6. He also proposed a new requirement R7. Additional discussion was around the need for a glossary term for “critical natural gas loads”. A suggestion was made to put some clarification in the Technical Rationale to give guidance on the intent. Additional concerns were raised around defining the term “reliability of BES” as used in the proposed language.

### **Closing Remarks**

Kenny Luebbert stated he believes we have mostly drafted 1h and 1i. We need to review the latest draft that we finished today and then start to work on Technical Rationale (TR). Eric Jebsen and Sean Bodkin will work on TR for 1h, Colin Martin will work on TR for 1i, and Matt Harward will work on TR for R2. The team will cover recommendation 1g during our Tucson meeting.

# Attachment 1

Name	Organization	1/3	1/6
Kenneth Luebbert	Evergy, Inc.	Y	Y
Matthew Harward	Southwest Power Pool, Inc.	Y	Y
Venona Greaff	Oxy	Y	Y
Derek Kassimer	ReliabilityFirst	Y	Y
Jonathan Davidson	City Utilities of Springfield	Y	Y
David McRee	Duke Energy	Y	Y
Thor Angle	Puget Sound Energy	Y	Y
Keith Smith	Orsted Onshore North American	Y	Y
Chad Wiseman	Newfoundland & Labrador Hydro	N	Y
Bradley Pabian	Louisville Gas & Electric and Kentucky Utilities	Y	Y
Collin Martin	Oncor Electric Delivery, LLC	Y	Y
Jill Loewer	Utility Services	Y	Y
David Kezell	Electric Reliability Council of Texas, Inc. (ERCOT)	Y	Y
Ryan Salisbury	Oklahoma Gas & Electric	Y	Y
David Deerman	Southern Company Services	Y	Y