

Meeting Notes

Project 2022-03 Energy Assurance with Energy-Constrained Resources

November 8, 2022 | 9:00 – 5:00 p.m. Eastern

November 9, 2022 | 9:00 – 5:00 p.m. Eastern

November 10, 2022 | 9:00 – 1:00 p.m. Eastern

NERC Atlanta

Administrative

1. Introductions

The meeting was brought to order by the Chair, D. Mulcahy at 9:15 a.m. Eastern. The Chair provided the SAR Drafting Team (SAR DT) with opening remarks and welcomed members and guests. Additionally, all members gave introductions.

2. Determination of Quorum

The rule for NERC SAR DT states that a quorum requires two-thirds of the voting members of the SARDT. Quorum was achieved on all three days. See Attachments for those in attendance.

3. NERC Antitrust Compliance Guidelines and Public Announcement

NERC Antitrust Compliance Guidelines and public announcement were reviewed by D. Thompson. There were no questions raised.

Agenda

1. Review of Meeting Notes from Previous Meetings

N/A

2. Discussion – Day One

D. Thompson reminded the team about completing online training, went over added items in NERC Extranet site and discussed the proposed project timeline. The goal for the in-person meeting was to complete the revision of the two SARs for submittal to Standards Committee (SC) in Jan 2023 for acceptance and ask SC to appoint SAR DT as Standard DT (SDT.) Steps for SDT would be to revise or draft new standard(s) along with supporting documentation, quality review, post SARs responses to comments to project page, and submit standards to SC for initial ballot and comment period.

D. Mulcahy opened discussion about the key themes of SARs comments from team. The SAR DT mentioned that there were some comments around CAPS, resource adequacy, NERC authority in regards to Fed Power Act in relation to SAR authority to implement a CAP, and broad language of the SARs. B. Duncan suggested on clarifying scope so it will be obvious what the scope of work is and seem less broad. B. Evans-Mongeon asked if project is asking for an existing standard or new standard and if a CAP can apply to resource adequacy and resource availability.

M. Kuras stated that:

NERC cannot solve energy assurance problems and that SAR seemed directed for TPL issues; performing an analysis will determine if you have a problem. Energy adequacy is not in the purview of NERC to determine if you have a problem and NERC can say nothing about capacity adequacy. Regions like WECC and ERCOT have energy issues so we should consider this a regional problem.

R. Kloecker stated that:

We cannot specify market designs or resource adequacy and that we must think differently from the past on how we look at outages and how we are looking at the TPL standards. The warning signs for problems are California and Texas and must address it today, not tomorrow.

J. Brewer from the phone mentioned that goal is to have definitions and consistency for industry.

J. Jin clarified the issues from the cold snap that happened in Texas and explained the remedies that were put in place afterwards.

M. Knowland stated that:

For energy assurance – a CAP today could be shedding load and the purpose is to recommend industry to do an energy study to determine if they have an energy problem or not. The SAR is in the jurisdiction of NERC and to require an assessment is well within the jurisdiction of NERC as well.

P. Wiginton commented that a CAP may be to shed load but a CAP to us is to fix it. Shedding load is an operating plan for TVA, not a CAP. Further suggested using Operating Plan instead of CAP and to leave the enforcement up to the states. M. Kuras stated to remove the CAP language from the

SARs. A precedent for NERC Standard BAL-502 requires an analysis to do reserve margin and it does not require a CAP. Enforcement should be left to someone else and this standard does not need a CAP. C. Loutan commented that capacity assessments are already being performed and that planners do not have capacity problem; the ability to respond to frequency on the system is what needs to be addressed. The SAR DT continued open discussion about removing CAPs from the SARs. B. Duncan mentioned about leaving CAPs on the SARs so that we can expand the capability of the SDT to decide what is needed in the future. NERC staff commented that the definition of a CAP is quite simple and not restrictive. The SAR DT agreed to add Operating Plans to the SARs.

The SAR DT continued discussion about CAPS being within NERC's jurisdiction to enforce in the standard. The SAR DT continued with revising SARs based off comments themes.

3. Discussion – Day Two

C. Loutan presented on the differences of capacity and energy analyses.

The SAR DT resumed revisions of the SARs. B. Evans-Mongeon asked about how to remedy energy using assessments and who are the responsible entities? D. Mulcahy stated that assessments are generally supported with CAPS being the controversial topic.

B. Evans-Mongeon asked about how do we solve an energy problem and will the boundaries of energy assessments be based on daily situations or on certain circumstances or conditions. J. Jin commented that assessments will provide information about uncertainties; current probabilistic assessments does not provide a better analysis. G. Tarel stated that Hydro-Quebec currently performs three energy assessments per year and can be achieved. John S. stated that energy assessments are straight-forward and easy to do. R. Kloecker commented that what we are going to do if everyone is leaning on each other while an energy deficiency happens. The SAR DT continued discussions about energy assessments.

The SAR DT decided to look over comments to the SARs in greater detail to ensure that edits captured comments received. B. Duncan asked NERC legal for clarification on comment addressing Section 215 of the Federal Power Act. NERC staff stated that Energy Assurance and remedies such as a CAP that addresses failures does not violate the Federal Power Act however, SAR DT does need to take into consideration to not go into state jurisdiction. M. Kuras and B. Evans-Mongeon disagreed with a CAP being a proper remedy. B. Evans-Mongeon asked what is a viable action plan determining energy assessments. M. Kuras stated that CAPS should to be removed from the scope of the SARs. B. Evans-Mongeon and J. Jin agreed with M. Kuras. NERC staff stated that CAPs does not apply to section 215 and does not require entities to build or spend so therefore, is not permissible in section 215.

R. Kloecker suggested to soften language in the SARs scope to address industry and SAR DT members concerns around CAPs. FERC staff cautioned team to not take away options from the SDT. The SAR DT continued with revisions of the SARs. The SAR DT recommended adding a link into the SARs for the proposed definitions.

4. Discussion – Day Three

The SAR DT agreed to respond the comments received and finished draft responses. The SAR DT completed initial revision of the SARs.

5. Action Item Review

- a. E. Prince will post ERATF proposed definitions to ERATF site and submit link to D. Thompson.
- b. D. Thompson will post revised SARs to Extranet and email to SAR DT and observers.
- c. D. Mulcahy set a deadline of Nov 18, 2022 for SAR DT to submit edits for final revision of the SARs.
- d. D. Thompson will streamline comments responses.

6. Future meeting(s)

- a. Dec 6, 2022 | Conference Call

7. Adjourn

The meeting adjourned at 12:15 p.m. Eastern by consent.

November 8, 2022

Name	Company	Member/ Observer	Conference Call (Y/N)	In-person (Y/N)
David Mulcahy	Illuminate Power Analytics	Member	N	Y
Ruth Kloecker	ITC	Member	N	Y
Mike Knowland	New England ISO	Member	N	Y
Julie Jin	ERCOT	Member	N	Y
John Stevenson	New York ISO	Member	N	Y
John Brewer	US Dept of Energy	Member	Y	N
Guillaume Tarel	Hydro Quebec	Member	N	Y
Layne Brown	WECC	Member	N	Y
Mark Kuras	PJM	Member	N	Y
Brian Evans-Mongeon	Utility Services	Member	N	Y
Derek Hawkins	SPP	Member	N	Y
Sean Boyle	Constellation Energy	Member	N	Y
Brent Duncan	Southern Company Services	Member	N	Y
Clyde Loutan	CAISO	Member	N	Y
Dominique Thompson	NERC	Developer	N	Y
Latrice Harkness	NERC	Observer	Y	N
Elsa Prince	NERC	Observer	N	Y
Candice Castaneda	NERC	Observer	Y	N
Shamai Elstein	NERC	Observer	Y	N
Kiel Lyons	NERC	Observer	N	N
Ken Lanehome	BPA	Observer	N	Y
Joseph Gatten	Xcel Energy	Observer	Y	N

Name	Company	Member/ Observer	Conference Call (Y/N)	In-person (Y/N)
Daniel Woldemariam	FERC	Observer	Y	N
Andres Lopez Esquerra	FERC	Observer	Y	N
Kumar Agarwal	FERC	Observer	Y	N

November 9, 2022

Name	Company	Member/ Observer	Conference Call (Y/N)	In-person (Y/N)
David Mulcahy	Illuminate Power Analytics	Member	N	Y
Ruth Kloecker	ITC	Member	N	Y
Mike Knowland	New England ISO	Member	N	Y
Julie Jin	ERCOT	Member	N	Y
John Stevenson	New York ISO	Member	N	Y
John Brewer	US Dept of Energy	Member	Y	N
Guillaume Tarel	Hydro Quebec	Member	N	Y
Layne Brown	WECC	Member	N	Y
Mark Kuras	PJM	Member	N	Y
Brian Evans-Mongeon	Utility Services	Member	N	Y
Derek Hawkins	SPP	Member	N	Y
Sean Boyle	Constellation Energy	Member	N	Y
Brent Duncan	Southern Company Services	Member	N	Y
Clyde Loutan	CAISO	Member	N	Y
Dominique Thompson	NERC	Developer	N	Y
Latrice Harkness	NERC	Observer	Y	N
Elsa Prince	NERC	Observer	N	Y
Candice Castaneda	NERC	Observer	Y	N
Shamai Elstein	NERC	Observer	N	N
Kiel Lyons	NERC	Observer	N	N
Ken Lanehome	BPA	Observer	Y	Y
Joseph Gatten	Xcel Energy	Observer	Y	N

Name	Company	Member/ Observer	Conference Call (Y/N)	In-person (Y/N)
Daniel Woldemariam	FERC	Observer	Y	N
Andres Lopez Esquerra	FERC	Observer	Y	N
Kumar Agarwal	FERC	Observer	Y	N

November 10, 2022

Name	Company	Member/ Observer	Conference Call (Y/N)	In-person (Y/N)
David Mulcahy	Illuminate Power Analytics	Member	N	Y
Ruth Kloecker	ITC	Member	N	Y
Mike Knowland	New England ISO	Member	N	Y
Julie Jin	ERCOT	Member	N	Y
John Stevenson	New York ISO	Member	N	Y
John Brewer	US Dept of Energy	Member	Y	N
Guillaume Tarel	Hydro Quebec	Member	N	Y
Layne Brown	WECC	Member	N	Y
Mark Kuras	PJM	Member	N	Y
Brian Evans-Mongeon	Utility Services	Member	N	Y
Derek Hawkins	SPP	Member	N	Y
Sean Boyle	Constellation Energy	Member	N	Y
Brent Duncan	Southern Company Services	Member	N	Y
Clyde Loutan	CAISO	Member	N	N
Dominique Thompson	NERC	Developer	N	Y
Latrice Harkness	NERC	Observer	Y	N
Elsa Prince	NERC	Observer	N	Y
Candice Castaneda	NERC	Observer	Y	N
Shamai Elstein	NERC	Observer	Y	N
Kiel Lyons	NERC	Observer	N	N
Ken Lanehome	BPA	Observer	N	Y
Joseph Gatten	Xcel Energy	Observer	Y	N

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Andres Lopez Esquerra	FERC	Observer	Y	N
Kumar Agarwal	FERC	Observer	Y	N