

Notes

Real-Time Operations SDT — Project 2007-03

December 10, 2009 | 9:00 a.m.- 5:00 p.m. EST

FERC Office

888 First Street, NE

Washington, DC 20426

1. Administrative Items

a. Introductions

A meeting was held with FERC staff in their office in Washington, DC on Thursday, December 10, 2009 to discuss issues of concern with the work on Project 2007-03 to date. Conference call facilities were also provided. Participants in the session were:

SDT: Jim Case – Chair (Entergy), Al DiCaprio (PJM), Phil Lavallee (National Grid), Jason Marshall (MISO)

NERC staff: Gerry Adamski, Ed Dobrowolski – Coordinator, Laurel Heacock

FERC staff: Eugene Blick, Ted Franks, Frank Macedo, Chris Mak, Keith O’Neal, Bob Snow

The meeting was called to order at 0900 EST.

b. NERC Antitrust Compliance Guidelines —Ed Dobrowolski

c.

No questions were raised on the NERC Antitrust Compliance Guidelines.

d. Conference Call Agenda and Objectives — Jim Case & Eugene Blick

e.

The SDT believes that they are close to being finished with their work and is looking for clarity on FERC staff’s position on the project.

It was noted that FERC staff does not speak for the Commission.

2. Discuss Commission Approved TOP Reliability Standards: TOP-001 through TOP-008

- a. Discuss requirements proposed for removal or deletion by the SDT

FERC staff pointed out that Order 672 contains the factors that they must use when evaluating a Reliability Standard. They also noted that Order 693 approved TOP-001 through TOP-008 so they have already passed the Order 672 criteria. FERC staff is concerned with the draft revised Reliability Standards as the number of requirements has dropped from approximately 80 to approximately 20. The draft mapping table for the Implementation Plan was the basis for these discussions.

TOP-001-1

Requirement R1 – FERC staff sees this as an important requirement that is proposed for deletion but for which no replacement is noted.

The SDT feels that IRO-001, Requirement R3 provides the Reliability Coordinator with the ultimate authority and responsibility for the reliability of the bulk power system. Similar requirements for the Transmission Operator are redundant and possibly conflicting as there can only be a single authority. In addition, the SDT felt that the existing requirement (for which no measure is provided) is essentially unmeasurable and thus unenforceable.

FERC staff acknowledged the logic of the SDT approach but is obligated to Orders 672 & 693 so they see a reliability issue and would still like to see a requirement for responsibility for the Transmission Operator. The SDT was relying on the wording in order 693 that all standards are subject to change.

It appears that there is a difference of opinion between FERC staff and the SDT as to what reliability is.

Requirement R2 – (The requirement for the Reliability Coordinator has been moved to IRO-001-2, Requirement R2.) FERC staff asked if an IROL was the only emergency situation for a Transmission Operator. The SDT replied that this was the case and dictated how they approached the requirement. The SDT also felt that the existing requirement was open-ended and left too much up to the whims of an auditor. FERC staff stated that a Transmission Operator may need to talk to a Generator Operator in an emergency (e.g., alleviating an SOL through re-dispatch) and that the IROL contention doesn't cover that situation. The SDT doesn't believe that an SOL constitutes an emergency and that in the current Functional Model that the Transmission Operator would be communicating directly with the Generator Operator.

Requirements R3 & R4 – No issues.

Requirement R5 – The mapping table description needs to be enhanced to state that EOP-001-2, Requirement R2 covers the Transmission Operator having plans in place to mitigate emergency conditions.

AI – The SDT needs to amend the mapping table for TOP-001, Requirement R5 to include EOP-001-2, Requirement R2 for the TOP.

Requirement R6 – FERC staff sees the action here as a simple deletion of the Balancing Authority and Generator Operator with no replacement thus removing an important coordination and collaboration item. The SDT based their position on the hierarchical structure laid out in the Functional Model.

The reference for the Balancing Authority should be Requirement R2. The mapping table should also use the term ‘Reliability Directive’ instead of ‘Directive’.

AI – The SDT should update the mapping table for TOP-001, Requirement R6 to include ‘Reliability Directive’ instead of ‘Directive’ and change the reference for the Balancing Authority to Requirement R2.

Requirement R7 – FERC staff questioned why the SDT moved from ‘burden’ to ‘Adverse Reliability Impact’. The SDT originally replaced ‘burden’ with ‘reliability impact’ because burden was not a defined term. Industry comments asked for additional clarity so the SDT moved to the defined term Adverse Reliability Impact. FERC staff agrees that burden is not defined and probably a poor term to use but feels that Adverse Reliability Impact is too limiting in scope. The SDT agrees and will try to come up with a better term.

AI – The SDT will try to replace Adverse Reliability Impact with a better, less limiting term in the revision of TOP-001, Requirement R7.

Requirement R8 – FERC staff questioned what happened with the immediate action by the Balancing Authority requirement. The SDT responded that immediate action was now taken care of by digital control systems and there was no need for a specific requirement for such action. The SDT was also trying to ensure single entity responsibility for this requirement. The SDT agreed to review and clean up the mapping table language to better explain their philosophy.

AI – The SDT will review and clean up the mapping table language for TOP-001, Requirement R8 to better express their philosophy.

TOP-002

Requirement R1 – FERC staff agreed that ‘a reasonable future time period’ is a poor choice of terms but does not feel that defining this as next day is suitable. FERC staff also feels that an assessment is not the same as a plan – an assessment is too broad and not specific enough. In addition, they feel that the BAL standards are not a suitable replacement for the Balancing Authority because CPS and DCS are after the fact values.

FERC staff questioned why the revised TOP-002-3, Requirement R1 was limited to SOLs and single Contingency events. The SDT position is that SOLs are broad enough to cover anything that is needed.

The SDT based this approach on IRO-008-1 which has not yet been filed with FERC.

EOP-001-2, Requirement R2 should be referenced in the mapping table.

AI – The SDT should include a reference to EOP-001-2, Requirement R2 in the mapping table for TOP-002, Requirement R1.

Requirement R2 – FERC staff feels that this is a valuable requirement that could be measured. They also stated that since this standard was approved in Order 693 this is an enforceable requirement. The SDT feels that it is good utility practice but not subject matter for a Reliability Standard. The SDT questioned the use of the terms ‘perspective, ‘awareness’ , and ‘operating personnel’ and re-iterated that it tried to come up with a suitable measure but was unable to do so. For example, a measure could be a copy of meeting minutes showing that operating personnel were present for a meeting but what does that really prove? It doesn’t prove anything as far as improving the reliability of the bulk power system. The SDT also questioned why there was no similar requirement for planners.

- b. Discuss requirements proposed for deletion of applicable entities by the SDT

FERC staff is not comfortable with deleting requirements based on certification such as was done with TOP-006-2, Requirement R5.

3. **Discuss SDT Proposed Reliability Standards: TOP-001 through TOP-003**

- a. Discuss requirements proposed to be moved and revised from the approved TOP standards by the SDT

One of the main changes proposed by the SDT was the shift from operating to every SOL to operating to IROL and the associated IROL T_v . The SDT drafted a white paper to explain their reasoning and distributed it for review. The basic tenet of that position is that non-IROL SOLs are equipment and safety issues and locally based problems but not BES reliability issues.

FERC staff cited Order 672, paragraph 64 as containing a definition of reliable operation which they don't believe is covered in the proposed standard revisions. They also pointed to Order 693, paragraph 24 where it states that the BES must be operated within equipment and electric system thermal, voltage, and Stability limits. Again, they did not feel that the proposed standard revisions support this statement.

b. Discuss the 'documented specification for data' concept proposed by the SDT

The SDT position on the data specification approach is that both the Transmission Operator and the Balancing Authority are already certified as functional entities. There are numerous other standards and requirements that they must meet in order to retain their certifications. These standards and requirements can't be met unless the functional entities have the data that they need to do these tasks. The entities know what data they need and should be the ones specifying that data. If they make a mistake in specifying the data they will end up being non-compliant to other standards and requirements. Therefore, there is no need for a detailed list of the types of data needed as was done in the old standard or as partially done in the approved NUC-001-2 standard. The lack of tables or lists of data also provide greater flexibility in maintaining the standard as there is no list that needs to be updated for the addition of the next piece of data not known at this time.

This approach shouldn't be a compliance issue as an auditor will still look at what was specified regardless of whether a list exists or not.

FERC staff questioned what would happen if entity 'x' requested data from entity 'y' that entity 'y' doesn't have? Who would be found non-compliant? Is a procedure needed to cover this situation? The SDT does not feel that a special procedure is required as there is already a dispute resolution procedure on the books.

4. **Discuss FERC Order 693 Directives**

5.

To save time, there was no discussion on directives where the proposed resolution was already discussed under other agenda items.

FERC staff indicated that they felt that P1604, P1624, and P1639 should still be on this list.

AI – The SDT should indicate in the issues matrix that directives 1604, 1624, and 1639 are still open issues with FERC staff.

a. P 1601 – Next day analysis of IROL

No additional discussion at this time.

- b. P1603 – Next day analysis of min. voltages for nuclear power plants

The 2nd piece of this directive concerns informing the nuclear Plant Operator. The SDT considered this item as being covered by TOP-002-3, Requirement R2 but FERC staff considers that requirement as being flawed.

- c. P 1620 & 1621 – Appropriate lead time for planned outages

FERC staff doesn't understand why the PJM reference contained in Order 693 can't be expanded to a nation-wide standard or why a standard lead time might be detrimental to reliability as indicated by some commenters on this item.

The SDT did attempt to craft a requirement to address this directive in an earlier posting and received overwhelming push back from industry on such an idea. The SDT accepted the industry reasoning and deleted the proposed requirement. FERC staff does not feel that push back from industry is a sufficient reason to delete this requirement. If the SDT is going to continue to advocate deleting this requirement, they were encouraged to provide sound technical reasoning and not just to fall back on industry comments.

- d. P 1622 – Include breaker outages within facilities

No additional discussion at this time.

- e. P 1636 – Restore system in no more than 30 minutes

The SDT position was that a requirement to always operate within your IROL and T_v covered the 'unknown condition' that was previously cited. The SDT also questions whether an entity can ever really get to a place that is 'unknown'. FERC staff cited the failure of an entity's state estimator or ICCP link as examples of moving to unknown states due to lack of information.

- f. P 1638 – Define high risk conditions where multiple outages must be respected

FERC staff did not feel that the FAC references cited were pertinent. They emphasized that the FAC-014 standard cited is in the planning horizon and didn't understand how these concepts were transferred to the operating horizon. FERC staff encouraged the SDT to elaborate on this resolution if possible. However, FERC staff agreed to review the material again to see if new light has been shed on this item.

AI – FERC staff to review the pertinence of the FAC standards cited by the SDT as addressing P 1638 of Order 693.

- g. P 1648 – Operational status of SPS

No additional discussion at this time.

- h. P 1649 – Delete references to confidentiality

No additional discussion at this time.

- i. P 1650 – Modifications to Attachment 1 & changes to applicable entities

No additional discussion at this time.

- j. P 1663 – Clarify appropriate technical information for protective relays

No additional discussion at this time.

6. Next Steps

Due to time limitations, another conference call has been scheduled for Tuesday, December 15, 2009 from 0800 to 1100 EST to continue the discussion.

7. Action Items

The following action items were developed during the session:

- The SDT needs to amend the mapping table for TOP-001, Requirement R5 to include EOP-001-2, Requirement R2 for the TOP.
- The SDT should update the mapping table for TOP-001, Requirement R6 to include 'Reliability Directive' instead of 'Directive' and change the reference for the Balancing Authority to Requirement R2.
- The SDT will try to replace Adverse Reliability Impact with a better, less limiting term in the revision of TOP-001, Requirement R7.
- The SDT will review and clean up the mapping table language for TOP-001, Requirement R8 to better express their philosophy.
- The SDT should include a reference to EOP-001-2, Requirement R2 in the mapping table for TOP-002, Requirement R1.
- The SDT should indicate in the issues matrix that directives 1604, 1624, and 1639 are still open issues with FERC staff.
- FERC staff to review the pertinence of the FAC standards cited by the SDT as addressing P 1638 of Order 693.

8. Adjourn

The meeting was adjourned at 1600 EST.