

Meeting Notes

Project 2022-03 Energy Assurance with Energy-Constrained Resources Standard Drafting Team

Review NERC Antitrust Compliance Guidelines and Public Announcement

Jordan Mallory, NERC staff, called attention to the NERC Antitrust Compliance Guidelines and the public meeting notice.

Roll Call

J. Mallory completed the team roll call and quorum was met. The member attendance sheet is attached as Attachment 1.

Review Meeting Agenda and Objectives

J. Mallory reviewed the agenda and let the drafting team know that the objective for the meeting is to update the requirements within the standard appropriately.

April 9, 2024

Purpose Statement

The drafting team (DT) reviewed the purpose statement of the BAL-007-1 standard. Based on comments received, some industry personnel do not fully understand the reliability benefit of this project. The team reviewed the White Paper titled: "Ensuring Energy Adequacy with Energy Constrained Resources¹." The Problem statement from the white paper states: "Unassured fuel supplies, including the timing and inconsistent output from variable renewable energy resources, fuel location, and volatility in forecasted load, can result in insufficient amounts of energy on the system to serve electrical demand and ensure the reliable operation of the bulk power system (BPS) throughout the year." The team modified the BAL-007-1 purpose statement to state: "To the risks associated with Energy Emergencies in the near-term time horizon and take appropriate actions to address identified risk. As the Bulk-Power System becomes more reliant upon energy-constrained and variable resources, traditional capacity-based planning methods and strategies might not identify energy-related risks to reliable System operation."

Response to Comments and Path Forward

The DT had lengthy conversations with regards to the BAL-007-1 near-term and seasonal Energy Reliability Assessments (ERA) and trying to address various concerns presented by industry in the comments received. Some comments requested better clarity around near-term ERAs and seasonal ERAs and the timing boundaries.

¹ Ensuring Energy Adequacy with Energy Constrained Resources White Paper: [Energy Adequacy White Paper \(nerc.com\)](https://www.nerc.com/energy-adequacy-white-paper)

Below lists additional DT discussed from comments received that were discussed during day 1 of the DT meeting.

- Industry had concerns with the word “mitigate.” The DT determined to replace the word mitigate in the standard with “minimize.”
- Concerns with the term “Operating Plan” being used within the standard. The DT determined that Operating Plan was the correct term for this type of standard.
- Operations planning horizon accurate for BAL-007 and BAL-008 standard. The team determined yes, it would still fall under the operations planning horizon for the studies being required.

In the end, the team struggled being able to separate out near-term ERAs and seasonal ERAs within one standard and decided to split the two into separate standards. BAL-007-1 covers near-term ERAs, and BAL-008-1 was created to cover seasonal ERAs. The team felt that separating these types of ERAs into two standards would help with clarity and prevent confusion.

April 10, 2024

Response to Comments continued

The team reviewed TOP-003 based on comments that LSE, Resource Planners, and other GO type functional entities need to be added as applicability. If added, entities feel that this will allow the Balancing Authorities to request Data needed to become compliant with BAL-007-1.

The team also discussed the concern that probabilistic analysis is not clearly allowed within the standard. The team added “methods” within the standard to ensure industry knows that deterministic or probabilistic analysis are acceptable ways to accomplish the objective of the requirement language.

The team reviewed and discussed Requirements R6 through R7 regarding receipt acknowledgement and correspondence exchange. Some commenters expressed that 60 days is too long for the Reliability Coordinator to review and provide feedback, however, the team considered Reliability Coordinators that may have many Balancing Authorities within its footprint needing time to review and provide the required feedback.

A decent amount of time was spent discussing Energy Emergencies and the level of detail needed for this type of requirement. Industry made it clear within comments that the posted drafted was overly prescriptive and not feasible for smaller Balancing Authorities. The team determined to take the requirement up a level to allow the entity to determine the forecasted Energy Emergencies from its Operating Plan(s) similar to EOP-011.

The DT wrapped up the day reviewing VRFs, time horizons, and VSLs with BAL-007-1. J. Mallory set the expectation that day 3 will be reviewing the newly proposed BAL-008-1, which addresses seasonal ERAs.

April 11, 2024

BAL-008-1 Newly Proposed Standard – Seasonal ERAs

J. Mallory thanked Ruth Kloecker for her hard work updating the BAL-008-1 standard simultaneously as the team was modifying BAL-007-1 the day before. It was acknowledged that because of this effort, it saved the drafting team many hours putting a starting point together for the seasonal ERA standard.

The team reviewed BAL-008-1 and modified Requirements R1 to provide clarity and remove confusion around what seasonal ERAs are and the time constraints expected. The team spent the majority of the meeting editing BAL-008-1 accordingly.

The team reviewed the implementation plans for both standards and only changes were made to increase the time to become complaint due to the time needed to develop near-term and seasonal ERAs.

Review Response to Comments

J. Mallory reminded team members that they are responsible for drafting responses to comments for questions they were assigned to, and responses are due to J. Mallory by Friday, April 19, 2024. From there J. Mallory will combine all response to comments and send out one last time to the team to review for grammar and content purposes.

Next Steps

J. Mallory thanked the team for their hard work over the week and said that quality review will take place for BAL-007-1 and BAL-008-1 April 12 - April 18, 2024. Following the QR meeting by the team, the goal will be to complete an additional Ballot April 29, - June 12, 2024.

Future Meeting(s) – Jordan Mallory

- **April 16, 2024 | 2:30 – 4:00 p.m. Eastern**
- **April 17, 2024 | 2:00 – 3:30 p.m. Eastern**
- **April 19, 2024 | 1:00 – 3:30 p.m. Eastern**
- **April 22, 2024 | 12:00 – 3:00 p.m. Eastern**
- **April 25, 2024 | 2:00 – 3:00 p.m. Eastern**

Adjourn

The meeting adjourned at 12:59 p.m. central.

Parking Lot			
Action	Due Date	Contact Person	Notes
Update Requirement R2 language	April 2, 2024	Mark Kuras	Combine 2.2 language into 2.1.
Requirement R Part 1.1.2.	April 9, 2024	Jordan, David, and John Brewer	Update requirement. Do we remove seasonal and leave this at a time period? See last proposal in the standard provided by John Stephenson in the chat.
Requirement R8	April 9 (April 4 meeting if possible.)	Clyde	To pull EEA language over from EOP-011 Attachment 1 and update to line up with new BAL-007 standard.
Requirement R2, R3, R8 and R9	April 9 (April 4 meeting if possible)	David	Link together. Should the opportunity arise based on R8 requirements.
Update TR: <ul style="list-style-type: none"> - Attachment 1- move to TR and update accordingly - Demand response – Order 2022-22 aggregation in DER. - Explain how R1 works and not needing designee added (TOP-002 covers this information) 	Once all decisions have been made on requirements. Week of April 15 at latest.	Mike	Page to keep in mind as drafting: Reliability Assessments (nerc.com)

needed for the BAs) - R2: methods for developing scenarios - Probabilistic			
---	--	--	--

Informal questions to distribute during QR:

1. Does TOP-003 cover your needs to get data from GOs to run analysis?
2. Would you prefer "individually or jointly" is explicitly called out in the performance of the ERA?
3. Do you feel the requirements have been taken up to an appropriate level to allow flexibility for the BA and to accommodate regional differences?

NERC Antitrust Guidelines

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition. It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Disclaimer

Participants are reminded that this meeting is public. Notice of the meeting was posted on the NERC website and widely distributed. The notice included the number for dial-in participation. Participants should keep in mind that the audience may include members of the press and representatives of various governmental authorities, in addition to the expected participation by industry stakeholders.

NERC Standards Development Process-Participant Conduct Policy

https://www.nerc.com/pa/Stand/Resources/Documents/NERC_Participant_Conduct_Policy.pdf

	Name	Entity	Attendance	Vote	Vote
Chair	David Mulcahy	Illuminate Power Analytics, LLC	Y		
Vice Chair	Ruth Kloecker	ITC Holdings	Y		
Member	Mike Knowland	New England Independent System Operator	Y		
	Julie Jin	ERCOT	Y		
	John Stevenson	New York Independent System Operator	Y		
	John Brewer	United States Department of Energy	N		
	Layne Brown	WECC	Y		
	Mark Kuras	PJM Interconnection, LLC	Y		
	Phillip Wiginton	Tennessee Valley Authority	Y		
	Derek Hawkins	Southwest Power Pool, Inc.	Y		
	Sean Boyle	Constellation Energy	N		
	Brent Duncan	Southern Company Service, Inc.	Y		
	Clyde Loutan	California Independent System Operator	Y		
PMOS Liaison	Joseph Gatten	Xcel Energy	Y		
	Terri Pyle	OGE	N		