

Meeting Notes Project 2010-02 – Connecting New Facilities to the Grid

May 21, 2014 | 8:30 a.m.-5 p.m. Pacific

May 22, 2014 | 8:30 a.m.-5 p.m. Pacific

PG&E Offices
245 Market Street
San Francisco, CA 94105

Administrative

1. Introductions

Standards Developer Mallory Huggins initiated the meeting and reviewed the NERC Antitrust Compliance Guidelines, Public Announcement, Participant Conduct Policy, and Email List Policy. She thanked all members for participating in the meeting. Chair Mike Steckelberg led group introductions. The following members and observers were in attendance:

Name	Company	Member/ Observer	In-Person/ Phone
Mike Steckelberg (Chair)	Great River Energy	M	In-Person
Jeff Gindling (Vice Chair)	Duke Energy	M	In-Person
Kumar Agarwal	FERC	O	Phone
David Busby	Southern Company	O	In-Person
Zakia El Omari	Georgia Transmission Corporation	M	In-Person
Dennis Fuentes-Pedrosa	FERC	O	In-Person
Kenneth Goldsmith (PMOS Rep)	Alliant Energy	O	In-Person
John Hagen	Pacific Gas & Electric	M	In-Person
Joseph Hay	PJM	M	In-Person
Ruth Kloecker	ITC Holdings	M	In-Person
Selene Sanchez	Southern California Edison	O	In-Person

Name	Company	Member/ Observer	In-Person/ Phone
Zelalem Tekle	Baltimore Gas and Electric, An Exelon Company	M	Phone
Ganesh Velummylum	NIPSCO	M	Phone
Mallory Huggins	NERC	M	In-Person
Katherine Street	NERC	M	In-Person

2. Review Meeting Agenda and Objectives

- a. Mike Steckelberg gave an overview of meeting objectives, noting that the purpose of the meeting is to review the comments submitted on FAC-001-2 and FAC-002-2, revise the standards based on the comments if deemed appropriate, and develop responses to the comments. Mallory encouraged the team to consider all changes carefully, as both standards received about 80% approval.

Agenda Items

1. Review Comments, Revise Standards, and Develop Responses:

- a. *FAC-001-2*: After reviewing all comments, the drafting team proposed the following non-substantive changes to the standard:
 - i. **Purpose:** The SDT modified the Purpose to include a reference to reliability and to the Bulk Electric System, for consistency with the Purpose in FAC-002-2. The SDT changed “Facility connection requirements” to “Facility interconnection requirements” for consistency with the language used elsewhere in FAC-001-2 and FAC-002-2. The SDT also inserted the term “must” to maintain the previously stated objective of the standard – to protect the integrity of the Bulk Electric System by guaranteeing that entities have access to essential information when seeking interconnection. The SDT changed “Facilities” to “entities” per stakeholder comments that “Facilities” do not seek interconnection. While the SDT originally used “Facilities” for interconnections that involve non-NERC entities, in keeping with the logic of the Project 2010-07 – Generator Requirements at the Transmission Interface drafting team, it believes that the undefined term “entities” is broad enough to account for a variety of interconnections. The phrase “necessary for considering and pursuing that interconnection” was deemed superfluous and has been deleted.
 - ii. **Applicability:** The SDT added “fully” to 4.1.2.1 for consistency with the reference to “full execution of an Agreement” in R2. The SDT has deleted the word “to,” which was a typographical error.

- iii. **Background:** For consistency with the logic outlined in the explanation of the changes to the Purpose statement above, the SDT has changed “Facilities” to “entities.” Because many commenters were confused about the reference to the reliability principles (which are referenced in the NERC [Standard Processes Manual](#) and posted as [a resource document](#) on NERC’s [Standards Resources](#) page), and because the Background section can stand alone without the reference to reliability principles, the drafting team has deleted that sentence from the Background section. The phrase “necessary for considering and pursuing that interconnection” was deemed superfluous and has been deleted.
- iv. **R2:** To ensure that the “what” of the requirement – the action required – is clear, the SDT moved the phrase that begins with “within 45 days...” to the end of the requirement. No words were changed, except to add “calendar” between “45” and “days,” as was the intention of the SDT (and was already reflected in the VSLs).
- v. **R3, Part 3.2:** Similar to the change in R2, the SDT rearranged the words in this Part for clarity, without changing the meaning of the requirement.
- vi. **R4:** Because an applicable Generator Owner that has already interconnected a Facility to its own Facilities would be required to register as a Transmission Owner, there is no need for applicable Generator Owners to be concerned with procedures regarding material modifications. This is why there is no “update as needed” requirement in R2; the SDT expects the requirement to apply in the time period between Agreement for interconnection, when an applicable Generator Owner is still registered as such, and the moment of interconnection, when an applicable Generator Owner also must register as a Transmission Owner. In the original R3, the SDT believed that an applicable Generator Owner could “address” procedures for materially modified Facilities by indicating that such procedures were not applicable. Upon further review, the SDT believes it is clearer to create two requirements, R3 and R4, to mirror the construction of R1 and R2. Otherwise, the requirements for both Transmission Owners and applicable Generator Owners remain exactly the same, but the addition of R4 makes clearer that applicable Generator Owners need not be concerned with addressing materially modified Facilities.
- vii. **VSLs:** The VSLs were modified to conform with the minor changes to the requirement language.
- viii. **Guideline and Technical Basis:** The SDT added some language to carry the consideration of materially modified existing Facilities through to the Guidelines and Technical Basis section. Because a Transmission Owner or applicable Generator Owner cannot compel another entity to comply with NERC’s standards (and can only give the other entities a list of Facility interconnection requirements that will ensure reliability

once the interconnection is made), the final sentence of the Guidelines and Technical Basis section has been deleted, as it was determined to be meaningless.

- b. *FAC-002-2*: After reviewing all comments, the drafting team proposed the following non-substantive changes to the standard:
- i. **Purpose:** The word “evaluate” was changed to “study” for clearer conformance to the language of the standard, and the reference to conducting and coordinating was deleted to keep the Purpose appropriately high-level.
 - ii. **Applicability:** In the last posting of the standard, Transmission Planner and Transmission Owner appeared on the same line of the Applicability section, and Load-Serving Entity appeared in the Background section instead of the Applicability section. Both errors have been corrected. The SDT added “fully” to 4.1.2.1 for consistency with the reference to “full execution of an Agreement” in FAC-001-2, R2. The SDT has deleted the word “to,” which was a typographical error.
 - iii. **Background:** Because many commenters were confused about the reference to the reliability principles (which are referenced in the NERC [Standard Processes Manual](#) and posted as [a resource document](#) on NERC’s [Standards Resources](#) page), and because the Background section can stand alone without the reference to reliability principles, the drafting team has deleted that sentence from the Background section.
 - iv. **R1:** To keep terminology consistent, the SDT changed “integrating” to “interconnecting.” The SDT also tightened the main requirement language by changing “conduct studies on” to “study,” deleting the second sentence and moving “...including” to the end of the first sentence, and removing the redundant “Evaluation of” and “Documentation that...” in the Parts. Throughout FAC-002-2, and in the main requirement language and Part 1.1, the SDT added “existing” to descriptions of material modification to draw a better distinction between new Facilities and materially modified existing Facilities.
 - v. **R1, Part 1.2:** Because “compliance” has a specific connotation in the NERC environment and, even when it comes to NERC Reliability Standards, the standard should not give the impression that the Planning Coordinator or Transmission Planner is responsible for the interconnecting entity’s future compliance with NERC Standards. The SDT has changed “compliance” to “adherence” to retain the original intended meaning – that the Transmission Planner or Planning Coordinator consider all applicable NERC Reliability Standards as it studies a possible new interconnection or material modification to an existing interconnection – but reflect the fact that the entities cannot actually enforce future compliance with the Reliability Standards.

- vi. **R2-R4:** To better connect with the reference to “material modifications” in R1, the SDT has added references to material modifications in R2, R3, and R4. It has also changed the references to subrequirements to “R1, Parts 1.1-1.4.”
 - vii. **R5:** Because an applicable Generator Owner that has already interconnected a Facility to its own Facilities would be required to register as a Transmission Owner, there is no need for applicable Generator Owners to be concerned with studies regarding materially modified Facilities. The SDT believes it is clearer to create two requirements, R4 and R5, to mirror the construction in FAC-001-2. Otherwise, the requirements for both Transmission Owners and applicable Generator Owners remain exactly the same, but the addition of R5 makes clearer that applicable Generator Owners need not be concerned with addressing materially modified Facilities.
- c. *Implementation Plan:* Mallory noted that none of the commenters proposed changes to the Implementation Plan, so no changes will be necessary.
 - d. *Other:* The drafting team is interested in getting feedback on several of its proposed changes from NERC legal counsel, so Mallory will coordinate with the legal staff and report back to the drafting team as soon as possible.

2. Develop/Finalize Documents for Posting

- a. *FAC-001-2 and FAC-002-2:* Mallory committed to reviewing the standards for consistent changes throughout, and to make conforming changes to the VRFs and VSLs.
- b. *Reliability Standard Audit Worksheets (RSAWs):* The drafting team did not have time to review NERC compliance staff’s draft RSAWs for FAC-001-2 and FAC-002-2, so the RSAW review will be delayed to a conference call next week.
- c. *Mapping Document, VRF/VSL Justifications, Consideration of Issues/Directives:* While none of these documents will require substantive changes, Mallory will update them to reflect the latest revisions to the standards.
- d. *Consideration of Comments Form:* Mallory will transfer the team’s comment responses to the consideration of comments form.

3. Next Steps

- a. Pending agreement from NERC standards management and the legal staff, Mallory noted that the team’s proposed changes do not appear to be substantive, and the standards should be able to proceed to final ballot. After a final team conference call and quality review from NERC staff, the standards will be posted for a 10-day final ballot.

4. Adjourn

- a. The meeting was adjourned at 5:00 p.m. Pacific on May 22, 2014.