

Conference Call Notes

Project 2014-01 Standards Applicability for Dispersed Generation Resources Standards Drafting Team

February 21, 2014 | 9:30 a.m. to 1:00 p.m. Eastern

Dial-in: 866.740.1260 | Access Code: 4458510 | Security Code: 1979

Administrative

1. Introductions

NERC staff initiated the meeting and reviewed the NERC Antitrust Compliance Guidelines, Public Announcement, Participant Conduct Policy, and Email List Policy. NERC staff thanked all members and observers of the Project 2014-01 Standards Applicability for Dispersed Generation Resources (DGR) Standards Drafting Team (SDT) for participating on the call. The following members and observers participated:

Name	Company	Member/ Observer
Tony Jankowski	We Energies	M
Tom Pruitt	Duke Energy	M
David Belanger	Exelon Generation	M
George Brown	Acciona Energy North America	M
Stephen Enyeart	Bonneville Power Administration	M
Brian Evans-Mongeon	Utility Services Inc.	M
Jesse Nevarez	Terra-Gen Operating Company	M
Jeff Plew	NextEra Energy Resources	M
Dana Showalter	E.ON Climate & Renewables	M

Name	Company	Member/ Observer
Randhir Singh	PSEG Fossil	M
Eric White	MidAmerican Energy	M
Pete Heidrich	Florida Reliability Coordinating Council	O
Rob Robertson	First Wind	O
Sean Cavote	NERC	M
Ryan Stewart	NERC	M
Phil Tatro	NERC	M
Stacey Tyrewala	NERC	O
Susan Morris	FERC	O

2. Review Meeting Agenda and Objectives

- a. Vice Chair Tom Pruitt reviewed the meeting agenda and objectives.

Agenda Items

1. Discuss Original SAR Spreadsheet

Member Brian Evans-Mongeon provided an overview of the process he and his fellow authors of the Standards Authorization Request (SAR) used in developing the SAR. Brian explained that the SAR authors considered all standards applicable to GOs and GOPs and whether there was something that was uniquely identifiable relative to disbursed resources. The team also considered the types of generators as listed in the definition of the Bulk Electric System (BES) including I4 and those dispersed resources on collector systems. Brian indicated that there may be other requirements that the team did not immediately identify. He highlighted that the team purposely did not look at CIP standards, as they were subject to Version 5 revisions; but that there may be some aspects that need to be examined in those standards. Brian had presented a listing of all NERC standards as of February 5, 2014 to aid the SDT in their review of standards that needed to be examined for bearing on dispersed power resources. He stated that the PRC standards were the center of the group's efforts as they had the greatest bearing on the differing types of generating units. viewed as unique to generator types, and the team predominantly concentrated efforts there. When asked about the NERC paper on the standards applicable to this project, Brian agreed that there may be value in modifying the NERC spreadsheet to include the information offered by his spreadsheet.

2. Discuss NERC Position Paper

NERC staff Phil Tatro provided an overview of the NERC position paper developed in support of this project. Phil explained that he reviewed all of the requirements applicable to GOs and GOPs, including all standards adopted by the NERC Board of Trustees. He explained that the NERC position paper is intended to be a starting point for discussion and not a NERC position. Phil also noted that he may make revisions to the document if the DGR SDT requests, or that the DGR SDT could adopt it as something for their use and to modify it as needed, but that NERC did not intend to make modifications on its own. Phil committed to working with Brian on further developing a team document. Phil also noted that if the regional, CIP, and NUC standards are removed from the NERC list, the two lists should be identical.

A member suggested identifying standards that have ongoing projects so that the DGR SDT can collaborate with those teams. NERC committed to keeping the DGR SDT apprised of other standards development projects.

Tom noted that the DGR SDT is not going to draft changes to the language of the reliability standards. NERC attorney Stacey Tyrewala commented that on the GO/TO project NERC filed only the applicability changes.

An observer noted that on the BES project, in Phase I and Phase II, the SDT did a thorough review of the standards, and that it was not an insurmountable task. The observer opined that at a minimum the DGR SDT needs to include standards that have been approved for enforcement within the next year. Phil noted that that is precisely what he tried to capture in the NERC spreadsheet.

3. Discuss Next Steps

- a. Finalize GO/GOP standard list to inclusion

Sub Team Assignment: Brian Evans-Mongeon, Jessie Nevarez, Pete Heidrich, and Phil Tatro agreed to develop a composite list to include identifying standards that the DGR SDT believes need to be addressed quickly. The final work product may contain a priority column of 1-3. Phil will develop a starting point, and the sub team will develop a draft document by March 3, 2014.

- b. Prioritize or group potential standard revisions

Tom noted that the team has two good lists to work from and suggested that the team should look at the SAR for guidance but not as a roadmap. A member agreed that the SAR list is not the only list, but a starting point. Tom stressed that the process must be transparent, as industry has a keen interest in the team's work.

A member noted that there are some other considerations that are not GO or GOP, and urged the DGR SDT to at least note such things.

Sub Team Assignment: Brian and Pete will develop prioritizations of 1-3 by March 6, 2014 with number one being the highest priority.

c. Develop individual recommendations on implementing the SAR

The DGR SDT discussed how it might appropriately implement the SAR.

An observer commented that the first thing that needs to happen is a thorough review of comments on the initial posting, as the comments may suggest some strong opinions on scoping. SAR comments suggest need to change scope of the SAR. Review the comments as the first step and develop a response. Look at potential revisions to the SAR then take to the Standards Committee for endorsement.

A member noted that many entities that did not agree with the SAR and want to include all small generation. Then questioned whether the DGR SDT should be willing to expand the scope of the SAR. He fears that if the team makes changes to the SAR, it could be difficult to develop a sufficient technical justification for those changes.

NERC staff noted that the DGR SDT can either respond to each comment individually or in summary form where common comments are addressed concurrently. Tom noted that the sub team should work through the comments and develop draft responses for DGR SDT consideration.

An observer asked whether there are thoughts about expanding the scope of the SAR beyond DGR. She cautioned the team to remember that if it is focusing on applicability, the NERC rules of procedure address this, and that applicability can be based on electric equipment characteristics. Specifically, there are some electrical facility characteristics that can be identified in applicability for certain types of generation, like wind farms. She cautioned the team to not expand the scope beyond that in this project.

Sub Team Assignment: The DGR SDT established sub teams to develop initial responses to SAR question comments by March 6, 2014:

- Question 1: Dave and George
- Question 2, Jeff, Eric, and Dana
- Question 3: Jessie and Randy
- Question 4: Eric and Randy
- Question 5: George, Dave, and Brian
- Question 6: Dana, Jessie, and Steve

d. Develop DGR SDT position paper for posting

Chair Tony Jankowski noted that the DGR SDT should develop a framework on how it wants to address the generator standards in such a way that it lines up with the BES definition and reference document going forward. The objective is to complete this at the March meeting and have a good understanding of what we need to do with the standards so that the team can put a framework to industry. The DGR SDT can further develop or finalize that framework during its call on March 21, 2014, and ideally post its position paper prior to the Standards and Compliance Workshop on April 1-3, 2014. At a minimum the DGR SDT needs to convey its vision for what it intends to do with this project, and elicit feedback from industry.

A member commented that it may be too early in the project to develop such a paper, and another observer pointed out that the initial paper could be something as simple as an outline laying out the direction of the project. Another member noted the importance of advising industry soon on what the SDT is focusing on.

Chair Jankowski expressed an expectation to include five key elements into the initial position paper:

1. Discussion of the BES definition, Phase 2 reference document, rules of procedure on registration;
2. Project Timeline;
3. Discuss the term “dispersed generation;”
4. Facility types that may or may not be impacted; and
5. Discuss scope of the SAR and potential standards changes. One-size-fits-all approach, or buckets of standards.

4. Discuss Future Meeting and Action Dates

- a. SDT meeting in Atlanta on March 10-12, 2014
- b. Conference call on March 21, 2014, 10:00 a.m. to 2:30 p.m. Eastern
- c. Post DGR SDT position paper in March 2014
- d. Standards and Compliance Workshop Presentation in San Diego on April 2 or 3, 2014
- e. SDT meeting in Austin on April 30 – May 1, 2014
- f. Industry webinar in April or May 2014
- g. Future SDT meeting dates and locations to be determined (expect at least 3-4)

5. Adjourn

Chair Jankowski adjourned the call at 2:45 p.m., Eastern.
