

Meeting Notes

Project 2006-02 Assess Transmission Future Needs Standard Drafting Team

Conference Call
June 15, 2012

Administrative

1. Introductions

The chair brought the call to order at 1:00 p.m. ET on Friday, June 15, 2012. Call participants were:

Members		
Bill Harm, PJM	Doug Hohlbaugh, First Energy, vice chair	Julius Horvath, Wind Energy Transmission
Bob Jones, Southern	Tom Mielnik, MidAmerican	John Odom, FRCC, chair
Bernie Pasternack, Transmission Strategies	Bob Pierce, Duke	Ed Dobrowolski, NERC
Observers		
Eugene Blick, FERC	Gordon Dobson-Mack, Powerex	Holly Hawkins, NERC
Ray Kershaw, ITC	Ruth Kloecker, ITC	Chuck Lawrence, ATC
Charles Long, Entergy	Curt Stepanek, Ameren	

2. Determination of Quorum

The rule for NERC Standard Drafting Team (SDT) states that a quorum requires two-thirds of the voting members of the SDT to be present. Quorum was achieved.

3. **NERC Antitrust Compliance Guidelines and Public Announcement**

The NERC Antitrust Compliance Guidelines were delivered and public announcement concerning the open conference call was provided. There were no questions raised.

4. **Review Current Team Roster**

The team reviewed the roster and confirmed that it is accurate and up to date.

5. **Review Meeting Agenda and Objectives**

The meeting agenda was approved as drafted. The objective of the conference call was to bring the SDT up to speed on recent developments and to arrive at mutually agreed upon wording for the revised footnote 'b'.

Agenda

1. **Overview of Recent Developments – John Odom**

The Standards Committee approved a revised Standard Authorization Request on June 14, 2012. John walked the SDT through the changes. The footnote 'b' plan was already going to address the newly identified issues so the changes were not viewed as a major concern.

NERC staff will be posting a data request as per the FERC Order early in the week of June 18, 2012. An announcement will be distributed to the industry when it has been posted. The reply period is 21 days.

The SDT was reminded of the tight schedule imposed on this project by the Standards Committee which has committed to have an approved proposal ready for the February 2013 Board of Trustee meeting.

John also reviewed the key elements of the Order prior to starting discussion of the language changes.

2. **Review Footnote “b” Straw Man Proposal**

A sub-team of the SDT drafted a straw man of footnote 'b' for full SDT consideration.

Since the main changes are an attachment to the footnote, the other footnotes won't be drowned out by this work.

The attachment is designed to cover the three main concerns shown in the order: defining the stakeholder process, establishing boundaries and constraints, and approval/oversight functions. The discussion was held one item at a time.

Section I – Stakeholder Process

The SDT made changes to item #4. The concept is to define the scope and purpose of the proposed action through complete documentation but leaving some degree of flexibility for the entity.

FERC staff asked if Attachment I will be part of the standard. The answer is yes. It is referenced in the footnote itself so it is part of the standard and will be enforceable.

FERC staff also asked if public notice would be sufficient to reach all affected stakeholders. Their thought is that public notice should be on top of other notice to particular customers. The SDT felt that this would be an onerous burden on industry and that customers should be well represented by the groups that would be receiving the public notice.

Dispute resolution shouldn't affect the use of the Corrective Action Plan (CAP) so that Bulk Electric System performance can be assured. The SDT feels that the CAP can employ loss of Firm Demand interruption prior to final resolution. This would be no different than having a plan with building requirements where right-of-way is denied.

FERC staff wanted to know if the dispute process listed in item #6 had any connection to the appeals process noted in Section III. The answer is no, this is a local process (contained within the open and transparent stakeholder process) and is not connected to the appeals process.

Clarity was provided to the language so that all will be aware that this process must be done for every Planning Assessment. The local dispute resolution process must be clear that the same objection can't be brought up again and again if conditions haven't changed.

FERC staff questioned why the process was limited to the Near-term Planning Horizon. The SDT felt that incorporating the Long-term Planning Horizon was problematic since too many changes occur over time. This would result in a waste of time and effort in going through the steps. 5 years was seen as a sufficient amount of time for the process to work while leaving some degree of flexibility for all concerned. FERC staff was still concerned about this approach causing problems when building was part of the eventual solution. The SDT did not feel that this should be a concern. Entities will be in violation of the standard once the timeline reaches the Near-time Planning Horizon so it is in the best interest of entities to get this information out as soon as possible. The SDT agreed to study the wording to make certain that the intent is coming across correctly.

Action Item – SDT to study wording in Section I on near-term Planning Horizon to ascertain that the correct intent is stated in the language.

Section II - Information for Inclusion in Item #4 of the Stakeholder Process

"Impact on public health and safety" was discussed as perhaps being too generic and hard to prove. However, the general feeling was that the statement was correct and could be left as is. This is an information section that can be fleshed out if specific questions arise.

FERC staff asked about the use of "identify" in item #8. The SDT agreed that the term was confusing and changed it to "assessment".

The word "estimated" was added to II.2.a.

Type of customers was deemed an important piece of information and was retained.

Section III - Instances for which Approval of Interruptions of Firm Demand under Footnote 'b' is Required

Thresholds will be initially vetted through the data request. The current value of 300 kV is taken from the EHV designation in TPL-001-2. The MW value is derived from the ERO Registry Compliance Criteria.

The relevant regulatory authority is specific to the entity and could be a Public Utilities Commission, tribal council, municipal board, provincial authority, etc. The term was clarified by adding that it is the body responsible for retail electric service issues.

FERC staff questioned how III.a and III.b met the criteria of paragraph 57 in the Order. This is not a fill-in-the-blank requirement. There is no regional discretion, methodologies must be published, there is oversight provided by the ERO, and there is a defined criterion in Adverse Reliability Impact.

John Odom will reach out to the regional managers to cover any concerns they may have on the wording of Section III.

FERC staff is concerned that this section doesn't cover interaction between Regional Entities and doesn't say anything about operational timeframes.

Action Item – John Odom will reach out to the regional managers to discuss the footnote changes.

3. Next Steps

Members are requested to discuss the proposed footnote changes internally within their company and to provide informal written feedback to the SDT through the e-mail server no later than June 29, 2012.

Action Item – Members to review the footnote changes internally and report back to the SDT by June 29, 2012.

4. Action Item Review

The following action items were developed during the call:

- SDT to study wording in Section I on near-term Planning Horizon to ascertain that the correct intent is stated in the language.
- John Odom will reach out to the regional managers to discuss the footnote changes.
- Members to review the footnote changes internally and report back to the SDT by June 29, 2012.

5. Future Meeting(s)

- There is a conference call and webinar scheduled for Friday, July 6, 2012 from 1:00 p.m. to 4:00 p.m. ET. Details will be provided.

6. Adjourn

The chair adjourned the call at 4:30 p.m. ET, June 15, 2012.