

Transmission Loading Relief Standard Drafting Team

May 22, 2007

TVA – Chattanooga, Tennessee

Meeting Minutes

A regular meeting was held on May 22, 2007 at 9 a.m. (09:00) EDT at the offices of the Tennessee Valley Authority, in Chattanooga, TN. The meeting was supplemented with a conference call and WebEx presentation. The agenda and attendance list are affixed as Exhibits A and B, respectively. Chairman Ben Li presided. NERC staff (Andrew Rodriquez) served as facilitator.

Roll Call

Chairman Ben Li called for all attendees to introduce themselves, and all participants in the call to identify themselves.

NERC Antitrust Compliance Guidelines

Mr. Rodriquez summarized the NERC Antitrust Compliance Guidelines.

Agenda

Jim Busbin moved that the group approve the agenda. The TLR Drafting Team approved the meeting agenda unanimously.

Roster Updates

Mr. Rodriquez requested the roster be deferred until the afternoon.

Approval of Minutes

Chairman Ben Li requested the group to review the minutes and defer approval until the second day of the meeting.

Review of Work Status

Chairman Ben Li reviewed the recent events regarding the posting of the draft standard IRO-006-4. Mr. Rodriquez reported that as of May 20, no comments had been received.

Tom Mallinger led a discussion of the various requirements he had identified in IRO-006-4 Attachment 1. In the previous meeting, Mr. Mallinger had volunteered to undertake this task. Based on the current compliance elements in the standard, Ellen Oswald indicated that the Regional Reliability Organizations would use their discretion in implementing the severity and/or penalties associated with Attachment 1.

There were several different concepts for determining how to “score” the violations identified by Mr. Mallinger such that they could be used within the framework of IRO-006-4 as drafted were discussed. After not determining any specific approach to

anyone's complete satisfaction, it was suggested that a more detailed effort should be reserved for the Phase 3 work. In the meantime, Mr. Mallinger's work could be used as a guide for auditors to make their determination of how many violations occurred of Attachment 1. *Chairman Ben Li requested that Mrs. Oswald verify with NERC Compliance that this would be a both useful and acceptable approach. Chairman Ben Li volunteered to write a draft proposal for how to score the violations, such that the work discussed by the group was not lost.*

Review of the NAESB work was deferred, based on a minor scheduling conflict.

Roster Updates (revisited)

Mr. Rodriguez circulated the roster in electronic form in the afternoon of the first day, and collected all updates.

Field Test Report

Mr. Mallinger provided an update on the PJM/MISO/SPP Field Test. It is anticipated the Field Test will begin prior to June 1. PJM has completed internal testing of their own systems, while MISO and SPP plan to finish internal testing and join in the Field Test in fall. Internal testing of the IDC to support the Field Test has been completed. There will be monthly reports generated to summarize the results of the Field Test.

FERC and Stakeholder's Comments

Chairman Ben Li reviewed FERC Order 693 as it relates to IRO-006. It was noted that FERC directed the ERO to make changes to the structure of the ERCOT and WECC interconnection-wide procedures. The team was uncertain how to proceed with this request, and requested that the issue be escalated to the Standards Committee. *Mr. Rodriguez agreed to bring it to the appropriate NERC staff such that it would be added to the SC Agenda. As a member of the SC, Chairman Ben Li agreed to present the issue if needed.*

Review of Work Status (revisited)

Kathy York reviewed the work of the NAESB teams related to the TLR Business Practices. Clarification with regard to the use of the term "NERC-Approved" in the business practices was discussed. Mrs. York agreed to return the clarifications to the NAESB teams and work on modifying the business practices as appropriate once the NERC/NAESB split is filed with FERC. NAESB leadership had voted on May 8th, 2007, to not accept minor modifications to the ratified business practice standard proposed by the team until after the filing.

FERC and Stakeholder's Comments

The team reviewed the comments of stakeholders on IRO-006-0. Chairman Ben Li summarized the comments as follows:

1. The industry wants to see a Joint Operating Document and
2. The industry wants us to address the issues we are already attempting to address

Review of Phase 3 Scope and Deliverables and Operators Guide

Chairman Ben Li reviewed several items he believed should be considered in the Phase 3 list of work:

- The applicability of ramp limitations when in TLR, from page 14 of the November 27, 2006 “Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief”
- The IRO-006 “to do list” referenced on page 19 of the Nov. 27 comments
- The JISWG comments from page 21 of the Nov. 27 comments
- The comments on proxy Flowgates from page 22 of the Nov. 27 comments
- The notes in the “mapping document”
- The March meeting document

Mr. Rodriguez was asked to compile the items into a list. Chairman Ben Li will send Mr. Rodriguez the March meeting document.

Future Meeting Review

As some members of the team would not be present for the second day, Chairman Ben Li reviewed the future meeting schedule. The meeting schedule was determined to be as follows:

- June 19–20 — 9 a.m.–5pm both days, in Houston, TX — NAESB to host
- July 9–10 — 9 a.m.–5pm both days, in Toronto, ON — NERC to host
- August 22–23 — 9 a.m.–5pm both days, in Carmel, IN — MISO and NERC to host

Adjournment/Reconvening

Chairman Ben Li adjourned the meeting at 4:30 p.m. Sue Magnum-Goins provided non-market participants with a tour of the Systems Operations Center (SOC). Chairman Ben Li reconvened the meeting at 9:00 a.m. the following day.

Approval of Minutes (revisited)

The group reviewed and approved the following meeting minutes:

- Jan 10–11, 2007 (moved Mr. Busbin, approved unanimously)
- April 18–19, 2007 (moved Mr. De Mello, approved unanimously)
- April 26, 2007 (moved Mr. Mallinger, approved unanimously)

Review of Phase 3 Scope and Deliverables and Operators Guide (continued)

Chairman Ben Li confirmed with Mr. Mallinger that the Field Test would not result in any changes to the standard until after the first half of 2008. Chairman Ben Li then reviewed the concepts of what needed to be accomplished in Phase 3:

- Wholesale review of the standard
- Revise and revamp the standard as necessary
- Create new documents as necessary
- Revise the measures and compliance as necessary

Other team members pointed out there remained items that need to be extracted from the Standard and placed in the IDC reference document. The topic of Proxy Flowgates was also discussed. It was questioned how the new standard(s) would be formatted. One standard? Multiple standards? One standard with Attachments? The IDC reference document was discussed further, and it was determined that when all editing is completed, the IDC reference document should only contain items that are not reliability and not commercial (in other words, only the tool implementation details). Question remains as to whether the IDC reference document will be Attachment 2 of the standard (which implies it is part of the standard) or some other kind of document. Chairman Ben Li indicated that the Standards Committee is trying to identify ways to address this problem already.

During the discussion, the concept of the posting schedule for the Phase 1 changes came up. Chairman Ben Li indicated that the schedule involved two postings for comment, resulting in a standard delivery in late October/early November. Mr. Rodriguez indicated that the standard he had believed the group to be working under was one that involved a single posting, resulting in a standard delivery in early September. ***Chairman Ben Li and Mr. Rodriguez agreed to discuss with other NERC staff off line to clarify how the group should be moving forward.*** However, at this time, the October/November schedule stands.

Jim Busbin reported on the status on his work related to the joint operating manual. It was pointed out that the issue of intellectual property had not yet been resolved between NERC and NAESB. ***Mr. Rodriguez agreed to follow up on this item.*** Chairman Ben Li asked Mr. Busbin to consider June 25th as a deadline to distribute via e-mail a first draft. Mr. Rodriguez requested that Mr. Busbin consider presentation at the June 19–20 meeting as a stretch goal; Mr. Busbin agreed to make his best efforts at providing the document sooner than June 25th. Chairman Ben Li indicated his goal is to have the joint document ready for the next 30-day posting of the standard, which he anticipates to be in mid-July.

Begin Phase 3 Edits

Chairman Ben Li reviewed the documents that comprise the TLR body of work.

- IRO-006-4
- Attachment 1 (the old Policy)
- Attachment 1 Appendices
- The IDC Reference Document
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Chairman Ben Li discussed having a goal of early 2008 as a target for delivery of Phase 3, possibly to coincide with the results of the Field Test. However, he also warned that we should not post the Phase 3 work for any comment or review until AFTER the current standard had been approved; otherwise, it could cause industry confusion.

Phase 3 Assignments and Action Items

Chairman Ben Li broke the work into three assignments and asked for volunteers to lead the efforts, as well as work on the teams. Teams and assignments were defined as follows:

- Standard Review Team (volunteer lead Mr. Bob De Mello, volunteer Mr. Dave Marton)
 - Assignment — Review IRO-006 and develop appropriate changes to requirements, measures, and compliance.
- Attachment 1 Review Team (volunteer lead Mr. Mallinger, volunteers Mr. De Mello, Mr. Koza, and Mr. Saini)
 - Assignment — Review Attachment 1 and develop into appropriate requirements, measures, and compliance
- Appendices and IDC Reference Document Review Team (volunteer lead Mr. Rodriguez, volunteer Mr. Muller)
 - Assignment — Review the Attachment 1 Appendices and the IDC reference document. Where appropriate, develop into requirements, measures, and compliance. Alternatively, incorporate into the IDC reference document, or identify for transfer to NAESB.

Chairman Ben Li asked Mr. Rodriguez to announce the creation of the teams via the TLRDT_PLUS exploder, and request additional people to participate.

Adjournment

Mr. Busbin moved to adjourn the meeting. The team approved unanimously. Chairman Ben Li adjourned the meeting at 11:08 a.m.

Exhibit A — Agenda



NERC Transmission Loading Relief Standards Drafting Team NAESB Business Practices Subcommittee Joint Meeting, Conference Call, and WebEx

**TVA Offices
1101 Market Street
Chattanooga, Tennessee**

**May 24, 2007 — 9a.m.–5 p.m. Eastern Daylight Time
May 25, 2007 — 9 a.m.–3 p.m. Eastern Daylight Time**

Agenda

MAY 24, 2007

1. Administration

- Introduction of Attendees
- NERC Antitrust Compliance Guidelines
- Adoption of Agenda
- Roster Updates
- Approval of Minutes

2. Review of Work Status

- Current posting and comments received
- Non-compliant criteria—number of requirements violated (Tom Mallinger)
- Review the status of minor corrections to NAESB BPs

3. Field Test Report

4. FERC and Stakeholders' comments

- Review relevant portions of Order 693
- Review comments from prior versions of the standard

5. Review of Phase III Scope and Deliverables and Operators Guide

- What
- When
- Key Considerations

Excerpt from TLRDT Posting Whitepaper

Phase 3 — A third set of modifications includes the changes needed to elevate the overall quality of the standard and to address the additional technical issues that have been posed with this standard by stakeholders and FERC (see Standard Review Form and Reliability Standard Review Guidelines). In addition to revising the IDC Reference Document, the development may include other improvements to the standards deemed appropriate by the drafting team, with the consensus of stakeholders, consistent with establishing high quality, enforceable and technically sufficient bulk power system reliability standards.

6. Begin Phase III Edits

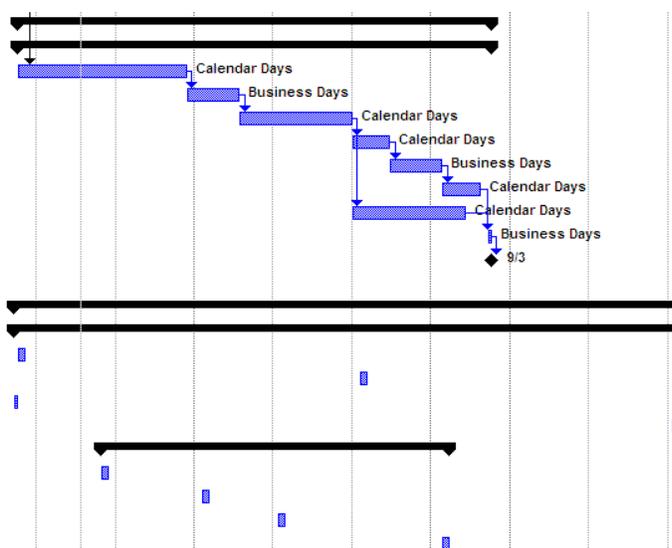
- Walk through the standard and identify areas to be changed

7. Phase III Assignments and Action Items

- Break the standard work into components and assign to various members of the group

8. Future Meetings and Schedule Review

Standard Setting Process	90 days	Tue 5/1/07	Mon 9/3/07
Standards process	90 days	Tue 5/1/07	Mon 9/3/07
Posting for Industry Comment	45 days	Tue 5/1/07	Thu 6/14/07
Comment Response Writing	10 days	Fri 6/15/07	Thu 6/28/07
Pre-First Ballot Posting	30 days	Fri 6/29/07	Sat 7/28/07
First Ballot Window	10 days	Sun 7/29/07	Tue 8/7/07
First Ballot Response Writing	10 days	Wed 8/8/07	Tue 8/21/07
Recirculation Ballot	10 days	Wed 8/22/07	Fri 8/31/07
Board Notice	30 days	Sun 7/29/07	Mon 8/27/07
Board Review	1 day	Mon 9/3/07	Mon 9/3/07
Board Approval	0 days	Mon 9/3/07	Mon 9/3/07
Meeting Coordination	#####	Mon 4/30/07	Tue 10/23/07
Board Meetings	#####	Mon 4/30/07	Tue 10/23/07
Meeting	2 days	Tue 5/1/07	Wed 5/2/07
Meeting	2 days	Tue 7/31/07	Wed 8/1/07
SPECIAL MEETING IN AUGUST?	1 day?	Mon 4/30/07	Mon 4/30/07
Meeting	2 days	Mon 10/22/07	Tue 10/23/07
TLRDT	67 days?	Wed 5/23/07	Thu 8/23/07
Meeting	2 days?	Wed 5/23/07	Thu 5/24/07
Meeting	2 days?	Tue 6/19/07	Wed 6/20/07
Meeting	2 days?	Mon 7/9/07	Tue 7/10/07
Meeting	2 days?	Wed 8/22/07	Thu 8/23/07



- June 19–20 — 9 a.m.– 5 p.m., both days, Houston, Texas — NAESB to host, reply to comments
- July 9–10 — 9 a.m.–5 p.m., both days, Toronto (Tentative) — NERC to host
- August 22–23 — 9 a.m. –5 p.m., both days, (location t.b.d.) — Carmel

9. Other businesses

10. Adjourn

Conference Call and WebEx Information

Conference Call Information

Day 1

Dial-in: 1 (732) 694-2061.

Pass code: 113405232407

Day 2

Dial-in: 1 (732) 694-2061.

Pass code: 113405232407

WebEx Information

Topic: TLR DT Meeting Day 1

Date: Wednesday, May 23, 2007

Time: 8:45 am, Eastern Daylight Time (GMT -04:00, New York)

Meeting Number: 716 500 668

Meeting Password: standards

Please click the link below to see more information, or to join the meeting.

To join the online meeting

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1. Go to <https://nerc.webex.com/nerc/j.php?ED=97819502&UID=0>
 2. Enter your name and email address.
 3. Enter the meeting password: standards
 4. Click "Join".

Topic: TLR DT Meeting Day 2

Date: Thursday, May 24, 2007

Time: 8:45 am, Eastern Daylight Time (GMT -04:00, New York)

Meeting Number: 718 854 601

Meeting Password: standards

Please click the link below to see more information about the meeting, including its agenda, or to join the meeting.

To join the online meeting

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1. Go to <https://nerc.webex.com/nerc/j.php?ED=97819507&UID=0>
 2. Enter your name and email address.
 3. Enter the meeting password: standards
 4. Click "Join".
 5. Follow the instructions that appear on your screen

Exhibit B — Attendance List

P.S. (Ben) Li	Ben Li Associates, Inc.
James Y. Busbin	Southern Company Services, Inc.
Robert De Mello	New York Independent System Operator
James Eckelkamp	Progress Energy
Frank J Koza	PJM Interconnection, L.L.C.
Tom Littleton	Oklahoma Municipal Power Authority
Tom J. Mallinger	Midwest ISO, Inc.
Carol S. Mangum-Goins	Tennessee Valley Authority
Dave Marton	FirstEnergy Solutions
Israel Melendez	Constellation Energy Commodities Group
Stephanie Monzon	PJM Interconnection, L.L.C.
Nelson Muller	OATI
Marjorie Perlman	Energy East
Narinder K. Saini	Entergy Services, Inc.
Kathy York	Tennessee Valley Authority
Laura Kennedy	North American Energy Standards Board
DeDe Kirby	North American Energy Standards Board
Ellen Louise Oswald	North American Electric Reliability Corporation
Andrew J. Rodriguez	North American Electric Reliability Corporation