

Conference Call Notes for Project 2007-03 Real-Time Operations SDT

1. Administrative Items

a. Introductions

The call was brought to order at 3:00 p.m. EDT on Wednesday, July 29, 2009.
Call participants were:

Jim Case, SDT Chair	Eugene Blick, FERC	Ted Franks, FERC
Ibrahim Oweis, FERC	Bob Snow, FERC	Chris Mak, FERC
Mike Gandolfo, FERC	Dave Taylor, NERC	Ed Dobrowolski, NERC

b. NERC Antitrust Compliance Guidelines — Ed Dobrowolski

No questions were raised on the NERC Antitrust Compliance Guidelines. In addition, FERC staff does not speak for the Commission.

c. Conference Call Agenda and Objectives — Jim Case

The objective of the call was to identify FERC staff concerns for Project 2007-03.

2. Discuss Comments from FERC Staff

The first issue was on the consolidation of the standards from the original 8 to the 3 proposed. FERC staff doesn't have an issue with consolidation per se as long as the reliability goal continues to be met. The SDT approached this project according to the steps outlined in the approved SAR. FERC staff questioned why the purpose statements from the approved standards were changed. They view the purpose statements as part of the standard and as a summary of what the standard is about. Any change to the purpose statement is viewed as a change in the reliability function that was approved by the Commission. The SDT did not approach the purpose statements in this regard. The SDT wrote the requirements and then crafted the purpose statements for the revised standards to meet the new and revised requirements as per normal practice. The SDT emphasis was on the requirements with the purpose statement as an ancillary function. The intent of the SFT was to retain existing responsibilities.

A particular of a problematic change was the deletion of the clear decision making phrase in the TOP-001-1 purpose statement. That is not in the purpose statement for the proposed TOP-001-2. The SDT deleted the requirement that matched that phrasing as being unnecessary in a standard as it was covered in other documentation. Since it was no longer in a requirement, the SDT removed it from the purpose statement.

FERC staff asked the SDT to review the existing purpose statements for inclusion in the revised standards.

The next issue to be identified was the coordination of projects. FERC staff was concerned about the notations where certain existing, approved requirements were being deleted from TOP standards as they were moved to other projects, e.g., all RC requirements were removed from TOP standards and moved to IRO standards projects to create a cleaner list of applicable standards. IRO standards would be solely for RCs while TOP standards would be for TOPs and BAs. FERC staff does not necessarily have a problem with this as long as no requirements get lost in the shuffle. FERC staff questioned the advisability of delegating the responsibility for these moved requirements to another team with no visibility of what that team might do with the requirement. Even if the other team kept the requirement intact, FERC staff questioned how all this would be handled for filing purposes. Would the affected projects all be filed together? The possibility of all projects being ready at the same time was questioned and it is assumed that NERC will not want to hold up one project while waiting for one or two others. It was suggested that a better method might be to retain the 'moved' requirements in TOP with appropriate notation that the requirement would be retired when the other projects are approved. NERC needs to look at the best way to accomplish this. [This is not so much a question for the RTOSDT specifically, but rather for NERC itself.]

The third item to be discussed was the appropriateness of the SDT revisions to the applicable FERC Order 693 directives. As an example, FERC staff questioned the deletion of TOP-004-1, R4 having to do with operating in an unknown state when Order 693 directed this requirement to be strengthened. The SDT mapping that TOP-001-2, R5 having to deal with not violating IROLs as being the resolution of this issue was not deemed as acceptable as an unknown state was not seen as equivalent to violating an IROL. The SDT did not feel that an entity could get to an unknown state without having violated an IROL and thus thought that the new requirement was sufficient. FERC staff feels that an entity could get to an unknown state and provided several examples.

1. Solar Magnetic Disturbances could place you in an unknown state as an entity couldn't definitively predict what an SMD would do at any moment in time. It was pointed out that SMDs are usually known several days in advance and can therefore be studied and appropriate operating procedures placed in effect

- and while you may be operating differently, you would not be in an unknown state and limits would be known and could be observed.
2. Catastrophic losses such as a large number of lines being taken out by weather wouldn't have been studied as they would have been considered too unlikely an occurrence. While thermal limits would still be known, stability limits may not be known in this situation.
 3. If an entity's SE didn't converge, then alarms wouldn't be issued indicating that the entity had violated an IROL because line flows would not have been calculated. The result would be that an operator would be blind to potential problems and thus would be in an unknown state.

There are several other directives where the SDT's proposed resolution is being questioned. Eugene will mark up the TOP issues matrix and send it to Ed for SDT consideration.

AI – Eugene to mark up any questionable resolutions in the TOP issues matrix and send them to Ed.

FERC staff also called into question the deletion of requirements as unmeasurable, duplicative, or unneeded.

- Unmeasurable: Since these requirements were part of the approved standard, FERC staff feels that the SDT should work to make them measurable instead of simply deleting them. If they can't be made measurable, then the SDT needs to provide sound reasoning as to why.
- Duplicative – FERC staff does not have a problem with true duplicity being taken care of but they are questioning some of the references being supplied as the reasoning behind the decision. In particular they would like to see more than just a simple listing of a standard and requirement; they would like that listing to include the reason why the SDT feels it is redundant. FERC staff also questioned whether the redundancies cited take into account all of the indicated responsible entities. For example, if the existing requirement applied to the TOP and the BA and the redundancy cited only seems to apply to the BA then the deletion of the BA is acceptable but the deletion of the TOP is not.
- Unneeded – FERC staff wants more than just a simple statement. Reasons for the requirement being marked as unneeded must be supplied.
- BA deliverability – FERC staff questioned the deletion of requirements pertaining to BA deliverability.

FERC staff raised a question about the data specifications in TOP-003-1. They felt that the proposed requirement is not clear and unambiguous as required by Order 672. It was suggested that NUC-001 could be used as a template for what was required. The SDT position on this requirement is that it is actually stronger and places the

onus of responsibility squarely on the shoulders of the correct entities to gather the data that they need to do their job. A list of item such as in the existing standards isn't needed and would not be any more effective than the proposed wording. Even the 2 bullet items that are presently shown aren't necessary as for as the SDT is concerned. They were only put in place because it was felt that FERC staff required them in previous discussions. However, if the new requirement is truly an equal and effective approach, then those 2 bullets could presumably be removed.

3. Next Steps — Jim Case

The SDT is obligated to address the issues raised by FERC staff. As SDT Chair, Jim will decide whether to do that prior to the next posting or following that posting. Regardless of the timing, the SDT decisions will be documented in meeting or conference call notes.

4. Action Items — Ed Dobrowolski

The following action item was developed during this call:

- Eugene to mark up any questionable resolutions in the TOP issues matrix and send them to Ed.

5. Adjourn

The call was adjourned at 5:15 p.m. EDT.