

Meeting Notes

Project 2013-01 Cold Weather Preparedness

SAR Standard Drafting Team

February 26, 2013 | 1:00 p.m. – 5:00 p.m. ET

February 27, 2013 | 8:00 a.m. – 5:00 p.m. ET

February 28, 2013 | 8:00 a.m. – Noon ET

Atlanta, GA 30326

Administrative

1. Introductions

The meeting was brought to order by Ed Schnell, acting chair, Tuesday, February 26, 2013 at 1:00 p.m. ET. Barb Nutter informed the team that JC Culberson resigned from the team and that Mr. Schnell had accepted the position of chair. The team was informed the Standards Committee would approve Mr. Schnell as chair at the March 2013 meeting.

Name	Company	Member/ Observer (M/O)
Ed Schnell (chair)	American Electric Power	M
Matt Averett	Southern Company	M
Jason Fisher	Minnesota Power	M
Mike Gentry	Salt River Project	M
Kevin Lynch	PSEG Power Fossil LLC	M
Barb Nutter (Standard Developer)	North American Electric Reliability Corporation	O
Kumar Agarwal	FERC	O
Steve Myers	ERCOT	O
Clem Cassmyer	Western Farmers Electric Coop.	O
Roman Carter	North American Electric Reliability Corporation	O
Bill Edwards	North American Electric Reliability Corporation	O

2. Determination of quorum

The rule for NERC Standard Drafting Team states that a quorum requires two-thirds of the voting members of the SDT. Quorum was achieved as all members were present.

3. NERC Antitrust Compliance Guidelines and Public Announcement

NERC Antitrust Compliance Guidelines and public announcement were reviewed by Ms. Nutter. There were no questions. Both were reviewed each day.

4. Review team roster

Ms. Nutter noted that since Mr. Culberson stepped down as chair the roster would be revised to reflect that Mr. Culberson was no longer on the team and that Mr. Schnell was the chair.

5. Review meeting agenda and objectives

Mr. Schnell reviewed the agenda with the team and informed the team he was unable to attend the meeting on Thursday. Mr. Schnell noted the first task of the day was to complete the presentation for the OC. Several members of the team did not receive the zip documents – Ms. Nutter agreed that documents would not be emailed in a zip file in the future.

Agenda

1. Finalize the following documents

a. Operating Committee presentation

The team spent the afternoon of Tuesday, February 26, 2013 discussing and creating the Operating Committee Presentation.

b. Revised Standard Authorization Request

The team developed the objectives and/or potential future metrics, updated the Reliability Functions and made a minor revision to the description.

c. Consideration of comments

Ms. Nutter will do a final review of the individual comments prior to the next meeting.

d. Summary responses

The team reviewed and made revisions the summaries for questions 1 through 4 that were developed by individual team members and developed the response to question 5. The main summary still needs to be developed.

e. Redline EOP-001

During the discussion of EOP-001, Kumar Agarwal, FERC staff, noted they believed the Commission would be concerned with the amount of discretion left to the Generator Owners in the proposed Requirement R7.1 *“Have an extreme winter weather preparation plan, where extreme is defined, through analysis, by the individual Generator Owners.”* If submitted with the current wording, FERC staff said the Commission may tell NERC and/or the Regions to define extreme. FERC staff explained the Commission is working toward uniformity.

Bill Edwards from legal noted a concern of subjectivity and the ultimate enforceability of the same wording. Mr. Edwards noted the NOPR for Vegetation Management where the Commission questioned if the requirements were objective enough. Mr. Edwards said that if the team decided to keep the above wording, the team would need to build a case with a good explanation as to why the team chose the wording. He noted the Commission prefers requirements to be as objective.

The team agreed to reword Requirement R7.1 to *“Have an extreme winter weather preparation plan for its generating units where extreme winter weather is defined as a significant deviation from normal average temperatures for its region.”* The team discussed that ‘significant’ may be questioned but felt that significant was easier to explain.

Lacey Ourso and Matt Gibbons, from Compliance, joined the meeting at the teams request to discuss the requirements and the associated measure. Ms. Ourso noted the requirement did not include ‘implement’. The team explained their understanding of implement meant that it had to be a perfect implementation. Ms. Ourso explained that ‘implement’ means to put into practice but the entity does not have to achieve perfection. If an event occurs after the entity has developed, maintained and implemented the plan the entity would not be penalized for the event if they followed their documented plan. Compliances expectation would be that after the event the entity would review the event and their plan to see if the plan needed updated to prevent the event in the future.

The team discussed revising the requirement to develop, maintain, and implement. The decision was made to stay on the current course for numerous reasons: 1) the outreach to date did not include implement 2) the OC presentation does not include implement 3) the industry webinar is in a couple of weeks and is in the process of development and 4) the team was still concerned over the compliance implications and industry reaction.

The team requested examples from the compliance team of what an auditor would look for from an entity to prove compliance. Mr. Gibbons gave several examples of what auditors would look: 1) the plan 2) revision history of the plan to see if/when revisions had been made 3) meeting notes to see if/when the plan had been discussed and 4) emails to the BA and GOP.

He noted as the requirement is currently worded that the auditor should not question the description of the process for significant weather.

A question was asked what would an auditor look for if the requirement included implement. Mr. Gibbons noted the auditor could ask for a sample of the plans if the entity had multiple generating units.

f. Develop Violation Severity Levels

Ms. Nutter offered to develop the VSLs for the next meeting.

g. Determine if a Guidelines and Technical Basis section needs to be developed

Currently, the team does not see a need for a Guidelines and Technical basis section for the requirement being proposed to EOP-001.

h. Determine how to reference OC Guidelines

The team was in agreement not to reference the OC Guidelines or any other documents in EOP-001.

i. Industry webinar presentation

On Thursday, February 28, 2013 the team worked on developing the industry webinar. The team had logistics questions concerning the webinar. Wendy Muller, who runs the webinars, came to the meeting and answered the team's questions on the webinar. Ms. Muller informed the team approximately 250 people had signed up for the webinar.

6. Review of meeting notes

The team approved the drafting notes from January 24-25, 2013, January 31, 2013, and February 8, 2013.

7. Review of the schedule

The team agreed to change the start date of the March 19, 2013 meeting from noon to 8 a.m. ET.

8. Action items or assignments – for March Meeting

- a. Developer – Review and finalize individual comments.
- b. Developer – Request initial quality review of the summaries.
- c. Developer – Develop Violation Severity Levels.
- d. Team – Complete industry webinar presentation

9. Next steps

- a. Finalize and present industry webinar on Wednesday, March 20, 2013 1:00 p.m. – 3:00 p.m. ET
- b. Review and finalize revised SAR, consideration of comments, redline EOP-001, implementation plan for quality review in preparation to post for 30 formal comment period in April 2013.

10. Future meeting(s)

- a. March 19-21, 2013 at NERC Headquarters in Atlanta, GA
- b. June 10-12, 2013 at NERC Headquarters in Atlanta, GA

11. Adjourn

The meeting adjourned at noon on Thursday, February 28, 2013.