



Southwest Power Pool, Inc.
OPERATING RELIABILITY WORKING GROUP

Face-to-Face, Amarillo, Texas

Wednesday, June 19, 2013
10.00 a.m. - 5:00 p.m. (CST)

Thursday, June 20, 2013
8.00 a.m. - 3:00 p.m. (CST)

• Meeting Minutes •

Action Items

Document Ramp Rate Sharing information and actions up to and including an MPRR. (Jason Smith)

Return comments for MPRR 133 by next Friday, Jason will send the MPRR to the group, reply to all with comments or that it has no reliability impact. (All)

Neil to address the questions regarding what was used for the Annual Reserve Obligation for Ron Gunderson. (Neil Robertson)

Agenda Item 1 - Administrative Items/Approve Previous Minutes/Review Agenda (Jim Useldinger/Jason Smith)

Jim started the meeting. Jason took attendance and announced that a quorum was present. Abubaker Eltieriefi is proxy for Darrel Yohnk. Minutes from Jan, Feb, and April need to be approved. **Paul Lampe motioned to approve the minutes for all 3 months. Greg McAuley seconded, the motion passed unanimously.**

Agenda Item 2 - Membership (Jim Useldinger)

No action being taken at this time.

Agenda Item 3 – Market PRR's

Proposed Consent MPRRs

Jason reviewed a group of MPRR's that staff felt like had no reliability impact. MPRR 119 - Ron Gunderson expressed a concern for the need to have this MPRR based on market concerns, not necessarily reliability concerns. Ron asked why NERC was being removed from the tagging information in several MPRRs. Jason said NERC is getting out of the software ownership so the documents should stop referring to them as NERC owned. The intent is just to generalize the information. (PRR244 and MPRR121).

Ron Gunderson motioned to approve MPRR 118, 119, 121, 122, 124, and 128 as well as PRR 244 for the reason that they have "no reliability impact", Allen Klassen seconded the motion, the motion passed unanimously.

MPRR 114 – Ron expressed concern based on the example, in his opinion it's a reliability concern. Bill asked if we were using contingency reserves as part of the EIS market solution or otherwise using them in constrained situations. Jason said the system for EIS is incapable of dispatching into offered SPIN or SUPP amounts. An OOME instruction will go into the spin or sup offered amounts if needed. There is confusion on when the ramp sharing would actually be needed or used. Jason agreed to the request to provide more information to the group. It could become a reliability issue if mishandled. Jason said to do this, the operator has to be asked if there is a capacity situation, so this would come in for a scarcity issue.

Jason suggested creating a new MPRR instead of modifying the MPRR114. ORWG could also make it a guideline document from the ORWG to the RC and address the issue that way.

Action Item: Address the concerns for the MPRR ramp sharing, developing doc for appropriate use of Ramp Sharing and reporting the use back to the ORWG. The resulting document may become an MPRR. Assigned to Staff.

MPRR 115 – The stacking is based on cost and capability. Adjustments can be made based on responsiveness. Ron Gunderson said they are only ramping the units 1 MW for the testing they are doing – currently it's a qualified or not indication, not a real ramp test. ORWG discussed creating a ramp qualification MPRR at one time. Most participants submit less for ramp capability than actual over the history.

MPRR 117 – Comments made that the language still contains many NERC identifiers. Also, 4.4.6.2 prescribed operating limits, not really prescribed by NERC. Market coordinated flowgates are determined by 4 tests as specified in the Joint Operating Agreement; It is built in IDC and then engineers do a gen to load impact analysis. If any of the tests pass, it is a coordinated flowgate.

MPRR 120 - The MPRR 120 was initially reviewed as part of the consent agenda but pulled out based on the concern expressed by Greg Sorenson related to the sentence on the top of page 7, section 8.2.2.5, being too generic.

MPRR 123 – Reviewed – no comments.

MPRR 125 – Reviewed – no comments.

Paul Lampe made a motion to approve MPRR 114, 115, 117, 123, 125 with the comments on MPRR 117 regarding the need to remove the NERC name from the software. Abubaker Elteriefi as proxy for Darrell Yohnk seconded, the motion passed unanimously.

Business Practice Review (Terri Gallup)

BPR 035 – The 19.999% increase is based on the current process. Projects that have NTCs and construction has started. Bill asked if this was part of the analysis for Reliability Impact.

Ron Gunderson moved to approve BPR 035 and BPR 036 pending review by PCWG considering the requirements of the transmission services already sold is included in the analysis. Paul Lampe seconded the motion. The motion passed unanimously. Shortly after passing the motion, Terri responded to the group with the reference to the statement that existing, sold service is reviewed in the analysis.

Agenda Item 4 – CLIP Process – Wind/NDVER Curtailment Process Proposal (Don Shipley/CJ Brown)

Don discussed the CLIP process which was developed in March to improve the process of communication of wind curtailments to affected parties. CLIP is an acronym for Capacity Limit



Implementation Process. In a situation where the wind resource is not dispatchable, CME, or TLR activity is not relieving congestion, the RC's have been calling the wind farms and issuing directives based on constraints as a manual dispatch. The RC contacts the wind farms based on impact of 5% or greater. The current process can take 30 – 40 minutes to do the calls, etc... before all of the requested relief is achieved. This requires the RC to start earlier, curtail deeper, update less often, and stay in the curtailment longer than if the process were not so time consuming. Internal SPP Compliance said a purely email based process would need to be have part of the process performed over the phone with 3-part communication instead of just the email.

Greg McAuley wanted confirmation that this is only for non-dispatchable resources; the others are already dispatched through the Market and/or TLR process. COM-003 is still applicable– how will it be addressed with this process? Don said something would have to change based on COM-003 since it is an instruction. None of the “take or pay” contracts among the entities addresses this as directives, based on emergency conditions. Bill Grant suggested that it is based on the speed that the congestion needs to be addressed. SPP sees the CLIP process as a continuation of the Congestion Management process. These are not true emergency situations, because they are based on N-1, not real time overloads.

The NERC definition of system emergency is when all means are exhausted. Don doesn't see this as an emergency. Bill can't dispatch it contractually without the directive. Ron's contracts say reduced for reliability reasons, as opposed to economic reasons.

Bill agrees that this is not an Emergency, until it reaches an SOL or IROL emergency. Jim U asked how they get instructions now; Bill said that right now they don't get the instructions. Curtailments for the resources with tags are not financial now. Bill asked if it were a difference between a CAT and a Must curtail flag. Don said this is a Must curtail, which means it's financially binding. It is an expectation that the unit would move, if they don't it would be issued as a directive.

Cory Lineville suggested a change in the email stating that it is for reliability emergency. The problem is not with the units moving based on reliability; it's the financial side that causes the problem which would be based on an MWG objection. Greg asked if the wind farms would sign an agreement amendment. From a reliability perspective it is a good proposal, but based on the payment request after the fact. This is in accordance with congestion management process – it is not an emergency until it becomes an SOL or IROL.

Bill asked if we could ask for an opinion from the RE. Don said that we could, in this case, the SPP Compliance Dept had an answer. Greg Sorenson said that if it's a well documented process and the expectation is to take action on the email is known by the recipients of the email... it could be added in to the process; this is with the caveat that if they don't follow the instruction, the directive will be issued. This will change their output signal. The Market Protocols say it is a MUST curtailment with a financial responsibility. Is there language of the MP offering an equivalent redispatch? There isn't now, but we would be open for that type of discussion.

Don will describe this information to the Wind Conference next week. All will work on the language to determine if there is better language to work towards the middle. The end goal is the same, minus the phone call and having to do the three part communication process. Don will provide updates to the ORWG based on wind conference discussions.

Agenda Item 5 – SOLs (Greg Sorenson)

Greg Sorenson, SPP RE, reviewed his presentation. TOP has the primary responsibility for determining the SOLs based on FERC Order 748. The TOP determines the flowgates but has to use the RC's methodology to determine the SOLs. It's in Criteria 12.3 – this contains the planning side, too.

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SOLs are specific to flowgates for the RC's methodology. They must also explain that the flowgates defined protect their system for voltage, stability, and facility rating limits. If a stability problem exists, must be able to connect the two sets of information. Cory Linville was told in an audit, that all facilities are SOLs. The clarification is that all facility ratings must be protected by SOLs. Jason said the use of temp flowgates may help with the methodology considerations. Temp flowgates are created as new SOLs if ratings are not being adequately protected by the remaining set of SOLs.

When Protection Systems come out of service, additional studies may be needed. The RC and TOP's would work together to create an Op Guide for the situation.

There was discussion regarding seeing a new warning of against a facility rating or voltage alert. That would not be in violation of Criteria 12 as the RC would need to be told about it, so it can be put into the SOLs that the TOP and RC are supposed to monitor. RTCA information should be looked at regularly or alarming at a 4 – 10 minute interval, not necessarily a 30 second interval. Does the RE expect them to keep RTCA results? No. If used for outage studies, you should keep those results. Is it for the entire case or just the output? The output should be okay.

Agenda Item 6 – Appendix 7 clean up. (Jason Smith)

Jason displayed the changes to Appendix 7 based on the removal of the Load and Capability requirement that was approved in June. The language change here just clarifies that data was no longer required after June 1. **Ron moved to approve, Paul seconded it, the motion passed unanimously.**

*End of Day 1. Adjourned at 4:54 PM.
Day 2, started at 8:05 AM.*

Agenda Item 7 – CBA Operating Protocols (Carl Stelly)

Jason asked if Carl needs anything from ORWG for their next steps. Carl just needs the ORWG to have an opportunity to review the information. A mechanism for input is needed.

Carl provided background for the CBA protocols. They plan to put out information every other Wednesday, asking for feedback from the CBASC by the following Friday. The iterative approach seemed to be better to address new items and clarifications for the protocols. Tie Line Frequency and Emergency Operating Data were included early on. This is not a duplication of Market Protocol information.

Greg McAuley said they need the data to capture the residual load. Dennis uses the information that is available the next day which is available. They are trying to get away from performing reliability functions that they don't need to do. Greg and Ron agree that the communication between TOPs are an important part of catching errors early. The companies need to work out what will occur possibly as a best practice. Allen George agreed that his understanding was that the communication will continue. Jason will make sure Carl has the email list to include in the updates to the Operating Protocols.

MPRR question follow-up from Day 1

Micha Bailey, from Market Design (along with Wayne Camp) joined the call.

MPRR 120 questions – Jason displayed page 7 where the question was posed by Greg Sorenson. The spinning reserve offer is zero for everything other than CTs and Hydro, its above zero if synchronous. Wayne said there is no incremental cost with spinning reserves. The offer if mitigated for spinning reserves, the offer is set to zero and you're a price taker at that point getting the MCP which includes opportunity costs. The determination was made to leave the language as is inside the MPRR.

MPRR 133 GFA Carve Out (Wayne Camp)



Wayne reviewed the MPRR. Ron would like time to review the MPRR prior to voting or deeming it no reliability impact. The last day for MWG to submit materials for July MOPC is July 5. It is possible that the group could do an email vote. Jason will send out a request for comments by next Friday. If needed, a meeting would be scheduled to discuss.

Ron Gunderson moved that MPRR 120 does not have reliability impact. Greg McAuley seconded the motion. The motion passed unanimously.

Agenda Item 8 – Black Start/Restoration Plans Status Updates (Jason Smith)

An approval and/or comments should have been received for new TOP plans. SPP used a 2 part review before providing approval. SPP compared the plan to ensure the EOP-005 requirements and RC Plan requirements were included sufficiently. Then the plan was compared with all the neighboring TOP plans to make sure that tie points, processes, etc. were coordinated. The TOP approval letter was sent, specific to the revision/dated copy in hand. These actions meet the requirements for July 1. Jason will discuss best practices in the August meeting. This will help with consistency within the footprint.

Greg McAuley mentioned a meeting that the RE. Jeff Rooker indicated that the RE will primarily be looking for the approval from the RC. Greg Sorenson indicated that this is still the case; the RC audit will need to be able to demonstrate the review process.

Agenda Item 9 – Annual Flowgate Review/TRM Review (Jason Smith)

TOPs have the information through the TWG and have approved the proposed changes. These are SOLs so they will need to be verified for SOL requirements. The new permanent ones in this sheet will be in the 5000 number range.

Jason reviewed the TRM Review spreadsheet. He described the calculation of TRM as a review for the group. The provided list of new Flowgates will take effect July 1, 2013.

Some entities have indicated that they are leaving the RSG; most will stay members of SPP and remove the RSG as a service they receive. A TRM update will be needed in December when those entities leave the RSG.

Allen Klassen moved to accept the review of the Flowgate Study and TRM values. Paul Lampe seconded the motion. The motion passed, Ron Gunderson abstained from the vote based on concerns related to using the single value TRM as it may not represent available transmission capacity going forward after the RSG membership change.

Agenda Item 10 – Annual IROL Review (Neil Robertson)

Neil reviewed the list of IROL flowgates. Greg asked if there was a formalized procedure for periodic review or removing IROL designations. There is not one for removing IROL flowgates. On an annual basis, Neil restudies the impact to the BES that created the original evaluation to see if the impact was still there. If the need has changed or perhaps upgrades have removed the need for the IROL, the proposal is brought to the ORWG.

Jason showed the Cooper South area on the map. Based on upgrades in the region, the IROL is no longer needed. There should be a new IROL Relief Guide that no longer includes Cooper South as an IROL. Other flowgates are being studied and may cause other changes to be proposed.

If Neil identifies a change, his first step is to be in contact with the TOP(s) involved. Typically July 1 is when the Annual review is completed and Jason sends an email to the exploder once the document is updated. The revised IROL Relief Guide with COOPER_S removed will be provided by end of next week.

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Agenda Item 16 – Other Items

Kyle brought up an SPS concern related to calling the RC for every SOL limit exceedance. There is a concern that the requirement is interpreted that for each and every exceedance of the limit, the RC must be contacted and evidence generated. SPS and SPP had discussed this briefly and tried to capture the philosophy on paper.

Greg Sorenson suggested adding some information related to a call back if a certain percentage is reached beyond the initial call. How long before another call? This type of process could be an acceptable form as a procedure. Ron suggested that the TOP and RC determine the parameters of more communication. Ron Losh suggested the log entry with the discussed mitigation (TLR, etc...) then a call is only needed if something changes from the plan or if the issue goes away and then comes back.

The consensus was that this was not a major concern. Jason suggested offering to the RCWG some sort of philosophy statement if that would help. One-off write-ups can be reviewed by SPP RC as needed.

Agenda Item 11 – Firm Load Obligations, EIS Energy, EEA's (All)

Another concern that has been ongoing is the use of EIS energy and serving firm load obligations and whether or not that constitutes being in an EEA or not. Greg read EEA language from EOP-002 as it related to the RC and BA requests; the RC makes the decision on the level now. The BA (or LSE) can request it, but the RC makes the decision based on their criteria. If there was plenty of energy available in the Market, the BA may be leaning on the Market but that is not necessarily a reflection that reliability is threatened or that it is an emergency. SPP RC considers EIS Market energy a purchase, without regard to cost and considers it as the BA taking action. The BA is not relieved of the responsibility to purchase the power through traditional bi-lateral agreements when available. That is a tariff requirement, but is independent of the real-time EEA concerns. The most important point is that the BA should be discussing with the RC and SPP Market Operators to determine how likely the supply of EIS energy is going to continue.

Agenda Item 12 –NERC Operating Committee Update (Jim Useldinger)

Jim Useldinger provided an update to the group regarding the Reliability Plan updates based on MISO membership changes. MISO went to the NERC Operating Committee with approvals from various RE areas. The OC members brought up similar concerns brought up by the ORWG. The joint members decided to do more studies to determine reliability impacts. Studies were performed. There was a conference call by the OC today approving the MISO Reliability Plan. This is not posted with meeting material. The ORCA – Operations Reliability Coordination Agreement was created, agreement executed and signed. 3 phase transition period setting the stage for SEAMS agreements. Phase 1 – begins Dec 19. Phase 2 – April 2014, Phase 3 – complete by Jan 2015.

Jason hasn't been involved in the studies; they are more from the planning model. They were mostly identifying new flowgates that weren't coordinated in the past. Don said his involvement lead to the understanding that more time was needed for analysis of the impact. Now JOA will need to be managed based on the more developed study process.

Agenda Item 13 – Criteria 6/Contingency Reserve/LDCAP retirement discussion (All)

There were no questions related to the retirement of the LDCAP. The April MOPC meeting and the last ORWG meeting, there was a concern that there was a significant economic impact due to not re-calculating on a daily basis the total amount of reserves needed by the group. Jason reviewed the draft document of the Annual Obligation Calculation impact analysis. Basically a long outage on one of the top two units in the RSG would result in the group carrying more reserves than they would have had to under the old process. The longer the outage the more the cost of course. The cost could be upwards of



\$1million each year. There are no scheduled outages from now until Dec 19 that would affect the reserve obligation so the expected impact through the end of the 2013 year is expected to be low.

Ron G suggested that a way to handle the calculation would be to set and keep the share ratio constant and just change the amounts on a daily basis based only on the size of the top two units. Jason asked if it's worth keeping up with for 1 – 2 day outages. Forced outages are usually 3 – 7 days minimum. How complicated would that be for the operations side to make changes? The concern is does there need to be some time threshold set. Greg commented that the ritual of monitoring the reserve requirement is stopped and when the amounts need to change, the operator may not be looking for it. There would need to be a process with parameters. There is a significant savings once the total requirement changes.

Daily should be the minimum time period for any total group number changes. Ron G is used to getting the number when it changed with a message acknowledgement. It is posted on the RSS terminal. Kyle would be better with a daily report. The group decided to use the daily notification idea and changes would be expected for outages with the top 2 units.

This would be a criteria change reverting back to some of what was there before. Could be posted in Current effective obligations now and going forward. The change wouldn't be effective until December.

A recent DCS event report was reviewed, 2 units within minutes of each other were lost. Further data is being collected to determine when the true event start times occurred.

Agenda Item 14 – COM-003-1 Discussion (Robert Rhodes)

Robert reviewed his presentation. There are processes put in place to handle controversial issues.

The drafting team is still trying to develop a standard. Successful ballot as of this morning. Reliability directives required to use 3-part communication. RC ultimate approval remained without the coordination requirement. Tried to remove the internal controls, and move to a results based performance standard. Miscommunication because of not adhering to protocols and the operating instruction was escalated to a reliability directive, then a violation.

The outreach may not have included the right people for conferences and discussions. There will have to be coordination amongst the RCs in this as in other standard compliance. This is because if a TOP operates in multiple RC areas, the plans will need to be similar enough that the operator doesn't have to know and follow multiple plans to meet compliance.

There will be a call scheduled to discuss this.

Agenda Item 15 – NERC Activity/Standards Update (Robert Rhodes)

Robert provided a synopsis of current Standards Development activity.

Agenda Item 16 –Other Items

Don Shipley quickly discussed the Gas/Electric Coordination Task Force. They meet monthly focusing on FERC Technical conferences right now. The goal for now is situational awareness improvements at the operational level and FERC's recognition of regional differences.

Agenda Item 17 – Next Meeting/2013 Meeting Schedule

7/23/13 – cancelled

8/15/13 – WebEx

9/11/13 – Face to Face TBD maybe OKC (or LR)

10/31/13 – cancelled

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11/14/13 – WebEx
12/19/13 - WebEx

Agenda Item 18 – Summary of Action Items (Kathy Myhand)

Document Ramp Rate Sharing information and actions up to and including an MPRR. (Jason Smith)

Return comments for MPRR 133 by next Friday, Jason will send the MPRR to the group, reply to all with comments or that it has no reliability impact. (All)

Neil to address the questions regarding what was used for the Annual Reserve Obligation for Ron Gunderson. (Neil Robertson)

Agenda Item 19 – Adjourn (Jim Useldinger)

Meeting adjourned at 2:48 PM.



Operating Reliability Working Group

Meeting Attendance: 6/19-20/2013

M=Member, G=Guest, S=SPP Staff, P= Proxy

Day 1	Day 2	Name	Status	Company
X	X	1 Allan George	M	Sunflower Electric Power
X	X	2 Allen Klassen	M	Westar Energy
X	X	3 Danny McDaniel	M	CLECO
X	X	4 Gregory McAuley	M	Oklahoma Gas & Electric
X	X	5 Jim Useldinger	M	Kansas City Power & Light
		6 John Stephens	M	City Utilities of Springfield Missouri
X	X	7 Kyle McMenamin	M	Xcel Energy (SPS)
		8 Mike Wech	M	Southwest Power Administration
X	X	9 Paul Lampe	M	City of Independence
X	X	10 Ron Gunderson	M	Nebraska Public Power District
X	X	11 Steve Haun	M	Lincoln Electric System
X	X	12 Walter (Todd) Gosnell	M	Omaha Public Power District
X	X	13 Dennis Sauriol	M	American Electric Power
		14 Darrel Yohnk	M	ITC Great Plains
X	X	15 Michelle Corley	G	CLECO
X	X	16 Jason Smith, Secretary	S	Southwest Power Pool
X	X	17 Kathy Myhand	S	Southwest Power Pool
	X	18 Micha Bailey	S	Southwest Power Pool
X	X	19 Kristen Rodriguez	G	The Wind Coalition
X	X	20 Robert Rhodes	S	Southwest Power Pool
X	X	21 Greg Sorenson	S	Southwest Power Pool RE
X	X	22 Corey Linville	G	Sunflower Electric Power
X	X	23 Ron Losh	G	Southwestern Power Administration
X	X	24 Don Shipley	S	Southwest Power Pool
X	X	25 Neil Robertson	S	Southwest Power Pool
X		26 Kevin Carter	G	Duke Energy
	X	27 Wayne Camp	S	Southwest Power Pool
X	X	28 Bryn Wilson	G	Oklahoma Gas & Electric
X	X	29 Abubaker Elteriefi	P	ITC Great Plains
X	X	30 David Pham	G	Empire District
X		31 Bill Grant	G	Xcel Energy (SPS)
X	X	32 Tom Mayhan	G	Omaha Public Power District
X	X	33 Curtis Tarwater	G	Customized Energy Solutions
X	X	34 Mark Robinson	S	Southwest Power Pool
X	X	35 Don Hargrove	G	Oklahoma Gas & Electric
X	X	36 Scott Maple	S	Southwest Power Pool
X	X	37 Noumvi Ghomsi	G	Missouri Public Service Commission
X	X	38 Terri Gallup	G	American Electric Power
X	X	39 Carl Stelly	S	Southwest Power Pool

Jason Smith

From: Yohnk, Darrel <dyohnk@Itctransco.com>
Sent: Wednesday, June 05, 2013 4:57 PM
To: Jason Smith; Useldinger, Jim
Cc: Elteriefi, Abubaker
Subject: Proxy For Upcoming ORWG Meeting

Jason/Jim,

Abubaker Elteriefi (Abu) will proxy for me for the upcoming 6/19-20 ORWG meeting.

Thanks,

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