



Southwest Power Pool, Inc.

OPERATING RELIABILITY WORKING GROUP

Teleconference/WebEx

Thursday August 15, 2013

2:00 p.m. - 5:00 p.m. (CDT)

• **M I N U T E S** •

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

Chair Jim Useldinger opened the meeting at 2:02pm. Jason took attendance. Abu Elteriefi has a proxy for Darrel Yohnk. Jason announced that a quorum was present. A motion was made by Paul Lampe to approve the June ORWG minutes. Mike Wech seconded. The motion passed unanimously.

There were several MPRR's and other market related documents that were removed from the agenda. Some reasons included failure to include them in the meeting materials and others were simply not yet ready for discussion. The documents removed were: MPRR's 69, 101, 130, 138, the draft Wind Forecast non-disclosure agreement, and the draft definition of Local Reliability Issue.

MPRR Review (Micha Bailey)

MPRR 133 was previously reviewed and approved as having no reliability impact via an email vote. It is mentioned during the meeting in order to document the approval and vote in official minutes. Micha informed the group that the MPRR was filed with FERC in docket ER13-2078.

MPRR 106 General Corrections and Clarifications (Settlements clean up)

The changes were reviewed and no reliability impacts were identified.

MPRR 134 Auxiliary Load Generation Modeling

The changes were reviewed and no reliability impacts were identified.

MPRR 132 Reserve Sharing Group Registration and Settlements

There was discussion related to Attachment AK, section II. The wording may need to be updated as the language there states that the RSG member BA's must notify the Transmission Provider of a contingency by issuing an event in RSS. It's not an impact to reliability, but the Market Design staff at SPP will take that comment back to Regulatory. It was also pointed out that it appears that none of the Market Registration documentation is contained within an official document. There were no reliability impacts identified.

MPRR 136 Calibration Clarifications

The changes were reviewed and no reliability impacts were identified.

MPRR 127 Resource Offer Parameter Clarification

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The changes were reviewed. There was discussion that the language included in the MPRR does not seem to dictate that the Hot-to-cold time must be greater than the Hot-to-Intermediate time. The result would not impact any reliability situation or commitment of the unit, but could only impact the settlement. Therefore it was deemed as not a problem for approving. However the Market Design team did take a note to verify that the system validation documents, used for testing the software, did include that limitation. Gay Anthony verified that the logic was included in the software, so it should not be an issue. No detrimental reliability impacts were identified.

Ron Gunderson moved that MPRR 106, 134, 132, and 136 be approved as having no reliability impact and to approve MPRR127. Paul Lampe seconded the motion, the motion passed unanimously.

BPR Review – BPR 038 Delivery Point Addition Process (Jason Smith/Jody Holland)

The language was reviewed and no reliability impacts were identified.

EIS Market VRL Analysis (Kevin Bates) Violation Relaxation Limit

Jason presented the annual VRL analysis. The purpose is to review if it needs to be changed for any market related or reliability related issues. Ron brought up a concern about exceeding SOLs. Ron asked if exceeding the SOL will get us into compliance issues. He suggested that perhaps the VRL percentages may need to drop, so the market is moving to correct congestion before they reach an SOL. Jason explained that the economic dispatch solution moves the generation as soon as it predicts the flow going over the limit which is ten minutes out. For exceedances that occur shorter than that, usually a line has tripped or there was an unforeseen generation deviation or load deviation. Bill Nolte asked how long the existing relaxed VRLs have been in place. They have not changed since 2011. The recommendation in the report is to make no changes at this time.

Paul Lampe motioned to approve the VLR Analysis report as reviewed in the ORWG meeting. John Stephens seconded. The motion passed unanimously.

Reliability Plan Review (Terry Oxandale)

Jason reviewed the proposed changes which only reflect the December membership changes. This will remove the Constellation entities and SPP won't be the RC for anyone in the SERC RE. Robert said the new version of an IRO standard doesn't require a Reliability Plan, so they may be going away in the future. Ron had a couple additional changes to section G related to the restoration section. Jason made the changes on the WebEx displayed version of the document.

Ron Gunderson moved to approval the Regional Reliability Plan as amended. Greg McAuley seconded the motion. The motion passed unanimously.

NERC Activities (Robert Rhodes)

Robert has been sending several emails with information for calls, requests for comments, etc. There are about 14 standards looking for comments. See the SPP website calendar for dates/times.

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Four documents that have been put forth by the five year review teams. Robert said if you'd like a call on the NUC Standard changes, let him know. COM-003 as discussed in the June meeting. Robert said the balloting related to COM-003, did not go very well. The standard may be gone based on lack of support. The Standard Drafting Team will ask FERC for direction on the intent of COM-003.

Reserve Sharing Group

a. Update from MOPC (Jim Useldinger)

Jim presented the DCS event failure to MOPC. There were no real comments on the event or the extra reserves that SPP is carrying as penalty. The other was a close out of the action item related to the cost of going to the annual Load and Capability number versus evaluating the total contingency reserve requirement on a daily basis. There were not many comments related to that. The ORWG still has some work to do on this.

b. DCS Event Failure 4/16/2013/Penalty Allocation Methodology Discussion (Jason Smith)

Jason summarized the event again. Two units tripped within 40 seconds of each other, one was a clear trip the other was the loss of a pump so it took almost a minute to come down. The recovery was insufficient for the 15 minute timeframe. SPP and Compliance determined the best way to report the event. The question became when the recovery period actually started since it was a combined event. SPP reported to the SPP RE, failed by 216 MW. We would carry an additional 216 MW through October.

On Aug 1, SPP re-filed a report with the RE's that we reevaluated our response and therefore were only 99 MW short. The 99 MW were split out among the people involved that did not meet the response.

Ron asked if we did a self-report or just filed the regular DCS reporting. SPP did not do a self-report as the current version of BAL-002 does not really envision that.

c. CRR/Discussion for altering Total RSG Obligation methodology – December 2013 Membership Changes

Jason reviewed the June meeting's discussion regarding a possible change to the total RSG contingency reserve obligation. Since the 100% and 50% of the two largest units don't get assessed on a daily basis anymore, this can lead to a big lost savings once Entergy is not in the RSG. The reason is that the size difference between the top two units is a lot larger once Entergy leaves. The discussion was that the group could use static pro-rata shares, but assesses the total amount on a daily basis again, beginning in December. Several on the call indicated that they would be in favor of this change.

Jeff asked if each BA's reserve obligation could be a point exchanged by ICCP. This would eliminate a risk of the daily change in the requirement not being seen. Ron Gunderson agreed that this would be a good inclusion. Jason will see if that is possible.

Jason will continue work on a CRR to edit the total methodology for the post December situation.

d. Section 6.4.2 – Revisit the "must enter" requirement /CRR 006 Adjust Must Enter Requirement for Op Reserve Contingencies

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Jason reviewed the draft CRR 006 information from the meeting materials. Currently there is a 50 MW must enter requirement for contingencies. During internal SPP staff discussions it was brought up that it was largely frivolous to be entering small events in RSS all the time, since SPP would never be calling on reserves from any other member. This because SPP CBA would be carrying over 1,000 MW of reserves for the group.

Allen remembers meetings discussing when people had to push the button. He requested to discuss this again at a future meeting, so he can review the reasons that the requirement was put in place.

Allen was able to find notes from March 2006. It was a request from MWG to clarify when an entity was required to enter an RSS event so that MWG could cleanly define who had to pay for it. It is not clear if that situation would still exist in the Marketplace.

e. CRR 005 OEC Report submission contact information

The only change here is to add a new email address for OEC Reports to be sent to. This is OECEEReports@spp.org.

Ron Gunderson moved to approve CRR005, Paul Lampe seconded the motion, the motion passed unanimously.

f. Other discussion

There were some questions brought up regarding the DCS failure penalty allocation. Specifically if the contingent BA was very slow to enter the event in RSS. Jason showed the Florida RSG penalty allocation matrix information which was discussed in the meeting. The Florida RSG version seemed like a good start. Jason will create a draft and leave off the 20% socialized piece as Florida had it. AECl would like a copy of the draft; they may not be at the Sept meeting. Jason will send it to the ORWG exploder.

Other Items (All)

Gary Snow brought up two questions from the CBASC. First is that members were concerned with the statements that SPP is going to be the BA during the deployment tests. Since SPP will not be officially registered, this may be a compliance issue. Jason suggested that sentence may just need to be reworded or rearranged. The second was whether ORWG had any concerns with continuing ADI into Marketplace. AECl is currently interested in participating, but not sure yet. There were no real concerns. However the deployment test plans need to include ADI so that it is ensured it works reliably.

Next Meeting (all)

8/30/2013 WebEx 1:00pm – 4:00pm (MPRR REVIEW NEEDED)

9/11 -12/2013 Face-to-Face Little Rock, AR 10:00am(9/11) – 3:00pm(9/12)

10/31/2013 WebEx [Meeting Cancelled]

11/14/2013 WebEx TBD

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12/19/2013 WebEx TBD

Adjourn (Jim Useldinger)

Jim adjourned the meeting at 5:41pm.

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From: [Yohnk, Darrel](#)
To: [Jason Smith](#); [Useldinger, Jim](#)
Cc: [Elteriefi, Abubaker](#)
Subject: ORWG Conference Call
Date: Thursday, August 15, 2013 12:44:35 PM

Jim/Jason,

Unfortunately I will not be able to attend the conference call this afternoon. I have asked Abu Elteriefi from our Operational Engineering group to be my Proxy for voting items. He had planned on attending anyway and is up to speed with the agenda.

Thanks,

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Operating Reliability Working Group

Meeting Attendance: 8/15/2013 WebEx

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

Attended	Name	Status	Company
X	1 Allan George	M	Sunflower Electric Power
X	2 Allen Klassen (Vice-Chair)	M	Westar Energy
	3 Danny McDaniel	M	CLECO
X	4 Gregory McAuley	M	Oklahoma Gas & Electric
X	5 Jim Useldinger (Chair)	M	Kansas City Power & Light
X	6 John Stephens	M	City Utilities of Springfield Missouri
X	7 Kyle McMenamin	M	Xcel Energy (SPS)
X	8 Mike Wech	M	Southwest Power Administration
X	9 Paul Lampe	M	City of Independence
X	10 Ron Gunderson	M	Nebraska Public Power District
	11 Steve Haun	M	Lincoln Electric System
X	12 Walter (Todd) Gosnell	M	Omaha Public Power District
X	13 Dennis Sauriol	M	American Electric Power
	14 Darrel Yohnk	M	ITC Great Plains
X	15 Jason Smith, Secretary	S	Southwest Power Pool
X	16 Kathy Myhand	S	Southwest Power Pool
X	17 Thomas Teafatiller	G	Southwest Power Pool RE
X	18 Noumvi Ghomsi	G	Missouri Public Service Commission
X	19 Dave Milam	G	Kansas City Power & Light
X	20 David Pham	G	Empire District Electric
X	21 Gary Snow	S	Southwest Power Pool
X	22 Jeff Harrison	G	Associated Electric Cooperative
X	23 Lee Anderson	G	Lincoln Electric System
X	24 Phil Hart	G	Associated Electric Cooperative
X	25 Ron Losh	G	Southwest Power Administration
X	26 Bill Nolte	G	Sunflower Electric Power
X	27 Bryn Wilson	G	Oklahoma Gas & Electric
X	28 Tom Mayhan	G	Omaha Public Power District
X	29 Abu Elteriefi	P	ITC Great Plains
X	30 Robert Rhodes	S	Southwest Power Pool
X	31 Craig Speidel	G	Western Area Power Administration
X	32 Robert Safuto	G	Customized Energy Solutions
X	33 Vince V	G	City Utilities of Springfield Missouri
X	34 Jim Krajecki	G	Customized Energy Solutions
X	35 Micha Bailey	S	Southwest Power Pool
X	36 Gay Anthony	S	Southwest Power Pool
X	37 Jared Greenwalt	S	Southwest Power Pool
X	38 Don Hargrove	G	Oklahoma Gas & Electric