

Southwest Power Pool
OPERATING RELIABILITY WORKING GROUP MEETING
February 12, 2014, 1:00 p.m. – 5:00 p.m.
February 13, 2014, 8:00 a.m. – 3:00 p.m.
Doubletree, Dallas, Texas

• Summary of Action Items •

1. Jason to ask Generation Working Group, if the 10 years is consistent with the 5 year association in other sections of the document?
2. Staff to review and report in 3 months what Wind Integration Study assessments are planned to be run for the next few years and the expected output of the assessments.
3. Jason will bring an initial set of post go live monthly type metrics to the group.
4. Demonstrate how SPP BA is aware of the reserve capabilities following an event.

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• M I N U T E S •

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

Jim called the meeting to order at 1:04 p.m. Jason noted that the CWG is meeting down the hall from ORWG and there is a joint discussion on the agenda. When CWG gets to their agenda point, ORWG will take a break and move temporarily into the CWG meeting room.

Requests for additional agenda topics:

- Greg McAuley requested to discuss EOP-005 specifically related to the hand off with SPP as the BA.
- John Stephens continues to have concerns related to the MPRR 155 discussed in the last call. He would like to review the timeline related to this.
- Allen Klassen requested to discuss headroom for cold weather.
- Allan George would like to discuss Criteria 2/Planning Capacity (possibly when Bruce Rew is here)

Previous minutes are not posted at this time for review.

Agenda Item 2 – Capacity Accreditation Review (Scott Jordan/GWG)

The Generation Working Group (GWG) has approved draft language, but has not given to MOPC yet. Jason reviewed the language on the WebEx. The information was not part of the meeting material. The information is based on changes to Load hours, not output hours.

Ron asked if SPP awards capacity to any generator that isn't serving load. This is for wind and solar, if there is no LSE associated, what do they do? They don't need to show they have a capability. If it's with an LSE they must have the capacity. Greg asked if they use capacity from a Wind Farm to bid in for load the next day, is that part of this? Jason said this is more of an Annual value. According to Criteria 2, each Load Serving Member in SPP must show a capacity margin of at least 12%. And that capacity must be calculated according to the methodology in Criteria 12.

This indicates how well the resource follows the load pattern, but in general if it follows the load pattern well, it will get a higher accreditation.

The discussion shifted to the general resource planning requirement on SPP members. The SPP requirements are very vague and high level. The question was asked if SPP does LOLE studies. Yes, SPP Staff does it. It has been reported to MOPC in the past. The results are presented to different Working Groups. No one group currently owns it. It serves to validate the 12% capacity margin in Criteria 2. Now that SPP will be the BA, is there a need for reviewing the capacity obligations? The question is still open. It may be time to create a Resource Planning Working Group to cover BA sufficiency.

In reviewing section v.a (5), there was a question from Darryl Yohnk about the 5 year period. How do the data points factor into 10 years instead of 5?

Action Item: Confirm with GWG representatives if the 10 years is consistent with the 5 years in other sections of the document?

Greg Sorenson suggested reviewing page 37 of the current State of the Market Report. Jason displayed the chart. The drop off of wind capacity for the peak hour could be based on the heat periods, it does drop over the 4 years covered in the chart.

Ron Gunderson expressed concerns about available capacity in the future based on government requirements, gas prices, EPA, etc... The Market only pays for energy, the units needed for capacity don't get paid. Only the incremental costs are being paid. If it only gets dispatched a small number of hours each year, they could elect to retire them. The general consensus was agreement with that statement. Jim Useldinger suggested that this be the "another study" that is being requested, in round-about terms, at MOPC, when the thought of another Wind Integration Study was brought up. This may be added to more discussion on another agenda item, Wind Integration Study.

Agenda Item 3 – CBASC Update/Review

Jim said nothing is happening until after go-live on this.

Agenda Item 4 – IM Go Live (Joint with CWG)

ORWG took a break and moved into the room with CWG. CWG minutes contain further details on the discussion. Only ORWG applicable items discussed in these minutes.

Notes from meeting with CWG

Go Live Discussion

Casey reviewed his presentation.

Behavior Risks included in the slides:

1. Inflated bids for DA aligned with load forecast.
2. Control Modes submitted incorrectly.
3. Meter data submission accuracy more accurate during deployment tests, some can't do control modes outside of the deployment tests.
4. Import/Export/Through interchange submissions
5. CROW Outage data submission
6. Resource Commitment/Decommitment communications
7. DA Mkt Submittals at Market Close

SPP's Multi-Day Reliability Assessment may commit resources for go-live prior to 3/1 in preparation for 3/1. Typically these would be long-lead resources that SPP may see need to be online.

Greg McAuley asked about the criteria for keeping MW online that may have been released – headroom. What happens with resources online at the go live time? They are treated as continuing in the market, the COP True up determines what is online already. Therefore no start up costs will be paid.

Ron Gunderson asked how Ramping Capability is defined. It is the amount of capacity to ramp between the hour. 5 MW/min in ramp is 300 MW ramp for the hour.

Headroom discussion

Based on the discussion and the timeframe for backing down the headroom, the group decided to modify the proposed plan and require SPP to commit a minimum of 1260 MW of headroom for 4 days, then SPP has the option to reduce the required headroom to 750MW for 2 days then 500MW going forward. The change was to increase the headroom on the first 4 days from 1000 to 1260. This was based on the fact that SPP's biggest generation contingency is approximately that size.

Additional Meeting

There is a planned Joint Working Group meeting with MWG, ORWG, CBASC and CWG on 2/26 for 3 hours. The time is still being discussed.

- Agenda items for the joint meeting:
- Deployment Test debrief
- Regulation Priority Test debrief
- Last Minute considerations before go live
- Headroom

ORWG adjourned for the day.

ORWG re-convened at 8:00am on Thursday.

Agenda Item 5 – RE Update to ORWG (Greg Sorenson)

Greg Sorenson presented the material provided with the meeting information related to the RE. Darryl said there are technical conferences for the TOP and IRO standards related to the FERC changes. One is in St Louis and one in DC.

Ron asked if SPP has looked at the requirements for BAL-003-1 for historical information from the BA perspective. Jason said the data has been pulled, but not reviewed or suggested changes at this time. Ron suggested we revisit this after Market Go Live.

There is a cold weather guideline for generators, put out by NERC a year or more ago. There is a questionnaire that has been sent out to request information about cold weather events for the events analysis process. Mike Wech mentioned the questionnaire, which is different than what Greg S. is discussing from a compliance perspective.

Ron asked how we were going to keep the secured infrastructure concerns from getting out of hand. Data, reports, etc. are in visible places where no special industry access is needed to get to information that could lead to sabotage.

There was significant discussion related to the EOP-004-2 reporting. Greg researched the EOP-004-2 question and found it is the complete loss of EMS as a level 2 event. The partial loss is Level 1 event; it should be reported as an events analysis issue. They use the information for trending. Allan Wahlstrom is a good SPP RE contact for more information.

Ron suggested that the after the fact analysis within 24 hours for event reporting is not enough time to get the full details of an event. There was a suggestion to look at the impact on the BES for the event. Greg said they will consider looking at that. Things like overreach and communication problems not allowing block signals to be sent/received. Relay substation changes, information points. Allan George suggested a lot of conversation related to misoperation of relays.

Agenda Item 6 – Market PRRs (SPP Market Design - Micha)

MPRR 144 – Demand Response Resource Clarification

Allan George asked if this causes any problems if there is a glitch in SCADA. Micha said no. They asked what they use if RTU is down for the period before they take the snapshot. Jason said today its State Estimator. Ron said it's not in this MPRR, Jason said it's in another location in the PRRs. There was a concern for skewed data; Jason indicated that we have that potential problem now. After further discussion the group consensus was this could be approved.

MPRR 157 and MPRR 160 were reviewed. No concerns were noted.

Ron Gunderson moved to approve MPRR 144 and 157 and that MPRR 160 is no Reliability Impact. Darryl Yohnk seconded the motion and the motion passed unanimously.

Agenda Item 7 – Regulation Deployment Priority Groups (Yasser Bahbaz and Daniel Baker)

Yasser discussed the presentation related to Regulation Priority Groups. SPP so far has only run deployment tests with a single Regulation Priority group. SPP has several options to assign priorities if it is allowed to create more than one group. Assignment can be random, based on ramp rate, or by Reserve Zone.

Greg asked why the ramp rate method is controversial. Jason mentioned that it becomes economic. Assigning a faster ramping unit to a higher priority based on performance means it could be considered more valuable and the questions begin on how to compensate for that. The Reserve Zone distribution method is intended to force geographic dispersion of the reserves. SPP's Reserve Zone limits already ensure deliverability. The RUC Operator makes sure regulation is deployable. He will select different units when needed.

Yasser discussed the SPP recommendation to try using more than one group. The current design of one group results in all the resources getting assigned a regulation amount for each needed deployment. This can result in very small MW values being assigned. Since the value is so small, the resource's operational dead band ignores the signal change.

Ron commented that he didn't understand why SPP just didn't design the AGC so that all the deployments were 1 MW or greater. SPP didn't specify any AGC related changes to regulation from the MISO design. Also, with only a single priority, rounding all reg deployments to 1 MW or greater could result in more reg being deployed than is desired. The design assumed more than one priority group would be used.

SPP's suggestion is to try this approach on the deployment test on the 25th. There is concern from Allan and Ron that this is not an optimal solution. Yasser said that this solution tries to minimize the scenarios where we ask for MW and know we're not going to get them. So SPP has to tune the AGC to deploy 150% or more of the needed reg to get the response needed.

Jason asked Yasser why 6 groups were selected. Why not 4 or 5? Yasser's response was that historically 30 resources clear for regulation and with 6 groups that would leave 5 resources in each group. The average deployment need would result in an appropriate 2-3 MW/resource being deployed.

Ron expressed concern on not getting the presentation prior to the meeting. If things go bad in the test, the settings can be quickly changed.

Agenda Item 8 – Criteria to Protocols

Staff secretaries are undergoing a project to look at a single PRR process and standardizing it, using an automated or online form/process. That should include a criteria association with it. The solution should include the information that ORWG needs to review. The intent is to avoid having to review document changes that don't impact reliability as well as centralize all the document changes so everything is transparent.

Jason created the initial draft set of requirements for this. Criteria 5, 6, MP Section 1 – 4, etc. are included in the list he provided for ORWG to be included in the review process. Jason created a possible list for other WGs as part of his review. He also is working on a set of keywords for change requests so they can be routed through ORWG.

This is past due already but is being worked on in relationship with other activities/priorities. Jason hopes to have some information for the April MOPC. If it slides from April it will be July.

Agenda Item 9 – Wind Integration Study

Based on Jim's update from MOPC, there wasn't a big push to do a big study. There are still some things that need to be looked at as far as operating requirements. Perhaps the study could be done on a smaller scale and only report back to this group.

Bruce said we'll be over 8000 MW of online wind, which puts operational challenges on SPP, especially during Off Peak season. Bruce suggests that we figure out what we can do internally with SPP Staff and do assessments in order to operate with intended conditions for the near future. Jim asked if this would look at Transmission Adequacy such as delivering the wind, and potential projects that may be needed or just on the resource/wind standpoint. Transmission construction would be included. Bruce wants to update the original study based on better knowledge now.

Greg commented that he would hope we look at the interconnection requirements especially from a NERC perspective. The pro forma agreements are fairly outdated and don't cover current NERC requirements. Bruce said that is part of the discussion with the planning group.

Ron suggested looking at the trend in retiring base load units. No one knows what impact the loss of base load units will have on our ability to respond. The term Base Load will change as our minimum load is ~16000 MW, with a significant portion served by wind and nuclear, the remaining resources will have to be flexible with ramp to cover what is needed. Without a value on capacity, we may reach a point where the capacity isn't available.

Action Item: Staff to review and report in 3 months what assessments are planned to be run for the next few years and the expected output of the assessments.

Ron expressed concerns with the prices of Gas affecting the ability to serve load. As we move away from coal and nuclear to natural gas, we'll move closer to the edge. Bruce said the capacity discussion will come up again. Provide any suggestions to SPP. Allan George asked how the information would be shared. If it's in the Tariff instead of criteria, or in protocols -that is part of the discussion. Bruce added that the 12% are for those under SPP RE. New members are not necessarily part of the SPP RE.

Agenda Item 10 - EOP-005 Discussion

Greg McAuley wanted to discuss R1.9 in EOP-005-2. This has to do with the TOP returning balancing obligations to the BA after restoration. Until March 1, they are the BA. Starting March 1, their plan has to change for the requirement. Jason mentioned that the criteria for turning it back over doesn't change, it's still the RC's criteria. They should transfer the authority based on the RC Restoration Plan. Section 8 contains the criteria needed. Bryn Wilson said they've been at the last 2 Restoration drills, the trainers weren't aware of the exact process.

There were many examples discussed and scenarios where restoration had progressed to the point where the BA could be returned to its duties. No changes were proposed for the existing RC plans. If any of the TOP's plans need to be adjusted, those should be sent to the RestorationPlans@spp.org address and SPP will review.

Agenda Item 11 - Other Items (All)

Jason offered to present a document detailing all the different types of studies SPP is doing if there was interest. The document will be provided to anyone who asks.

MPRR 155 Discussion – confirm plans and timeline

John Stephens requested a recap of the previous discussion. It was approved though everyone agreed it was not as clear as it could be. Terry Oxandale and Carrie Simpson took an action item to write an MPRR to correct/clarify the wording after Market go-live. Jason suspects the April MOPC may be their goal.

There was discussion regarding the difference between a simple TOP commitment versus situations where an OOME is required. If an OOME is called, requested by an entity, SPP can make sure the OOME make whole payment is picked up by the local TO and not spread across the members.

Headroom Revisited

Bruce asked if staff would create a report of what was committed above the required amounts on a monthly basis. SPP hasn't determined the metrics needed beyond the go-live metrics. Jason will bring an initial set of post go live monthly type metrics to the group. Examples: CPS performance, Regulation Availability/Responsiveness, RSS Events (including response), Number of Emergencies declared, etc.

SPP has never run with the capacity available from the Market commitment. SPP has used only what was available in the EIS Market. If we want to push back on the timing for the headroom adjustments, we'll need to be specific about what is needed that is worth spending the money for the extra headroom. The risk of starting it and the risk of it not being available are part of it. The dispatch has been based on where the EI Market was. Ron suggests tapering off less steep than the proposed amount. It is a lot easier to turn a unit off than to turn it on.

Agenda Item 12 - Next Meeting (All)

2/26/2014 WebEx 3 hrs (tbd)
3/6/2014 WebEx 1400 – 1700
4/3/2014 WebEx 0930 – 1200
5/8/2014 WebEx 0930 - 1200
6/18-19/2014 Face-to-Face (TBD)

Agenda Item 13 - Adjourn (Jim Useldinger)

Chair Jim Useldinger adjourned the meeting at 12:34 p.m.

Respectfully Submitted,

Jason Smith
Secretary

Attachments
Attendance



Operating Reliability Working Group

Meeting Attendance: 2/12-13/2014

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
		3 Danny McDaniel	M	CLECO
X	X	4 Gregory McAuley	M	Oklahoma Gas & Electric
X	X	5 Jim Useldinger	M	Kansas City Power & Light
X	X	6 John Stephens	M	City Utilities of Springfield Missouri
X	X	7 Kyle McMenamin	M	Xcel Energy (SPS)
X	X	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
X	X	14 Darrel Yohnk	M	ITC Great Plains
X	X	15 Jason Smith, Secretary	S	Southwest Power Pool
X	X	16 Kathy Myhand	S	Southwest Power Pool
X	X	17 Craig Speidel	G	Western Area Power Administration
X	X	18 Greg Sorenson	S	Southwest Power Pool RE
X	X	19 David Pham	G	Empire District
X	X	20 Moe Shahriar	G	Sunflower Electric Power
X	X	21 Neil Robertson	S	Southwest Power Pool
X	X	22 Louis Guidry	G	CLECO
	X	23 Micha Bailey	S	Southwest Power Pool
X	X	24 Mark Eastwood	G	City Utilities of Springfield Missouri
X	X	25 Bryn Wilson	G	Oklahoma Gas & Electric
X	X	26 Kevin Kingsley	G	
X	X	27 Mike Grimes	G	EDP Renewables