



NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

**NERC-NAESB-ISO/RTO Council Joint Interface Committee Meeting
February 18-19, 2004
New Orleans, La
1:00 pm to 5:00 pm and 8:00 am to 4:00 pm
DRAFT Meeting Minutes**

Attendance

NAESB Representatives

Michael Desselle (Co-chair)
John Hughes (alt)
Syd Berwager
Lou Oberski
Charles Yeung (phone)
Ed Davis (alt)
Andy Dotterweich (alt)
Alan Johnson (alt)
Jim Templeton (alt)
Mary Ellen Paravalos
Tony Reed (alt)

NERC Representatives

Linda Campbell (Co-chair)
Mark Fidrych
Scott Henry
Sam Jones
Ed Schwerdt
Ed Tymofichuk

IRC Representatives

Karl Tammar (Co-chair)

Rich Wodyka (phone) – PJM
Kent Saathoff (phone)

Other

Tim Gallagher – Secretary

Guests

Steve Cobb – SRP
Veronica Thomason – NAESB
Bradley Kranz - NYISO
Barbara Rehman - BPA
Bill Boswell – NAESB
Bruce Balmat (phone) - PJM
Don Benjamin – NERC
Rae McQuade – NAESB
Todd Oncken - NAESB
Marv Rosenberg – FERC
Terry Bilke (phone) – MISO
Marcel Harvey- TransEnergie
Ken Brown (phone) – PSE&G
Steve McCoy (phone) –CAISO
Sandy Murrey (phone) – WE Energies

1. All present and those attending via teleconference were introduced. Transcripts of JIC meetings will be kept and a transcriber attended this meeting.
2. The agenda was unanimously approved. Todd Oncken reviewed the anti-trust guidelines. A quorum was established for NAESB, NERC and ISO/RTO Council (IRC) members.
3. Michael Desselle presented an overview of the memorandum of understanding (MOU) between NAESB, NERC and the IRC. The agreement creates a forum for coordination of annual planning and also establishes a mechanism for the review of proposals for standards and their subsequent assignment to either NAESB or NERC for development.
4. Michael Desselle reviewed the role of the JIC and its voting procedures. Each contingent of the JIC receives an equal share of the vote, divided by the number of representatives present. Since a quorum was established for all three JIC contingents at this meeting, each received one-third of the vote.
5. Lou Oberski presented three proposals for business practice standards received by NAESB.
 1. Adopt already existing FERC OASIS business practice standards as NAESB standards. So doing will provide NAESB with a starting point to initiate any changes requested by the industry via their standards development process (r04005).
 2. Acceptance of the NAESB IT subcommittee's recommended actions on the OASIS IA issues left over from the OASIS scheduling collaborative (r04006).
 3. Review existing OASIS standards and FERC Commission proceedings to develop a body of business practice standards for consideration as part of OASIS phase 2 (r04007).

Motion (Lou Oberski, Andy Dotterweich second): Assign development of the three business practice standards proposals (requests r04005, r04006, r04007) to the NAESB process.

Discussion:

Terry Bilke stated that the timing table included in r04005 for long term firm does not appear consistent with some Midwest ISO (MISO) transmission providers who need to perform impact studies. If this standard will become a mandatory requirement, the MISO would like more than 30 days to review the standard.

Alan Johnson stated that his NAESB subcommittee is aware of this concern and has assignment to follow up with MISO and Terry Bilke. [Action Item]

Marv Rosenberg questioned if the proposal was different than the current FERC requirements and was answered that no changes were intentionally made.

Mark Fidrych requested that NAESB develop a more user-friendly way of designating the requests, as the numbering system does not convey the intent of the standard. Lou Oberski will bring this up at future NAESB meetings.

Vote:

IRC – Unanimous approval of Mr. Oberski’s motion

NAESB – Unanimous approval of Mr. Oberski’s motion

NERC - Unanimous approval of Mr. Oberski’s motion

Motion carries

6. Discussion of annual plans:

Lou Oberski presented an overview of the 2004 NAESB annual plan and the process used to develop and approve it. Linda Campbell asked for more information regarding the effort to coordinate the NAESB and NERC gas/electricity interdependency groups. Mr. Oberski agreed that such coordination is important and believes that the proper outreach will occur. There is a common NERC-NAESB task force member who can be enlisted as a liaison between the two groups.

Tim Gallagher presented an overview of the 2004 NERC annual plan and the process used to develop and approve it. Questions were raised about the implementation of the functional model and if the model was still a work in progress. Mr. Gallagher and Don Benjamin answered that the model will continue to be in a state of flux for the near future. A plan for certification of entities in the functional model and to transition to the model via the retirement of existing NERC requirements and their replacement by reliability standards is being developed. NAESB is represented on the team developing the transition plan.

Linda Campbell asked the group to focus not just on coordination of standards development, but also the coordination of their implementation. Michael Desselle stated that Linda’s observation is an excellent one and is one that NERC, NAESB and the IRC must work together to accomplish.

Karl Tammar presented an overview of the 2004 IRC annual plan and the process used to develop and approve it. The IRC pledges to work together with NERC and NAESB and builds upon activities included in their respective annual plans.

Scott Henry asked if any advancements made associated with reliability-related IT communications would be made available to non-RTO transmission providers. Further, will such communications improvements be submitted to NERC as standards?

Karl Tammar answered yes, in both cases. The IRC does not envision development of proprietary reliability related systems or data exchanges.

Michael Desselle asked if IRC/EPRI are coordinating CIMs (common information model) development with NERC? Mr. Desselle reminded the NAESB JIC representatives reminded to follow this effort and any extensions to include market data.

Mark Fidrych stated that the same IRC representatives working on CIMS development are also involved in NERC's CIMs involvement. Because CIMs may be higher priority to IRC than NERC, Mr. Fidrych will propose that the NERC Operating Committee focus some attention upon the CIMs effort at its next meeting. Mr. Fidrych and Mr. Tammar will coordinate NERC and IRC efforts on CIMs development. [Action Item]

7. Steve Cobb presented an overview of a list of seams issues between RTOs and ISOs ("seams catalogue") developed by the NAESB Seams Subcommittee. Mr. Cobb explained that the goal of this effort was to identify all seams issues across North America and who should work to resolve them. Later, standards can be proposed and the JIC can review and assign them to the appropriate organization for development.

Mr. Cobb stated that NAESB, NERC, and the IRC agreed which organization should be designated for the development of solutions to identified seams issues in the majority of cases.

Discussion:

Terry Bilke stated that the MISO was concerned about the potential for circumventing the development processes of NERC and NAESB via assignment made in the seams catalogue. Michael Desselle and Steve Cobb answered that it is not the intent of the catalogue or the seams subcommittee for any circumvention to occur. The catalogue and any assignment made in it do not preclude anyone from submitting a request for a standard to NAESB or NERC.

Karl Tammar stated that the IRC requests that four specific issues be put on hold, listed as regional, and that their development be assigned to the IRC:

1. Congestion management, (issues 35-36) LMPs at borders, and coordination of FTRs and other hedging mechanisms. These issues have policy, market design, and regional components.
2. Compensation for reactive power (16)
3. Issue 46, generator interconnection requirements, should not be an issue considered for standardization based upon prior agreement and FERC discussions.

4. Description of green power (113) needs clarification. If the intent of this issue pertains to market design, this should be a regional issue, assigned to IRC.

The JIC began a discussion of the items listed by Mr. Tammar and quickly came to the realization the JIC cannot agree which organization should be designated as the developer for the referenced standards. The JIC agreed that similar discussion of other seams issue for which an agreed upon designated organization does not exist will not bear fruit, either. Further, the JIC agreed that the designation in the seams catalogue carries no weight, other than to provide someone interested in proposing a given standard with an indication of which organization (NAESB, NERC or the IRC) should be approached.

Motion: Mark Fidrych, Tony Reed second, friendly amendment by Scott Henry: Accept those issues for which there is agreement for assignment of development of a standard proposal to the indicated organization.

Vote:

IRC – Unanimous approval of Mr. Fidrych’s motion
NAESB – Unanimous approval of Mr. Fidrych’s motion
NERC - Unanimous approval of Mr. Fidrych’s motion

Motion carries

Motion: Lou Oberski, Mark Fidrych: Accept the remaining seams issues and label the designated organization column as undecided.

Vote:

IRC – Unanimous approval of Mr. Oberski’s motion
NAESB – Unanimous approval of Mr. Oberski’s motion
NERC - Unanimous approval of Mr. Oberski’s motion

Motion carries

Mike Desselle stated, and the JIC agreed, that no further action would be taken on any of the seams issues, until an industry participant develops a request for an associated standard.

Ed Tymofichuk asked if the present seams catalogue adequately captures all the seams issues and what process will be used to incorporate seams issues identified in the future. Lou Oberski stated that NAESB could open collection of seams

issues again and gather more. Perhaps a review of the most current catalogue could be placed on the JIC agenda on a routine basis.

8. The next two JIC meetings will be held as conference calls on May 18 at 2-3 pm central and July 13 from 2-3 pm central.

The next face-to-face JIC meeting will be held on September 21, at a location to be determined. The purpose of the meeting will be to discuss draft annual plans for 2005.