**via posting**

**TO:** Interested Industry Parties

**FROM:** Caroline Trum, Director, Wholesale Electric Quadrant

**RE:** Final Minutes from July 18, 2022 WEQ BPS Meeting

**DATE:** August 2, 2022

**WHOLESALE ELECTRIC QUADRANT**

**Business Practices Subcommittee Meeting**

**Conference Call**

**July 18, 2022 – 10:00 AM to 1:00 PM Central**

**FINAL MINUTES**

1. **Welcome**

Mr. Phillips welcomed the participants to the meeting. Ms. Trum provided the antitrust and meeting policies reminder. The participants introduced themselves. Mr. Phillips reviewed the agenda. The agenda was adopted on a motion by Mr. Brooks, seconded by Mr. Johnson.

Mr. Phillips reviewed the draft minutes from the June 14, 2022 meeting. A modification was made to correct the attendance list. Mr. Brooks moved, seconded by Mr. Rahimi, to adopt the revised minutes as final. The motion passed a simple majority vote without opposition. The final minutes from the meeting are available at the following link: <https://naesb.org//pdf4/weq_bps060122fm.docx>

1. **Continue Discussion on Standards Request R22001 – Review and Discuss the Public Review Draft Version of the U.S. Department of Energy’s GMLC’s State of Common Grid Services Definitions Report**

Mr. Phillips stated that the submitters of the request had provided as a work paper for the meeting a public review draft report, [State of Common Grid Services Definitions](https://naesb.org/pdf4/weq_bps071822w1.docx), as well as a presentation overviewing the report. He asked Mr. Brown to speak to the [presentation](https://naesb.org/pdf4/weq_bps071822w2.pptx) and the report.

Mr. Brown stated that as discussed during the previous meeting, the purpose of the request for standards development is to, as a first step, define common types of grid services for wholesale power systems by identifying any areas of overlap between the markets and creating standardization around those common categories, functions, and capabilities. He explained that one benefit of such standards could be increased utilization of flexible, grid-edge resources through greater consistency, enabling easier participation in multiple markets, as well as lead to a better understanding of the benefits these resources could provide by defining specialized services that are not currently valued in the markets or may have wide-varying definitions. Mr. Wood noted that most of the discussion has focused on ISO/RTO marketplaces and not vertically integrated utilities. He suggested that any developed standards only be applicable to those participating in a market operated by an ISO/RTO. Mr. Brown responded that in developing the State of Common Grid Services Definitions report, the authors were limited to information that was publicly available. He explained that the intent of the effort is to be as inclusive as possible of existing grid services available in all wholesale markets to help ensure that the definitions are common across the majority of grid operators in North America.

Mr. Brown stated that one of the overarching goals of the GMLC effort is to improve upon communication protocols between the grid and distributed energy resources in order to better facilitate operational coordination. He indicated that developing definitions for grid services that descriptive of the service being provided, as opposed to an operationally based definition that describes why a service is used, will provide a clearer demarcation between the service provider and the service requester. Mr. Brown explained that these types of grid service descriptions will likely not only lead to an increase in the generators and types of resources that are participating in a market but also streamline communications by simplifying the information that needs to be communicated to engage and activate a resource to provide a specific service. Mr. Rahimi noted that several existing grid services require telemetry and asked if this type of requirement would be included as part of the definition. Mr. Brown responded that definitions could include telemetry requirements if needed but indicated that the ultimate goal is to provide consistency in how the market service/product is quantified. He explained that there are likely some types of services that are not appropriate to define using a service-oriented framework, such as services in which the generator is under direct control of the system operator.

Mr. Brown explained that in reviewing the publicly available information of existing grid services available within wholesale markets, the authors of the State of Common Grid Services Definitions identified six broad categories of grid services for potential standardization: energy schedule, reserve, regulation, voltage management, frequency response, and emergency. He stated that the proposal is to create a defined term for each of these services with a high-level definition and develop, as a new suite of standards, applicable performance expectations for each of the common grid services. Mr. Brown indicated that these performance expectations could include requirements around electric and timing attributes as well as additional, applicable information such as performance measurements or a description of the operational objective.

Mr. Rahimi stated that there are some services, such as load following, that do not appear to be inclusive of the broad categories noted by Mr. Brown. Mr. Widergren responded that the identified categories are not definitive and could modified as necessary to meet the needs of the industry and existing market services/programs. Mr. Rahimi suggested that a work paper mapping of grid services could be a helpful resource for the subcommittee in developing standards.

Mr. Wood noted that there are differentiations in terminology between markets operated by vertically integrated utilities and those by ISOs/RTOs that will have to be accommodated in standards development. He suggested that any defined terms be coordinated with NERC and that the subcommittee could begin by reviewing existing definitions in WEQ-000 that may be applicable to the standards development effort. Ms. Trum stated that NAESB staff has been in communication with NERC staff about this effort and will continue to coordinate.

Mr. Phillips agreed that reviewing existing definitions in WEQ-000 would be a helpful starting point as there may be some overlap between existing defined terms. He noted that, as an example, Energy Service is a defined term in WEQ-000 and used as part of standards addressing demand response. Mr. Phillips explained that there will need to be a discussion as to if existing definitions can be revised without substantively changing the meaning of the defined term or if new defined terms should be developed. Mr. Brown suggested that a work paper be created to compare existing defined terms in WEQ-000 with proposed common grid service definitions.

1. **Identify Next Steps and Action Items**

The participants discussed the next steps to move forward with standards development. Mr. Brown noted the importance of stakeholder input throughout the process. Mr. Phillips suggested that the subcommittee consider developing an initial, high-level draft standard containing the proposed definitions and performance expectations for each of the identified categories of grid services. He explained that the subcommittee can then use NAESB’s informal comment process to solicit feedback from the industry and help guide finalizing a recommendation. There was general agreement with proceeding in this manner.

Mr. Phillips proposed that the subcommittee tentatively plan to have work papers together for informal comment following the meeting scheduled for August 23, 2022. Mr. Brown agreed and indicated that he could submit as a work paper for the next meeting an example of a grid service definition and performance expectations that could be used as a template. Mr. Widergren suggested that the initial focus should be the definitions and performance expectations for energy schedule service and reserve service. Mr. Rahimi noted that the grid services mapping work paper could also help any participants better identify if the standards are representative of existing grid services.

Mr. Phillips stated that the subcommittee co-chairs would develop a definitions comparison work paper for discussion at the next meeting.

1. **Discuss Future Meetings**

Mr. Phillips noted that the next meeting of the subcommittee is scheduled for August 3, 2022.

Ms. Trum stated that the deadline to vote out a recommendation for consideration by the WEQ Executive Committee at its upcoming October meeting is September 13, 2022. It was noted that the subcommittee would likely not be able to finalize a recommendation by this date

1. **Adjourn**

The meeting adjourned at 12:56 PM Central on a motion by Mr. Brooks.

1. **Attendance**

| **First Name** | **Last Name** | **Organization** |
| --- | --- | --- |
| Dick | Brooks | Reliable Energy Analytics  |
| Rich | Brown | Lawrence Berkeley National Laboratory |
| Yarrow | Etheredge | Entergy |
| Alan | Johnson | NRG |
| Jo | Johnson | Portland General Electric |
| Brad | Johnston | SPP |
| Elizabeth | Mallett | NAESB |
| Joshua | Phillips | SPP |
| Julia | Popova | NRG |
| Farrokh | Rahimi | OATI |
| Robin | Rebillard | Manitoba Hydro |
| Ron | Robinson | TVA |
| Lisa | Sieg | LG&E and KU Services |
| Caroline | Trum | NAESB |
| Steve | Widergren | Pacific Northwest National Laboratory |
| JT | Wood | Southern Company |