**via posting**

**TO:** Interested Industry Parties

**FROM:** Caroline Trum, NAESB Deputy Director

**RE:** Draft Minutes from September 10, 2020 WEQ BPS Meeting

**DATE:** September 11, 2020

**WHOLESALE ELECTRIC QUADRANT**

**Business Practices Subcommittee Meeting**

**Conference Call**

**September 10, 2020 – 9:00 AM to 12:00 PM Central**

**DRAFT MINUTES**

1. **Welcome**

Mr. Brooks welcomed the participants to the meeting. Ms. Trum provided the antitrust and meeting policies reminder. The participants introduced themselves. Mr. Brooks reviewed the agenda. The agenda was adopted by consensus

The participants reviewed the August 20, 2020 draft meeting minutes. No modifications were offered. The draft minutes were adopted as final by consensus. The final minutes for the meeting are available at the following link: <https://naesb.org//pdf4/weq_bps082020fm.docx>.

1. **Discuss 2020 WEQ Annual Plan Item 8.a – Consistent with FERC Order No. 676-I, reconsider the reservation of WEQ-006 Manual Time Error Correction and determine if the standards should be retained or revised (see ¶46 – 47)**

Mr. Brooks reviewed the [draft recommendation](https://naesb.org/member_login_check.asp?doc=weq_bps091020w1.docx) as revised during the previous meeting with the participants. Mr. Phillips suggested that the subcommittee consider an informal comment period on the draft recommendation to provide an opportunity to review and provide feedback prior to the subcommittee finalizing a recommendation. He stated that the informal comments will be helpful in building a record that the participants can use to determine how best to move forward with standards development. Mr. DAVID and Ms. Welch both expressed support for an informal comment period. The participants agreed to hold a two-week informal comment period and review any informal comments during the meeting on October 1, 2020. Mr. Brooks asked if there were any objections to moving forward with the informal comment period. None were offered.

Ms. Trum stated that she would have the request for informal comments distributed following the meeting.

1. **Discuss Standards Request R20008 – Request to update WEQ-005 Area Control Error (ACE) Equation Special Cases to account for modifications to the NERC Dynamic Transfer Reference Document Version 4**

Mr. Brooks stated that during the previous meeting, Ms. Trum had provided information regarding the development of the WEQ-005 ACE Equation Special Cases Business Practice Standards. These standards were developed in coordination with NERC as part of Version 0 of the WEQ Business Practice Standards to support and complement the NERC Reliability Standard BAL-005 Balancing Authority Control Reliability Standards. The current effective version of this mandatory reliability standard is BAL-005-1, and language on the NERC website directs entities to the WEQ-005 Business Practice Standards as complementary to the NERC BAL-005 Reliability Standard.

The participants reviewed the ACE equation as included in the [NERC Dynamic Transfer Reference Document – Version 4](https://www.nerc.com/comm/OC/ReferenceDocumentsDL/Dynamic_Transfer_Reference_Document_v4.pdf) and the supplemental part of the equation included in the WEQ-005 Business Practice Standards. Mr. Ciabattoni stated that within PJM, JOUs are addressed within its market system. He indicated that although JOUs are not necessarily an operational matter and more of a market issue, that the business practice standards appear to align with the ACE equation as defined by NERC, so further modifications to the standards may not be necessary. Mr. Swan stated that WEQ-005 standards may no longer be needed by the industry as the NERC Dynamic Transfer Reference Document makes clear that entities are to include all dynamic schedules and pseudo-ties as part of the ACE equation. Mr. Kimmel noted that the NERC Dynamic Transfer Reference Document is not a reliability standard but rather voluntary guidance for the industry.

Ms. Welch suggested that before a determination is made to reserve the standards, the subcommittee should seek broader input from the industry, including NERC. Ms. Trum stated that she has been coordinating with NERC staff regarding Standards Request R20008. Mr. Kimmel stated that within NERC, ACE issues are addressed by the NERC Resources Subcommittee. He suggested that as a first step, participants reach out to the individuals within their companies that participant in this NERC subcommittee to get informal feedback. Ms. Welch stated that if needed, she could coordinate bringing this topic as an issue for discussion during the next meeting of the NERC Resources Subcommittee. Ms. Trum stated that she could provide assistance in coordinating on a staff level.

The participants will continue discussions during the next meeting.

1. **Next Steps/Review Action Items**

The next meeting of the subcommittee is a conference call scheduled for October 1, 2020.

1. **Adjourn**

The meeting adjourned at 10:20 AM Central by consensus.

1. **Attendance**

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| **First Name** | **Last Name** | **Organization** |
| Kokou | Agbassekou | CAISO |
| Greg | Boness | MISO |
| Dick | Brooks | Reliable Energy Analytics  |
| Scott | Brown | SPP |
| Patrick | Foley | NV Energy |
| Tina | Gary | Portland General Electric |
| Cory | Herbolsheimer | NV Energy |
| David | Kimmel | PJM |
| Joshua | Phillips | SPP |
| Nick | Quinata | BPA |
| Farrokh | Rahimi | OATI |
| John | Spomer | CAISO |
| Ben | Stander | OATI |
| Mike | Steigerwald | BPA |
| Steve | Swan | MISO |
| Caroline | Trum | NAESB |
| Bobbi | Welch | MISO |