



DRAFT MEETING AGENDA
MIDWEST RELIABILITY ORGANIZATION
Standards Committee

Midwest Reliability Organization Corporate Office – Roseville, MN
November 19, 2009 – 10:00am

1) Call to Order

- a) Determination of Quorum
- b) Additions to the Agenda
- c) Standards of Conduct and Anti-Trust Guidelines

2) Consent Agenda

- a) Approve Meeting Minutes of September 3, 2009

3) Standards

- a) Task list – Carol Gerou
- b) Standards Process Manual Update – Carol Gerou
- c) Clarification SDT Update – Tom Mielnik
- d) Results of the review of the existing UFLS program – Dan Schoenecker
- e) UFLS SDT Update – Chuck Lawrence
- f) NERC's Interpretation Process

4) MRO Reports

- a) NSRS Report – Carol Gerou
 - i) Membership
 - (1) New Members
 - (a) The MRO SC will be asked to discuss and approve Chuck Lawrence's membership.
 - (b) The MRO SC will be asked to discuss and approve Tom Webb's membership.
 - (2) lack of participation
 - ii) Webpage Changes
 - (1) POC Data Base
 - (2) Discussion Forum
- b) Standards Manager Report – Carol Gerou
- c) Compliance Committee Update – SC Member
- d) Reliability Assessment Committee Update – SC Member

5) NERC Reports

- a) Interchange Subcommittee – Shane Jenson
- b) Standards Committee – Carol Gerou
- c) Compliance and Certification Committee – Terry Bilke
- d) Regional Reliability Standards Working Group – Carol Gerou
- e) NERC Drafting Teams
 - i) Assess Transmission Future Needs Standards Drafting Team – Tom Mielnik
 - ii) Protection System Maintenance and Testing – Carol Gerou
 - iii) NERC Underfrequency Load Shedding Standard Drafting Team – Carol Gerou

6) Other Business

a) Standards Committee Report to Board of Directors – December 3, 2009

b) Meeting dates for 2009

December 2, 2009, MRO Reliability & Compliance Workshop – Holiday Inn Select
December 3, 2009, MRO Board of Directors Meeting – Holiday Inn Select

7) Next Meeting/Future Locations

2009

December 2 MRO Reliability & Compliance Workshop – Holiday Inn Select
December 3 MRO Board of Directors Meeting

2010

March 25 MRO Board of Directors Meeting
June 24 MRO Board of Directors Meeting
September 24 MRO Board of Directors Meeting
December 2 MRO Board of Directors Meeting

8) Adjourn

Agenda 1
Call to Order

**Agenda 1
Call to Order**

a. Determination of Quorum

**Midwest Reliability Organization
Standards Committee
2009 Roster**

Name	Sector	Company	Term
Wayne Guttormson	Canadian Utility	Saskatchewan Power Corporation	December 2009
Mike Garton	Generator and/or Power Marketer	Dominion Resources Services, Inc.	December 2009
Gerry Steffens	Municipal Utility	Rochester Public Utilities	December 2009
Dave Rudolph	Cooperative	Basin Electric Power Cooperative	December 2010
Lloyd Linke	Federal Power Marketing Agency	Western Area Power Administration	December 2010
Larry Larson	Investor Owned Utility	Otter Tail Power Company	December 2010
Kavita Maini	Large End-Use Electricity Customer	Wisconsin Industrial Energy Group	December 2010
Jason Shaver	Transmission System Operator	American Transmission Company	December 2010
Joe Knight Vice Chair	Cooperative	Great River Energy	December 2011
Dave Acton Vice Chair	Investor Owned Utility	Alliant Energy	December 2011
Tim Noeldner	Municipal Utility	Wisconsin Public Power, Inc.	December 2011
Carol Gerou Secretary		Midwest Reliability Organization	

Agenda 1
Call to Order

b. Additions to the Agenda

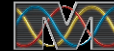
**Agenda 1
Call to Order**

c. Standards of Conduct and Anti-Trust Guidelines

Standards of Conduct

FERC Standards of Conduct prohibit MRO staff, committee, subcommittee and task force members from sharing non-public transmission sensitive information with anyone who is either an affiliate merchant or could be a conduit of information to an affiliate merchant.

1

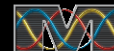


Anti-Trust Reminder

Participants in Midwest Reliability Organization meeting activities must refrain from the following when acting in their capacity as participants in Midwest Reliability Organization activities (i.e. meetings, conference calls, and informal discussions):

- Discussions involving pricing information; and
- Discussions of a participant's marketing strategies; and
- Discussions regarding how customers and geographical areas are to be divided among competitors; and
- Discussions concerning the exclusion of competitors from markets; and
- Discussions concerning boycotting or group refusals to deal with competitors, vendors, or suppliers.

2



Agenda 2
Consent Agenda
Approve Meeting Minutes of September 3, 2009

Please see attached document.



DRAFT MEETING MINUTES
MIDWEST RELIABILITY ORGANIZATION
Standards Committee

Midwest Reliability Organization Corporate Office – Roseville, MN
September 3, 2009 – 10:00am

1) Call to Order

a) *Determination of Quorum*

Acting Secretary Carol Gerou determined that a quorum was met at 10:03am.

The following members, guests and MRO Staff were present at today's meeting:

Members:	
Dave Acton, Chair, Alliant Energy	Gerry Steffens, RPU
Wayne Guttormson, Sask Power	Tim Noeldner, WPPi
Mike Garton, DRS	Larry Larson, OTP
Lloyd Linke, WAPA	Jason Shaver, ATC (phone-am only)

Guests:	
Jose Medina, NextEra Energy	Tom Mielnik, MEC (phone-limited)
Stuart Hansen, FERC (phone-limited)	Chuck Lawrence, ATC (phone)

MRO Staff:	
Carol Gerou, Secretary	Jo Anne McNabb
Dan Schoenecker	

Members Absent:	
Kavita Maini, WIEG	Dave Rudolph, BEPC
Joe Knight, Vice Chair, GRE	

b) *Additions to the Agenda*

Additions were identified as follows:

- i) Add 5.c. MRO UFLS Regional Standards Update
- ii) Add 5.d. MBAL-002
- iii) Add 5.e. UFLS Procedures and Guidelines
- iv) Add 5.f. Reliability Procedures and Guidelines
- v) Add 6.a.v. Replace Jim Haigh from WAPA on NSRS Committee

c) *Standards of Conduct and Anti-Trust Guidelines*

Dave reviewed the Standards of Conduct and Anti-Trust Guidelines with the Committee.

2) Chair Report

Dave did not have a report for this meeting.

3) Consent Agenda

- a) *Approve Meeting Minutes of May 21, 2009*

Upon motion duly made by Larry Larson and seconded by Gerry Steffens, the Standards Committee unanimously approved the minutes of the May 21, 2009 Standards Committee as amended.

4) NERC Standards Committee and Subgroup Vacancy Update

Carol highlighted the vacancies on the NERC Standards Committee. Larry recommended that when the Board approves the NERC committee members, that this information be sent out to the Committee.

5) Standards

- a) Standards Process Manual for Organizational Standards – Carol Gerou

Carol discussed the process manual for organization standards. The Standards Committee would like to seek guidance from the Board regarding the monetary fines for a violation of an organization standard.

Dave brought a motion before the committee to bring the organization standards at the next MRO Board Meeting.

Upon duly motion made by Gerry Steffens seconded by Mike Garton the Standards Committee recommends that references to organization standards be deleted from bylaws, because we've identified no need for such.

ACTION ITEM: Dave will bring this before the Board at their next meeting.

- b) Four Regional Standards Update – Tom Mielnik
Tom presented his oral presentation to the committee. He indicated they've received comments on the four regional standards. Based on comments received thus far, they could be classified as non-significant changes. The Committee will be ready to vote on the standards as soon as others have submitted changes.
- c) MRO UFLS Regional Standard Update – provide firm direction to SDT
Carol updated the committee on this agenda item. Carol believes that a variance to this standard should be established. She is requesting that the current UFLS Regional drafting team be reactivated to address the issue with this variance. They would be able to develop the variance and submit it this year. Other regions are asking for variances as well.

Dave brought a motion before the committee to re-instate the MRO UFLS Drafting Team.

Upon motion duly made by Larry Larson and seconded by Lloyd Linke, the Standards Committee unanimously approved the re-instatement of the UFLS Drafting Team.

The Committee recessed for lunch at 12:00PM.

The Committee reconvened at 12:45PM.

The committee reviewed a nomination form sent in by Jose Medina to be on the UFLS Drafting Team, representing the Generator/Power Marketer sector. A motion was made by Dave to add Jose Medina as a member of the UFLS Drafting Team.

Upon motion duly made by Tim Noeldner and seconded by Gerry Steffens, the Standards Committee unanimously approved Jose Medina to the UFLS Drafting Team.

Carol will continue her search for other candidates for the UFLS Drafting Team.

d) MBAL 002 Discussion -

Dave indicated that MISO has questioned whether the MRO will retract this particular standard. There is not a lot of detail regarding this as Dave has not received the e-mail from Steve Swan. The MSCR group is going away January 2010, thus increasing other entities' reserved share portion. The Committee recommended that a SAR be generated. Carol outlined MRO's procedure for submitting a SAR, should the MSCR group wish to do so.

Comment [A1]: What's the MSCR?

e) Procedures and Guidelines

i) UFLS -

A letter was sent by the RAC Committee identifying several categories that would enable the MRO to develop procedures. Larry stated that some of these procedures should go through the Standards process. Larry would like to see new criteria that established for procedure development.

Dan Schoenecker informed the committee that the reason why the UFLS procedures were changed was because the MRO Guidelines for UFLS was very old.

Comment [A2]: Just because something is old doesn't mean it needs to be changed. There should be better justification. (JEK)

ii) Procedures and Guidelines

(1) Letter from Dan Schoenecker -

Dan briefly discussed the letter pertaining to the development of MRO Procedures and Guidelines for NERC Standards. The letter addresses MRO's approach for all pending and future procedure/guideline development.

f) Reliability Standards Process Manual -

Larry discussed the importance of the process with respect to making sure it's consistent with the NERC Standards Manual process.

ACTION ITEM: for the next meeting review and determine if the current MRO process matches the NERC standards manual process.

g) NERC Standards Review Process -

Larry indicated that we need to fully understand the NERC Standards review process.

6) Midwest Reliability Organization Reports

a) NSRS Report – Carol Gerou

- i) Membership lack of participation in the NSRS
Carol provided her report to the Committee, outlining the comments and ballot process. She also discussed the voting process.
- ii) Revised NSRS Charter
Carol discussed the revised charter with the Standards Committee and asked for comments.

A motion was brought before the committee to approve the revised NSRS Charter.

Upon motion duly made by Jason Shaver and seconded by Gerry Steffens the Standards Committee unanimously approved the NSRS Charter with changes noted.

- iii) Weekly Meeting
Carol noted the meetings have moved to Friday's.
- iv) Webpage Changes
Carol highlighted the NSRS webpage and the upcoming changes that will be made to it. She's got preliminary approval regarding a message board. She feels it having a message board will be beneficial tool for the NSRS.
- v) Need to replace Jim Haigh from WAPA

Upon motion duly made by Gerry Steffens and seconded by Larry Larson, the Standards Committee unanimously approved Ms. Jodi Jenson to the NSRS Committee.

- b) Standards Manager Report – Carol Gerou
Carol outlined her report to the committee which is included in the agenda package. A list of the standards reviewed is highlighted in her report.
- c) Compliance Committee Update – SC Member
No report provided.
- d) Reliability Assessment Committee Update – SC Member
Larry Larson previously discussed items from the Reliability Assessment Committee under item 5.e and f.

7) NERC Reports

- a) Interchange Subcommittee – Shane Jenson
Shane's report is a part of the agenda package.
- b) Standards Committee – Carol Gerou
Carol's report is highlighted in the agenda package.
- c) Compliance and Certification Committee – Terry Bilke
Terry's report is attached in the agenda packet.
- d) Regional Reliability Standards Working Group – Carol Gerou

- e) NERC Drafting Teams
 - i) Assess Transmission Future Needs Standards Drafting Team – Tom Mielnik
Agenda item not discussed.
 - ii) Disturbance Monitoring Standards Drafting Team – Joe DePoorter
No report.
 - iii) Violation Severity Levels Drafting Team – Mike Brytowski
Mike's report will be submitted as attachment #1

8) Task List Review

Carol brought up the task list. The committee decided to continually add to the task list so that the committee can have a continual reminder of the tasks we've assigned and completed.

9) Other Business

- a) Standards Committee Report to Board of Directors – September 24, 2009

- b) Meeting dates for 2009

September 24, 2009, MRO Board of Directors Meeting

November 17, 2009, Compliance Committee Meeting

November 18, 2009, Reliability Assessment Committee Meeting

November 19, 2009, Standards Committee Meeting

December 2, 2009, MRO Reliability & Compliance Workshop - TBD

December 3, 2009, MRO Board of Directors Meeting

10) Next Meeting/Future Locations

- a) September 24, 2009, MRO Board of Directors Meeting – Holiday Inn Select
- b) November 17, 2009, Compliance Committee Meeting – Holiday Inn Select
- c) November 18, 2009, Reliability Assessment Committee Meeting – Holiday Inn Select
- d) November 19, 2009, Standards Committee Meeting – MRO Offices
- e) December 2, 2009, MRO Reliability & Compliance Workshop – Holiday Inn Select
- f) December 3, 2009, MRO Board of Directors Meeting -TBD

11) Adjourn

Hearing no further business the motion was made to adjourn the meeting. Larry Larson motion to adjourn the meeting, seconded by Lloyd Linke.

The meeting adjourned at 3:13PM

Agenda 3
Standards

a. *Task List – Carol Gerou*

Agenda 3 Standards

b. Standards Process Manual Update – Carol Gerou

Hello All,

Earlier I had asked if you all would like to update the MRO Regional Reliability Standards Process Manual, in response people have been accepting the calendar invitations for the series of meetings that were proposed to start this development. Between sending these invitations out and now, I was informed that any changes we make to the manual would not be filed with the FERC until the Regional Delegation Agreement is complete. At first, I did not think this would be an issue so I did not mention it. Now I am not so sure. I have heard estimates of approximately two years from now that the regional delegation agreements will potentially be completed. That being said what do you all want to do? I have no doubt that the manual needs updating but how can we best efficiently perform this update? **Please let me know your opinion.**

Please note I have the master copy of the manual and are adding comments as to where I think changes should go and some of these changes I even have propose modifications. All of these comments and proposed modifications can be stored for future use.

A few of my comments are:

1. On page 7, the descriptions of the SAR Drafting Team and the Standard Drafting Team:
 - a. What is the criteria for determining a technical expert? Can anyone apply?
 - b. Are the technical experts “assigned” or “approved” by the SC?
2. On page 10, the last paragraph reads, “The Requester shall submit the SAR to the SPM electronically through the RSVP application and the SPM shall electronically acknowledge receipt of the SAR within 15 days. The SPM shall send the electronic acknowledgement simultaneously to the Requester and to NERC.” Who at NERC should receive this electronic acknowledgement?
3. On page 11, the first paragraph reads, “The SPM shall assist the Requester in developing the SAR, reviewing NERC Reliability Standards to see whether they already address the need, identify issues with interconnected regions, and verify that the SAR complies with this manual.” What time period is given for this review?
4. Improve the process diagram to better reflect the standards development process.
5. In step 3 (“Authorization to proceed with drafting of new or revised standard”), in the sequence consideration section, the second paragraph first bullet reads, “Authorize the drafting of the proposed standard or revisions to a standard.” The proposed standard or revisions should be posted, as well?

6. In Section V. (“Interpretations and Appeals: Interpretations of the MRO Regional Reliability Standards”):
 - a. The SC should review all requested interpretations.
 - b. Wording should be added to address if a requester can withdraw a request for interpretation (When and how)?
 - c. Should informal interpretations be allowed?
 - d. How will interpretations be tracked and posted so that a status can be realized?
7. Appendix D (“Registered Ballot Body (RBB) Registration Procedures”):
 - a. In second paragraph, it reads, “Each entity, when initially registering to join the RBB, and annually thereafter, will self-select to belong to one or more of the segments described below.” Is this done annually?
 - b. In first bullet on page 36, it reads, “Additionally, the SPM may change a participant segment under certain circumstances. These circumstances will be approved by the SC and posted on the RSVP.” Where are these circumstances defined?
 - c. The next bullet on page 36, it reads, “The qualification guidelines and rules for joining segments will be reviewed periodically by the SC to ensure that the process continues to be fair, open, balanced, and inclusive. Public input shall be solicited in the review of these guidelines.” When was this done last? In addition, is there criteria for this review and what is an acceptable period?
 - d. Should the MRO Industry segments align with the NERC Industry segments?
8. Appendix B (“Information in a Standard Authorization Request”). Update the SAR form

Sincerely,

Carol Gerou

Standards Manager

Midwest Reliability Organization

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**Agenda 3
Standards**

c. Clarification SDT Update – Tom Mielnik

Agenda 3
Standards

d. Results of the review of the existing UFLS program – Dan Schoenecker

Agenda 3 Standards

e. UFLS SDT Update – Chuck Lawrence

PRC-006-MRO-01 Report

- This SDT has met five times since the last SC meeting in September to review prerelease versions of the NERC UFLS (PRC-006-1) SDT responses to Draft 2 comments and the proposed Draft 3 standard. So far, we have developed preliminary comments for about half of the proposed Draft 3 requirements. To facilitate the review, we created a comparison table of **1]** the past and proposed standard requirements, **2]** past and proposed comments, and, **3]** past responses to comments. In addition, we included the requirements of all of the latest regional proposed standards in the comparison table. Our discussion has focused mainly on the underfrequency limits and overfrequency limits curves that the NERC UFLS SDT is proposing for the official Draft 3. We have developed comments that suggest changes to the Draft 3 curves that are essential to the MRO's frequency response. If the NERC UFLS SDT does not accept the suggested curve changes, then we will likely submit our proposed curves as a MRO regional variance.
- NERC did not open a 45-day comment period on Draft 3 of PRC-006-1 by early November as planned and further standard development work for the NERC UFLS SDT is scheduled through 11/12/09. Therefore, a comment period for Draft 3 may not open until late November.

Agenda 3
Standards

f. NERC's Interpretation Process

Agenda 4
Midwest Reliability Organization Reports
a. NSRS Report – Carol Gerou

i) Membership

1. New Members To Discuss

a. Chuck Lawrence's bio:

I am presently the Planning Compliance Manager at the American Transmission Co. I have 27 years experience in the electric utility industry, primarily in the areas of transmission planning, special studies, and reliability standards. I am a professional engineer in the state of Wisconsin and Ohio. I have also been an IEEE member for 29 years. I have also been an active MRO NSRS Observer since May 2008.

b. The MRO SC will be asked to discuss and approve Tom Webb's membership.

2. Lack of participation

ii) Webpage Changes

1. POC Data Base

2. Discussion Forum

NSRS Report

Comments submitted by the NSRS on behalf of the MRO: (7)

- "CATEGORIZING CYBER SYSTEMS — AN APPROACH BASED ON BES RELIABILITY FUNCTIONS" Concept paper, POC - Terry Harbour.
- Project 2007-17 ("Protection System Maintenance & Testing"), POC – Carol Gerou.
- Request for comments on Amendments to the Rules of Procedure & Technical Feasibility Exceptions Procedural Documents
- Project 2009-06 ("Facility Ratings"), POC – Alice Murdock.
- Project 2008-01 ("Voltage and Reactive Planning and Control"), POC – Joe DePoorter.
- Project 2006-02 ("Assess Transmission & Future Needs"), POC – Chuck Lawrence.
- TIER Report ("Refining the Bulk Power System Definition"), POC – Terry Harbour.

Current Commenting: (8)

- *NIST Framework and Roadmap for Smart Grid Interoperability Standards* ("Release 1.0")
- Project 2009-21 ("Cyber Security Ninety Day Response (Version 3)")
- PRC-002-NPCC-1 ("Disturbance Monitoring")
- Project 2007-04 ("Certifying System Operators"), POC – Joe Depoorter
- Project 2006-08 ("Transmission Loading Relief")
- *NISTIR 7628 ("Smart Grid Cyber Security Strategy and Requirements")*

- Project 2007-23 & Project 2008-08 (“Violation Severity Levels & EOP VSL Revisions”)
- MOD-024-RFC-01 (“Verification and Data Reporting of Generator Gross and Net Real Power”)

Ballot Voting Recommendations: (Initial - 4 & Recirculation – 4)

- Project 2009-16 (“Interpretation of CIP-007-1 R2 by WECC”), 4 members voted “affirmative” and 2 members voted “abstained”. Thus, the NSRS casted a majority vote of “affirmative.”
- Project 2008-06 (“Cyber Security – Order 706 (VRFs and VSLs)”), 4 members voted “affirmative” and 1 member voted “abstained”. Thus, the NSRS casted a majority vote of “affirmative.”
- Project 2006-04 (“Backup Facilities”), the MRO NSRS decided to vote “no” with the comment, “Various concerns exist among the MRO NSRS membership.” Seven members voted “no.”
- Project 2008-10 (“Interpretation of CIP-006-1 R1.1 BY Progress Energy”), 3 members voted “affirmative” and 2 members voted “negative”. Thus, the NSRS casted a majority vote of “affirmative.”
- (Recirculation) Cyber Security Order 706B – Nuclear Plant Implementation Plan, no vote was called. Position remained the same with “affirmative”.
- (Recirculation) Reliability Standards Development Procedure – Version 7.0, The NSRS would like to abstain from casting a vote.
- Project 2009-09 (Recirculation): Interpretation of CIP-001-1 R2 BY Covanta Energy, opportunity to cast a vote closes after 4:30 PM CDT 10/07/09 (NSRS) and 10/09/09 (NERC). 5 members voted “affirmative” and 2 members voted “negative”. Thus, the NSRS casted a majority vote of “affirmative.”
- (Recirculation) Project 2009-12: Interpretation of CIP-005-1 R4.2.2 and R1.3 By PacifiCorp, The membership voted as followed: 3- “affirmative”, 2 – “negative”, & 2- “Abstain”. The NSRS voted “Affirmative on this ballot.”

Agenda 4
Midwest Reliability Organization Reports
b. Standards Manager Report – Carol Gerou

Activities for this quarter:

- A subgroup of the Standards Committee started to review the existing Standards Process Manual. Some suggested changes were submitted; however, the group was suspended since these changes depend on the regional delegation agreement plus, any changes to the RDA will need to be incorporated into the SPM. I was informed that any changes we make to the manual would not be filed with the FERC until the regional delegation agreement is complete. I have heard estimates that the regional delegation agreements could possibly be completed in October 2011.
- An email was distributed announcing the third 30-day comment period for the 4 regional reliability standards: **RES-501-MRO-02 (“Planned Resource Adequacy Assessment”)**, **PRC-502-MRO-02 (“Power System Stabilizer Requirement & Small Signal Stability Assessment”)**, **TPL-503-MRO-02 (“System Performance”)**, & **TPL-504-MRO-02 (“Sub synchronous Resonance (SSR) Assessment”)**. This comment period will end on December 2, 2009.
- I gave a presentation at Texas Regional Entity’s Reliability Standards Committee meeting on 11/04/09. This presentation covered the MRO commenting process particularly the NERC Standards Review Subcommittee activities and how an entity can communicate their comments and ballot positions through the NSRS and have them submitted to NERC.

Agenda 4
Midwest Reliability Organization Reports
c. Compliance Committee Update – SC Member

Agenda 4

Midwest Reliability Organization Reports

- d. Reliability Assessment Committee Update – SC Member*
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Agenda 5
NERC Reports

a. Interchange Subcommittee – Shane Jenson

Date: 20 Oct 2009

To: MRO

From: Shane Jenson, OPPD

Re: Report for NERC Interchange Subcommittee meeting 15-16 Oct 2009

Summary of Actions Taken by NERC Interchange Subcommittee:

1. Responded to NERC Operating Committee Subgroup Task Force questionnaire regarding Interchange Subcommittee work priorities as well as how the IS fits into the Operating Committee's work plan. Interchange Standards (INT) update is the number 1 priority of the IS. The number 2 priority is the maintaining the reliability aspect of the E-tag spec as version 1.8.1 is rolled out. Ancillary to this effort is updating the E-tag reference document. The number 3 priority is completing update process for reference documents submitted for industry review. These documents include the Dynamic Transfer reference document and the Interchange reference document.
2. Reviewed the Eastern Interconnection Interchange Tool Task Force (EIITTF) survey summary. Findings included the wide use of checkout tools in the Eastern Interconnection and a desire to develop a standard technical protocol for checkout tools (versus a standard tool) in the Eastern Interconnection, although many stated the solution must be low cost.
3. Discussed comments regarding the forwarding URL responsibilities proposed in E-Tag specifications draft version 1.8.1. The spec will reflect a recommended transfer of forwarding URL responsibilities from the tagging authority service to the tagging agent / approval service. This modification assigns the work effort / costs to the beneficiaries of the forwarding URL functionality.
4. Developed a list of recommended procedures for Balancing Authorities to follow in the loss of E-Tagging (internet) contingency. The differences in the tagging / scheduling relationships in the different markets made a one-size fits all document very difficult to draft. Work will continue in future meetings.
5. Reviewed the Dynamic Transfer Reference Document to earmark certain criteria that should be replicated in the INT standards for reliability reasons. An example is pseudo tie modeling in the IDC / local Reliability Coordinator tools due to the fact that they are not tagged.
6. Joe Gardner, MISO, was nominated to be the next NERC Interchange Subcommittee Chairman.
7. Jeremy West, SPP, was nominated to be the next NERC Interchange Subcommittee Vice-Chairman.

Summary of Direction Provided:

1. None.

Next Steps:

1. Submit completed questionnaire to the NERC Operating Committee Subgroup Task Force.
2. Draft final report detailing steps to create Interchange Tool technical protocols.
3. E-tag 1.8.1 spec to be modified.
4. Continue analysis.
5. Create SARs for criteria to be included in INT standards.
6. Operating Committee to confirm appointment.
7. Operating Committee to confirm appointment.

Agenda 5
NERC Reports

b. Standards Committee – Carol Gerou

See attached documents.

Standards Committee

September 3, 2009

Conference Call

1. Nominations

- Project 2007-02 (“Operating Personnel Communications Protocols”) – Seeking an individual with physical security experience and an individual with cyber security experience.
- Project 2008-06 (“Cyber Security - Order 706”) - Seeking individuals from any segment or region with experience implementing cyber systems in substations and/or generation stations. [Two nominations received]
- Project 2008-12 (“Coordinate Interchange Standards”) - Seeking an individual from a Transmission Dependent Utility that is experienced with tagging, scheduling, and checking out Interchange.
- Project 2009-02 (“Real-time Tools”) - Seeking individuals representing smaller Transmission Operators and Independent Power Producers.

2. Standards Activities Status Reports

- **Update on Reliability Standards Development Plan 2010-2012** - One key item is NERC has added a project on “Performance Based Reliability Standards” which is the triage project led by Gerry Cauley. The goal is to remove the requirements in the standards that don’t contribute to reliability. Gerry Cauley gave an update on this project. The goal is to present a plan to the BOT in November.
- **Interpretations Process** - There have been many questions on the NERC’s delay in processing interpretations. Gerry Adamski said that in the future, NERC will be doing a better job in moving interpretations forward. There are 15 active interpretation requests in the queue. Some unique situations:
 - **Project 2008-18 — Interpretation of TOP-005-1 and IRO-005-1 by Manitoba Hydro.** Even though the Industry approved the interpretation, NERC has not presented it to the BOT (NERC staff wants a more stringent interpretation). Gerry Adamski mentioned multiple times that he felt interpretations should strengthen reliability (rather than interpret the words that presently exist). He said that if the drafting team does not strengthen the standard through the interpretation, he said the team should then submit an urgent action to change the standard (thus giving interpretations a higher place in the queue than other standards).
 - Gerry Adamski said they will move forward with the **BAL-003 interpretation request received in April** (whether there is a performance obligation for frequency response- FERC had been saying that their understanding is that frequency response must be 1% of peak based on their stray statement in Order No. 693).
 - **COM-002** (reliability directive) Someone has requested an informal interpretation request. Gerry didn’t say what interpretation was provided.
- NERC has given 8 informal interpretations when entities have requested formal interpretations.
- Scott H. asked Jim S., Ben L. and Terry B. to finish up their work on the Informal Interpretation process so that the SC can take action.
- NERC staff has been providing informal interpretations. It’s not clear who has been requesting these or what is the outcome of the interpretations.

3. Coordination

- **Coordination with Regional Managers** - Regional delegation agreements are expiring and undergoing renegotiation. Industry will have an opportunity to comment.

4. Other Issues and Actions

- **Response to letter from Rick Sergel to Standards Committee regarding COM-002 advisory** - This goes back to the Industry Alert. The SC asked for the attachment to the alert be removed as it interpreted the COM standard outside the standards process (to make all

Standards Committee

September 3, 2009

Conference Call

Operational Communication 3-way). Rick said the SC needed to submit an urgent action SAR to address this.

Standards Committee

October 7, 2009

MISO, Carmel, IN

1. Nominations

- Project 2008-01 (“Voltage and VAR Control Appoint a SAR Drafting Team”) - Needs two more candidates from SPP and Canada. Only one candidate serves less than 1000 MW.

2. Standards Activities Status Reports

- Results-based Standards Project - Gerry Cauley gave presentation. 3 year assessment and Winebag BOT meeting was a driver for this project. Four components to be reviewed: applicability, action, achievable outcome (entity or industry should know end result), & condition. There are three types of requirements: 1] Performance-based (e.g., Performance of BES- frequency outcome, CPS1&2)(We are in a risk based industry so we need risk based requirements), 2] Risk based (e.g., should know, what is the risk to avoid? Should reduce risk.), & 3] Competency based (e.g., people need to be trained). There are preferences to move in this direction but not to immediately change course.

3. Standards Actions

- Identifying Critical Assets — Approve posting a Supporting Reference for CIP-002-1 — Critical Cyber Asset Identification. The reference document should be posted for another 30 day comment period with the 4 questions. The terminology needs to be revised (e.g., what is essential generation) since it doesn’t reflect actual industry methodology or terminology.
- Project 2007-04 — Certifying System Operators — discuss inclusion of “delegation” in requirements - Discussion on R1, NERC wants to remove the phrase “, or another entity where the responsibilities has been transferred for this function by written agreement”. NERC SC to write letter to Dave Taylor asking the compliance staff to review registration process. Compliance staff will be asked to expedite this commitment to provide clarification (via webinar or NERC news) on how the compliance staff addresses tasks assigned to (delegated to) entities by agreements with respect to registration and auditing for compliance.
- Project 2007-01 — Underfrequency Load Shedding — There was a motion to revise scope of SAR to extend to EOP-003 standards this will remove redundancy.
- The current COM-003 posting will be pulled off website and the current chairmen will be asked how they can work out together to develop the “directive” definition. Also, the coordination or meeting will be attended by some NERC SC members (Jason Shaver, Ron Parson, and Raj Rana) and NERC staff. “Directives” in standards have been redlined and are ready to post.

4. Interpretation Process

- Response to Rick Sergel’s letter on COM-002. - NERC SC chairman to write letter to the BOT advising that the use of this interpretation process is short term and when the ROP is updated it will incorporate the SC’s revised interpretation process (which includes a comment period) this new BOT interpretation review process won’t be needed.
- Initiative to give communication to BOT. Aim for February (may be May) and use conference calls to draft modifications.

Agenda 5
NERC Reports

c. Compliance and Certification Committee – Terry Bilke

Agenda 5
NERC Reports

d. Regional Reliability Standards Working Group – Carol Gerou

See attached documents.

Regional Reliability Standards Working Group

September 16-17, 2009

NPCC

1. Regional Delegation Agreement

- Look at the MRO delegation agreement. Will the delegation agreement address VSL & VRFs? If the delegation agreement allows for the NERC process then there's no impact.
- Impact is in question because VSL and VRF will be separated from the standards in the future. Regional Standards Development Process will need to be revised. Will MRO's need to be revised?
- The official separation (VSL or VRF) process has been approved but effective date is still up in the air.

2. Review of Approved & Proposed Regional Definitions

- ATEC Order (Docket No. RM08-12-000 dated May 21, 2009; Order No.723) See page 20, paragraph 38, 39 & 40. NERC & FERC reasoning to have the same regional definitions. Last sentence in paragraph 38, mentions only "Reliability Standards" not regional reliability standards. NERC & FERC want the definition to be the same for all regions and use the ATEC as their reasoning.

Regional Reliability Standards Working Group

October 29, 2009

Conference Call with FERC and NERC

1. Frequency Response

- FERC is really concerned about Frequency Response. They asked, how does one check to determine that they are in the middle of the frequency response such that the load shed is planned but not a contributor to make the frequency worst?
- SERC is not set-up for a control break-up.
- NPCC has Frequency Response white paper. The FPL FERC order discusses frequency response.
- Order 693 paragraph 1480 (where BAL-003 is being discussed). Talks about frequency response and bias. It discusses performance expected by frequency response.
- For UFLS programs with islanding criteria, FERC wants to see area specific frequency response.

2. Questions FERC is asking for in a regional standard/definition

- FERC - Why develop regional standard when CWS standard is coming out? Guy and Bob - Don't want to reliability gap. Can always retire a regional standard. Guy Zito, mentioned a 841 document as basis. (What is this document?)
- FERC wants to know:
 - Where is the regional standard more stringent or more restricting?
 - Does the standard cover different areas, if so where?
 - Why is there a need for a different definition?

3. Compensator Load

- Compensator load (NPCC label) – Additional load tripped to cancel out generators that trip before minimum allowable time delay. (SERC, RFC, and MRO just call it additional load.) FERC doesn't want this additional load or compensator load to be firm load. They believe this a Demand-side Management issue that the Commission will not allow. (This is stupid. We are already dropping firm load with the UFLS program.)

Agenda 5
NERC Reports
e. NERC Drafting Teams

- i. Assess Transmission Future Needs Standards Drafting Team – Tom Mielnik

- ii. Protection System Maintenance and Testing – Carol Gerou

PRC-005 Report

They are developing responses to comments. They have broken up into subgroups to address comments for general topics such as batteries, trip coils, communication channels, etc. This standard drafting team plans to meet on December 16-17, 2009 to go over the rough draft of the responses developed by the subgroups.

- iii. NERC UFLS Standard Drafting Team – Carol Gerou

PRC-006 Report

This SDT is finalizing their responses to comments. They are assigning compliance elements as well. The next meetings for this SDT are: 11/5/09 (1-3 PM CDT), 11/6/09 (1-3 PM CDT), and 11/12/09 (11/12/09). The future comment period cannot begin until the SDT finishes its reviews and Maureen Long of NERC has gone through the material to be posted. The NERC UFLS SDT was planning for November 1 to post for another comment period, but we still have not finished our reviews. The comment period runs for 30 days normally, but since EOP-003 is being posted also, it needs to run 45 days.

Agenda 6
Other Business

a) Standards Committee Report to Board of Directors – December 3, 2009

b) Meeting dates for 2009

December 1, 2009

MRO Critical Infrastructure Protection Workshop – Holiday Inn Select

December 2, 2009

MRO Reliability & Compliance Workshop – Holiday Inn Select

December 3, 2009

MRO Board of Directors Meeting – Holiday Inn Select

Agenda 7
a. Next Meeting/Future Locations

2010 Board of Directors Meeting Dates

March 25
June 24
September 24
December 2

2010 Proposed MRO Standard Committee Meeting Dates

March 11
June 10
September 9
November 18

Agenda 8
Adjourn
