



Southwest Power Pool

REGIONAL ENTITY TRUSTEES MEETING

OCTOBER 28, 2013

SPP Corporate Center

Little Rock, Arkansas

A G E N D A

8:00 a.m. – 12:00 p.m.

[Meeting Materials](#)

- 1. **Call to Order/Introductions** John Meyer
- 2. **Antitrust Guidelines**..... Emily Pennel
- 3. **Approval of Meeting Minutes** – July 29, 2013, and August 5, 2013..... John Meyer

The minutes were approved with no discussion.

- 4. **Critical Infrastructure Protection Committee Update**.....Robert McClanahan

Robert McClanahan gave an update on CIPC activities. The Electric Sub-Sector Coordinating Council (ESCC) has been reorganized. It now consists of 30 industry CEOs, representing all industry sectors. NERC now sits on the ESCC as an observer. The ESCC meets with officials from government agencies that have regulatory authority over the industry to discuss policy-related matters.

In November, NERC is holding its second national tabletop grid exercise with almost 200 entities participating, including six SPP members.

The National Geographic channel presented a fictional show called *American Blackout* which highlighted the criticality of the electric grid.

Robert discussed three recent acts of transmission sabotage in Arkansas. Threats to the electric power grid are real and range in their seriousness. Damage to an energy facility is a federal crime. We must keep physical security in mind, and CIPC is ramping up its work in this area.

- 5. **Staff Reports**

- 5a. **CIP Transition Update** Kevin Perry

The CIP Version 4 implementation date has been pushed from 4/1/14 to 10/1/14. On 10/1/14, Version 4 will go into effect unless FERC approves Version 5. It was anticipated that FERC would approve V5 at its October 2013 meeting. Industry remains hopeful that FERC will approve V5 in November or December 2013. If so, V5 will be enforceable January 1, 2016.

NERC published its [latest transition guidance](#) on 9/5/13. It incorporates comments from trade associations, the regions, and other interested parties. The plan still retains three options for Critical Asset Identification. Entities can select Alternative Approach 1 or 2 at any time. Entities can update their Critical Asset list upon adoption of the selected approach.

NERC's transition plan includes a six-month transition study to identify any pitfalls or issues with the transition from V3 to V5. SPP RE has one registered entity in the CIP V5 Transition Study, which is focused on CIP-002, CIP-005, CIP-006, CIP-007, and CIP-010. The study runs through March and will be followed by a report.

5b. General Manager's ReportRon Ciesiel

A number of pilot programs are underway in various regions concerning specific aspects of the proposed Reliability Assurance Initiative (RAI) program. Most of these pilot programs will be wrapping up in early 2014 with proposed rollouts NERC-wide in mid-2014 and beyond. The NERC-wide Auditor Handbook is nearing completion and, once approved by the Regional Executives, will be made public to Registered Entities.

SPP RE, along with the other REs and NERC, are completing development of the uniform software program to be used for submitting BES inclusions/exclusions. Software testing should be completed in November.

NERC and the REs are waiting for final FERC approval of the combined 2014 budget submittals made earlier this summer.

5c. Enforcement Report.....Joe Gertsch

SPP RE issued 142 Notices of Possible Violation by the end of September; this is about the same number we had issued at this time last year. We have disposed 67 FFTs (Find, Fix, Track). The current average time to process FFTs is 3.7 months. There were 194 open violations through 3Q; 65 are High Impact. There were 27 dismissals and 142 submitted mitigation plans through 3Q.

5d. Compliance Report & 2014 Implementation PlanRon Ciesiel

The new Bulk Electric System (BES) Definition will be effective 7/1/14. A Standards Drafting Team is working on Phase 2 of the Definition intended to clear up open issues from Phase 1 and address issues raised in the FERC Order. The second ballot came very close to approval but was not approved. A successive ballot is open through 10/28/13. Registration of smaller generating units seems to be the current open issue. Registered Entities should be compiling lists of self-nominated 'exclusions'. SPP RE will review and accept/reject facilities on the list.

Revisions to the FFT process are underway based on FERC's 6/20/13 order. Self-Reporting processes/requirements are also under review.

The [new EOP-004-2](#), which becomes effective 1/1/14, merges CIP-001-2a Sabotage Reporting and EOP-004-1 Disturbance Reporting into EOP-004-2 Event Reporting. CIP-001-2a and EOP-004-1 will be retired.

Once the new standard is in effect, if you have an event that triggers Department of Energy reporting, you will still need to complete the [OE-417 Disturbance Report](#). If you complete the OE-417 report, you do not have to complete the NERC EOP form. SPP RE and NERC will accept the OE-417 in lieu of the NERC report. However, if your event does not require an OE-417, you should use the NERC EOP form included in the standard.

Registered Entities should submit disturbance and event information to SPPEVENTS@spp.org (SPP region) or MISOEVENTS@spp.org (MISO region). Please contact Alan Wahlstrom with questions (501.688.1624).

While misoperations tend to follow a seasonal pattern, the misoperations success rate is down from this time last year. That majority of misoperations in our region are categorized as *unnecessary trips during fault*, are caused by *communication failures* and *incorrect*



settings/logic/design errors, and are on the 138 kV system. The SPP System Protection and

Control Working Group is going to review misoperations data to look for patterns/lessons learned.

On the facility ratings alert, 2,300 discrepancies have been found in the SPP RE region for high/medium priority lines and 650 for low priority. Organizations that need an extension on the facility ratings program should request an extension from SPP RE (Alan Wahlstrom) now.

5e. **Summary of Recent System Events**..... Alan Wahlstrom
Through 3Q 2013 we have had 14 events in the SPP RE region; six were Category 1 and eight were "Category 0" events that will be used by NERC for trending purposes. Three recent events are under review; the events are related to loss of AGC control, evacuation of a primary control center, and breaker trip coils causing outages.

6. **2013 Stakeholder Satisfaction Survey Results**Ron Ciesiel

SPP RE issued the survey on 9/12/13 to the 122 Primary Compliance Contacts who are registered in SPP RE's compliance database. The survey had a 57% response rate (70 respondents), up from 54% in 2012.

On a scale of 1-5 in which 5 represents the most favorable score, average ratings throughout the survey were between 2.9 and 3.9. Of the 27 respondents who interact with other Regional Entities, none rated SPP *much worse*, 11% rated SPP RE *somewhat worse*, 63% rated SPP RE *about the same*, 7% rated SPP RE *somewhat better*, and 19% rated SPP RE *much better*. When asked how well SPP RE's programs and services meet expectations, respondents rated all with average scores in the *meets expectations* range between 3.0 and 3.3. When asked to rate employees' customer service ability or programs' responsiveness to needs, respondents rated all with average scores between *average* and *good*, from 3.4 to 3.9. The 2013 overall satisfaction rating of 3.6 dropped from the 2012 rating of 4.0 and the 2011 rating of 3.8.

7. **Winter Reliability Assessment Overview**..... Jason Smith

To develop the assessment, SPP staff used member-submitted data from the SPP Model Development Working Group and the Long Term Reliability Assessment. The winter assessment undergoes a peer-review process internally and at NERC prior to finalization. For 2013/2014 winter, our region has 34,415 MW Projected Total Internal Demand (coincident) with 64,466 MW Existing Certain Capacity resources. No regional reliability issues are expected and reserve margins are adequate.

8. **SPP RE 2013 Trustee Self-Assessment**..... John Meyer

The Trustees quickly reviewed their self-assessment of the 2013 roster, meeting attendance, meeting costs, major accomplishments, and major pending issues.

9. **NERC Committee Representative Written Reports – Comments or Questions**

There were no comments or questions.

- 9a. Planning CommitteeNoman Williams
- 9b. Compliance and Certification CommitteeJennifer Flandermeyer
- 9c. System Protection and Control Lynn Schroeder
- 9d. Interchange SubcommitteeJeremy West
- 9e. Operating Committee Report Jim Useldinger

10. Staff Written Reports – Comments or Questions

10a. Staff Goals and MetricsRon Ciesiel

SPP RE staff is generally on track with annual performance metrics.

10b. Year-to-Date Financial Statement.....Debbie Currie

SPP RE remains under budget for the year, primarily due to open staff positions.

10c. Outreach ActivityEmily Pennel

Staff have posted seven new training videos. A webinar is scheduled for Nov. 21 to discuss the 2014 Implementation Plan and 2013 Self -Assessment. The fall workshop was attended by 163 stakeholders (via webinar or in person); the majority of workshop survey respondents said they enjoyed the workshop and liked meeting at the SPP Corporate Center.

11. New Action Items Emily Pennel

Emily Pennel will update the 2013 SPP RE Trustee Self-Assessment to note that staff maintained *generally* favorable stakeholder satisfaction scores. She will also run an article in the October SPP RE newsletter about the new EOP-004 standard and event reporting (see section 5D).

12. Future Meetings John Meyer

- January 27, 2014 – Austin
- April 28, 2014 – Oklahoma City
- June 17, 2014 – Little Rock (budget meeting)
- July 28, 2014 – Omaha
- October 27, 2014 – Little Rock

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ATTENDANCE LIST

NAME	SYSTEM
MARTIN PENNING	EMPIRE DISTRICT ELECTRIC
Tom Burt	Golden Spread Electric Cooperative
Bill HANDELSON	" " " "
Mike WISE	" " " "
BRETT KRUSE	CALPINE
BRIAN GEDRICK	NEXTERA
Patrick Smith	Wester
STUART LOWRY	SUNFLOWER
Tom HESTERMANN	Sunflower Electric
BARY WARREN	Empire District Electric Co.
Stacy Duckett	SPP
JULIAN BRIX	SPP DIRECTOR



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NAME	SYSTEM
Noman Williams	Sunflower
Lindsay Shepard	Sunflower
AND CIESIEL	SPP RE
GERRY BURROWS	SPP RE TRUSTEE
John Meyer	SPP RE Trustee
Dave Christiano	"
TRACEY STEWART	SWPA
Joshua Bach	KCP+L
Jennifer Flandermeyer	KCP+L
ROBERT MCCANISHAN	AECC
Alan Wahlstrom	SPPRE
Debbie Currie	SPPRE
Kevin B. Perry	SPP RE

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NAME	SYSTEM
Joe Geutsch jgeutsch.ec@spp.org	SPP RE
Steven Koller skoller.ec@spp.org	SPP RE
Emil Koller	SPP RE
Sheila Scott	SPP RE
Phyllis Bernard	SPP Board of Directors
Richard Ker	ABPC
JASON SMITH	SPP RTO

Noumvi Ghomsi	Missouri Public Srvc Comm
	Phone / Webex
John Allen	SPP RM
Wim Van Brimer	SPP
Bo Jones	Westar Energy
Fred Meyer	Empire District
Rob Janssen	Dogwood Energy
John Williams	Empire District