



**REGIONAL ENTITY TRUSTEES MEETING**

**APRIL 24, 2017**

**Tulsa, Oklahoma - Doubletree Warren Place**

**A G E N D A**

**8:00 a.m. – 3:00 p.m.**

**Meeting Materials**

- 1. **Call to Order/Introductions.....Dave Christiano**  
Chairman Christiano called the meeting to order at 8:01 a.m.
- 2. **Antitrust Guidelines ..... Monica Evans**  
Ms. Evans reviewed the guidelines.
- 3. **Approval of Meeting Minutes – 1/30/17.....Dave Christiano**  
The minutes from the January meeting were approved. Chairman Christiano noted the Trustees had an executive session following the January meeting to discuss SPP RE employee compensation.
- 4. **Preliminary 2018 SPP RE Business Plan and Budget.....Debbie Currie**  
We are proposing basically a flat budget; a slight reduction brings the proposed budget to \$10.8 million. The SPP, Inc. charge is now predominantly fixed, which allows us to better forecast the budget. We do not project penalty payments; they are applied to the next year’s budget.

We will submit the preliminary budget to NERC on May 1. There is a 30-day comment period for stakeholders; please send any comments on the budget to dcurrie.re@spp.org. On June 28 the Trustees will have their budget approval meeting in Little Rock.

The Trustees unanimously approved the preliminary budget, subject to changes before final approval in June. Trustee Whitley commended SPP RE staff on its fiscal responsibility and prudence in developing the budget. Mr. Ciesiel noted we have posted a lengthy SPP RE business plan and budget with more information.

- 5. **NERC Planning Committee Report ..... Noman Williams**  
The Planning Committee has been having joint meetings with the other standing NERC committees. These meetings have been a good collaboration. An IROL task force has been formed to work on IROL issues. Trustee Whitley noted the importance of having a common definition of IROLs. The group is working on preparing Reliability Guidelines on Forced Oscillations and Load Model Composition Data. The PC is undergoing a leadership change. The annual reliability reports have been transitioned to other groups in NERC.

6. **CIP Update** .....**Shon Austin**

As of April 1, 2017, Registered Entities must have documented cyber security policies for assets containing low impact BES Cyber Systems and must implement plan(s) for Attachment 1, Section 1 (Cyber Security Awareness) and Attachment 1, Section 4 (Cyber Security Incident Response). Revisions to CIP-003-7 are scheduled to be filed at FERC by 3/31/17. Mr. Austin discussed the new CIP-013, the new NERC CIP Compliance Task Force, and the 2017 DHS-FBI-USSS Joint Threat Assessment.

Our Registered Entities are self-reporting issues three times more than we are finding issues through our oversight activities. It's positive that auditors and Registered Entities are working together for compliance and reliability. CIP-005, CIP-007, CIP-004, and CIP-010 are the most violated CIP standards. We will be discussing these issues at the June CIP workshop. The group reviewed the draft workshop agenda and discussed adding a demo of NP-View firewall test software.

7. **Quarterly System Events** .....**Alan Wahlstrom**

SPP RE saw nine events in the first quarter of 2017. Six events were in category 1a and three in category 1h. Several events were caused by an ice storm. Mr. Wahlstrom reviewed each event and recent NERC Lessons Learned. The group discussed the high level of wind penetration in the SPP region.

8. **Enforcement Report**..... **Joe Gertsch**

So far in 2017 we have 53 incoming possible violations; the active caseload is 167 violations. Of these, 71 are Operations & Planning and 96 are CIP. The 2017 goal is to process 161 violations. The majority of active violations are submitted via self-certifications and self-reports. Trustee Maher discussed the importance of mitigating issues quickly. The group discussed the Self Logging program and how it is working.

9. **General Manager's Report**.....**Ron Ciesiel**

Mr. Ciesiel noted that Registered Entities are doing a good job of discovering and reporting issues quickly. SPP RE's most violated standards are the same as NERC's. While the number of non-compliance issues has been going up, the severity of issues is going down. The ERO now has a uniform misoperations reporting process, which is helpful. The top causes of misoperations in our region are still communication failures and incorrect settings/design. Jennifer Flandermeyer reported the Reliability Compliance Working Group and System Protection and Control Working Group have formed a task force to work on misoperations. KCPL will host another Misoperations Summit at KCPL on August 31.

10. **YTD Staff Performance Goals and Metrics**.....**Ron Ciesiel**

We are on track with staff metrics as of March 31. It is still early in the year for tracking a number of the items.

**11. YTD Financial Update.....Debbie Currie**

At the end of March, we were \$226,000 under budget. We began the year with three open positions, and two more opened up in first quarter. We have filled one of the positions and are seeking applicants for others.

**12. Outreach Update.....Emily Pennel**

The March workshop had 228 attendees – a record high. Staff is preparing for the CIP workshop on June 27.

**13. NERC Committee Reports – Comments or Questions**

Mr. Ciesiel announced that Louis Guidry will serve as the SPP RE representative on the SPCWG. He reminded everyone that SPP RE will pay expenses for representatives on NERC standard drafting teams.

**14. Trustee Roundtable..... Dave Christiano**

Trustee Whitley noted the increasing number of CIP standards and the importance of outreach on these standards. He is concerned about breaker failures, for which we don't have a NERC standard. He noted concern about the issue of wind penetration and the importance of having tools to manage it. It's also important to have a consistent definition of IROLs.

Trustee Maher asked if we could purchase a firewall test tool all Registered Entities can use. He is concerned about Registered Entities that are lagging on mitigation plans. He stressed that the Trustees want to hear from stakeholders on the budget and any other issues. Trustee Maher broached the subject of creating a Registered Entity Members Committee and maybe an Operations Committee under SPP RE.

Chairman Christiano said it's concerning we've had system events with the loss of three or more elements.

**15. New Action Items.....Emily Pennel**

Emily Pennel will follow up with Kevin Perry on the firewall test tool.

**16. Future Meetings.....Dave Christiano**

June 28, 2017: Little Rock, AR (budget meeting)

July 24, 2017: Denver, CO

October 30, 2017: Little Rock, AR

Trustee Christiano adjourned the meeting at 12:02 p.m.

Respectfully submitted,  
Emily Pennel, SPP RE Trustees Secretary



Southwest Power Pool, Inc.

SPP REGIONAL ENTITY TRUSTEE MEETING

April 24, 2017 (8am-3pm)

Doubletree Warren Place – Tulsa, OK

• ATTENDANCE LIST •

Name	Company
Paul Mehlhaff	Sunflower
Roman Williams	SCMCN
Michael Desselle	SPP
John Olsen	Westar
Momas Maldonado	Xcel Energy - SPS
John Allen	City Utilities
Bo Jones	Westar
Monica Evans	SPP RE
Emily Penney	SPP RE
Henry Skilton	SPP Director
GRAHAM Edwards	SPP Director
MARK GILSON	SPP Director
Terrri Pyle	OBE
CHRIS LANG	GSEC
ROBERT McCLANAHAN	AECC
Jennifer Flandermeyer	KCPD



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Name	Company
Steve Whitley	SPP RE Trustee
Dave Christianso	"
Gerry Burrows	"
MARK W. MAHER	"
RON CIESIEL	SPP RE STAFF
SHON AUSTIN	SPP RE STAFF
Joe Gentsch	"
Alan Wahlstrom	"
Debbie Currie	" "
Clem Cassmeyer	WFEC
TRACEY STEWART	SWPA
Fred Meyer	Algonquin Power and Utilities Corp
Jim Jacoby	AEP
Darrell Piatt	FERC



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Teleconference – Webex

Name	Company
Louis Guidry	cleca
Robert Pickel	NPRD
Trent Carlson	Arid Liance
Jim Useldinger	Arid Liance
Andrea Doucette	SPP RE
Marc Gomez	