



**Southwest Power Pool
REGIONAL ENTITY TRUSTEES MEETING**

July 24, 2017

Hyatt Regency Denver

Denver, Colorado

A G E N D A

8:00 a.m. – 3:00 p.m. MST

- 1. **Call to Order/Introductions** **Dave Christiano**
Chairman Christiano called the meeting to order at 8:00 a.m.
- 2. **Antitrust Guidelines** **Monica Evans**
The guidelines were read.
- 3. **Approval of Meeting Minutes – June 30, 2017** **Dave Christiano**
The Trustees approved the minutes.

- 4. **Long Term Reliability Assessment (LTRA)** **Lanny Nickell**
The LTRA is a 10-year outlook for the SPP Planning Coordinator footprint. Our region has plenty of capacity, with adequate planning reserves. The new generation coming online is primarily wind, with solar picking up. There will be points in time, particularly during low load, that SPP can't use all of the wind and will need to export or curtail it.

We experienced a wind penetration peak of 54% in early 2017. We are a summer peaking region, but we do have some areas with a winter peak. We are expecting about 3,500 MW in plant retirements and 1,800 miles of new 100+ kV transmission over the 10-year assessment period. We don't expect any reliability issues due to good operational practices and completed transmission expansion.

The Trustees unanimously accepted the LTRA.

- 5. **Summer Assessment Review** **Alan Wahlstrom**
The NERC summer assessments have been shortened, and NERC is considering enhancing the LTRA. We are seeing more coal retirements; our region is 46% natural gas and 38% coal. We expect adequate reserves for the upcoming summer. The trustees unanimously accepted the summer assessment.
- 6. **2Q Events and FAC Report** **Alan Wahlstrom**
Seven events occurred in the SPP region during Q1 2017. All events were in the lowest assignable risk category; two in category *1a.-loss of three or more elements* and five in category *1h-partial loss of EMS*. The SPP RE region completed its work on the NERC facility ratings alert, which was a tremendous amount of work for Registered Entities and has had a tangible benefit to reliability. SPP Registered Entities reviewed 2,000 lines over 17,000 miles and corrected 7,000 discrepancies in seven years.

7. **2017 State of Reliability Report****Mike Hughes**
This annual report provides an objective view of reliability performance and identifies trends and risks to reliability. There were no high-severity category 4 or 5 events in 2016. Misoperations continue to decline but remain a priority. Frequency response shows improvement but requires continued focus. Cyber and physical risks are increasing. Transmission outages caused by human error have increased, but there has been no increase in outage severity. Resiliency to severe weather continues to improve.
8. **CIP Update****Kevin Perry**
All elements of the new *CIP-013: Supply Chain Management* standard passed; it will now go to the NERC Board and FERC for approval. The onus of compliance with CIP-013 will be on the Registered Entities. *CIP-005-6: Remote Access Management* and *CIP-010-3: Configuration Change Management and Vulnerability Assessments* are also being revised. Kevin acknowledged KCPL's Jennifer Flandermeyer for her work on the standard drafting team. A number of new requirement parts became enforceable July 1, 2017. Public and non-public versions of the Remote Access Study were submitted to FERC in June. Several media sources have reported that, according to the FBI and Homeland Security, hackers are targeting nuclear facilities, including the Wolf Creek Nuclear Operating Corporation.
9. **Enforcement Report**.....**Joe Gertsch**
We have received 99 incoming violations this year. There are 162 active violations in the current caseload; the goal is to process 169 this year. Of the current violations, 67 are Operations & Planning and 95 are CIP. There are 54 active violations with no mitigation plans. Ron noted that self-awareness of issues is rising, which is very positive and should lead to increased reliability and fewer system events. In the current caseload of 162, 96 were identified via self-report, 25 via self-certification, and 7 via self-logging. The remaining issues were identified via audit (32) and spot check (2).
10. **President's Report****Ron Ciesiel**
MOD-025, CIP-007, PRC-024, and PRC-019 lead the top 10 most violated standards. The System Protection and Control Working Group is still working on analyzing misoperations and reducing them in our region.
11. **Outreach Activity****Emily Pennel**
Jennifer Flandermeyer noted that the October 19 misoperations summit will focus on tactical ways to approach the issues; she encouraged companies to send their technical staff. Dates have been set for the 2018 SPP RE compliance workshops and RTO compliance forums.
12. **Financial Report/Year-to-Date Financial Statement****Debbie Currie**
We are currently \$310,000 under budget due to open staff positions. Software is being delivered on the engineering data validation tool. The 2018 budget has been approved and sent to NERC.
13. **Staff Goals and Metrics****Ron Ciesiel**
All of SPP RE's 14 staff performance metrics are on track except for two. Item 7, *publish off-site audit report within 40 days*, is at 80%. Item 9, *publish reports within allotted timeframe*, is at 89%.
14. **NERC Operating Committee Report**.....**Jim Useldinger**
The highlight of the last OC meeting was the Inverter Task Force report, which analyzed the 2016 Blue Cut fire disturbance in California. The OC approved the report and the new Inverter-Based Resource Performance Task Force scope. A number of Reliability Guidelines have been published. The OC committees and subcommittees are all doing good work.



15. NERC Committee Representative Written Reports - Comments or Questions

- 15a. Planning Committee Report Noman Williams
- 15b. Compliance and Certification Committee Report..... Jennifer Flandermeyer
- 15d. System Protection and Control Report Louis Guidry
- 15e. Critical Infrastructure Protection Committee Eric Ervin

16. New Action Items Emily Pennel
No new action items were captured.

17. Future Meetings Dave Christiano

- Oct. 19 Misoperations Summit: KCPL/Kansas City
- Oct. 24-25 Fall Workshop: Dallas
- Oct. 30 Trustee Meeting: Little Rock
- Jan. 29 Trustee Meeting: Oklahoma City

The Trustees adjourned the meeting at 1:52 p.m.

Respectfully submitted,
Emily Pennel
SPP RE Trustees Secretary

The Trustees and SPP RE President held an executive session following the public meeting.



Southwest Power Pool, Inc.

SPP RE TRUSTEE MEETING

July 24, 2017 - 8 am - 3 pm

Hyatt Regency Denver - Denver, CO

• ATTENDANCE LIST •

Name	Company
TRENT CARLSON	GRIDLIANCE
Bo Jones	Westar
JOSH MARTIN	SPP DIRECTOR
Terry Jarrett	MJM&C
Norman Williams	SCMCN
Fred Meyer	Alsongom / IEDR
Carl Stelly	SPP RTO
Jennifer Flandermeyer	ICPL
John Rhea	OG&E
John Olsen	Westar
Cherie Willemo	GSEC
Monica Maldonado	Xcel
GERRY BURROWS	SPP RE TRUSTEE
Stephen Whitney	SPP RE TRUSTEE
Dave Christiano	"
MARK MAHER	"
LANNY NICKELL	SPP



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Name	Company
Joe Gutsch	SPP RE
Debi Cunn	SPP RE
Niki Hughes	SPP RE
Paul Melkhoff	SunPower
RON CRESIEL	SPP RE
Brent Baker	Empire D. Strait
Susan Perry	SPP RE
Emily Pennel	SPP RE
Monica Evans	SPP RE
Tim Jacoby	AEP
JEFF KNOTTER	SPRM
Bob Harris	WAPA
Mike Risan	BEPC
DARRELL PIATT	FERC
TRETT CARROLL	LiquidLink
Norman Williams	LiquidLink
Alan Wahlstrom	SPP RE

