

**Southwest Power Pool  
WESTERN RELIABILITY EXECUTIVE COMMITTEE  
Wednesday, November 14, 2018  
1pm to 3pm Mountain Time/2pm to 4pm Central Time  
Net Conference**

**• M I N U T E S •**

**Administrative Items**

**1. Call to Order**

- Keith Carman called the meeting to order at 1:00 pm MT on Wednesday, 11/14/2018 and welcomed everyone.

**2. Attendance and Quorum Determination**

- Bruce Rew took attendance (attached), and confirmed that quorum was met.

**Agenda Items**

**3. Review and approval of WREC agenda**

Keith Carman reviewed the agenda with the committee, and noted Jonathan Aust's request to include discussion on cutover dates for agenda item 7.

**4. Approval of WREC Minutes for October 25, 2018 meeting**

Keith Carman called for a motion to approve the WREC Minutes from the 10/25/2018 meeting. Denton McGregor approved the motion, and was seconded by Jonathan Aust, with no further discussion or opposition.

**5. Review of Past Action Items**

Bruce Rew initiated the review of the past action items.

- a. **Bruce Rew to make sure WREC member is registered on SPP.org and that he will ensure all the members are posted on WREC webpage. [COMPLETE]**
- b. **Bert Bressers to send the SPP RC shadow operations process presentation to WRWG and have them coordinate with CAISO and PEAK; and to also post the presentation to the WREC webpage in the additional resource folder. [IN PROGRESS]**

c. **Bruce Rew will double check on the allocation cost on ECC and WIT tool for Gen only BAs.**

Mike Riley read the definition of Customer Minimum Annual Payment (CMAP) in the RC Services agreement. He stated that WIT will be chargeable to Gen only BAs as it is included in the contract, and SPP should also be able to charge Gen only BAs the cost of ECC since the list of charges listed for CMAP are not exhaustive.

d. **Bruce Rew to get with SPP Legal Department to come up with language for the data sharing agreement to allow SPP to do what it needs to do without needing all the east customers to sign.**

Mike Riley said that CAISO has sent SPP and the Canadian RCs a proposed redline UDSA, which is the new WIDSA, several weeks ago. SPP is proposing modifications to allow SPP to combine data from both the West and East entities in our modeling software to allow SPP to actuate efficiently on what needs to be done. He informed the Committee that the changes of the proposed redline to CAISO under section 6-1B of the WIDSA is to allow SPP to disclose information under this agreement to the RCs and BAs in the Western and Eastern interconnections. Since he has not heard back from CAISO, and that CAISO has an upcoming meeting on November 27, 2018, he will check with CAISO if they expect to provide feedback to SPP before that meeting. Keith Carman and Bruce Rew will also be at the meeting.

e. **Bruce Rew will look at the implications on the RC agreement in regards to changing the go-live date.**

Mike Riley stated that SPP has requested to change the go-live date to December 3, 2019 at noon, which has not been approved yet. However, even with the anticipated change to the go-live date from 1/1/2020 to 12/3/2019, SPP plans to still keep the same termination date with the 5 years initial term, which will be 5 years + 28 days. As such, SPP is going to seek amendment or clarification for the provision of how SPP will deal with billing and collecting for the services for the 28-day period in 2019. He asked the Committee for suggestions as he will need that information for the amendment, and informed the Committee that SPP provides invoices each year in November for the following year's services. Committee voiced their concerns about the unexpected charges and said they will still be paying PEAK through end of 2019. Bruce Rew explained that the startup cost should be reduced by some

amount if we start earlier but he will verify with SPP Accounting. Keith Carman asked the Committee to stay focused on the proposed 12/3/2019 go-live date; to which Bruce Rew requested the WREC to do what they can to assist SPP in getting support from Western entities for that implementation date.

In regards to discussion about the multiple cutover dates, Jonathan Aust explained that WAPA is concerned about the risks of things falling through the cracks after talking to PEAK. WECC and NERC are also concerned due to the changing footprints for each change and potential recertification. Maude Grantham-Richards said that WECC and NERC are still in discussion on the recertification process for PEAK, even though the recertification after each transition should be much less work due to a downsizing footprint and an organization that is going away. Jonathan Aust agreed that we need to wait on WECC and NERC to come to an agreement, but wanted to remind the Committee that with the four cutover dates, his main concern is the reliability function through each transition. Bruce Rew felt that once PEAK does the first transition with CAISO, the later transitions should be smoother and might not be as burdensome as they think.

- f. **Denton McGregor to inform WRWG to come up with a plan of its involvement and expectations from PEAK and its facilitation with CAISO, and then see if there are any differences for discussion before presenting it to the WREC.**

Denton McGregor stated that the Congestion Management & Seams Task Force has the RC-to-RC Coordination topic on their agenda to discuss the coordination effort between PEAK and SPP's transition when CAISO will be the RC on record at the time, but he will make sure this is one of the topic on their agenda and to facilitate the discussion with PEAK and CAISO.

- g. **Keith Carman will verify with CAISO RC and let Bruce Rew know once he gets the approval in writing for SPP to share with LOI signatories for RC services for the west or to post to the WREC page. [COMPLETE]**

Western interconnect Data Sharing Agreement (WIDSA) document has been posted to SPP.org in the WREC page. Keith Carman said he has the email from CAISO for their approval to post to SPP.org website for SPP customers to consume.

- h. **SPP will update the “External Entities in West Coordination” spreadsheet with the additional committee structure column.** [IN PROGRESS]

Bruce Rew stated that this was still a work in progress. Staff will be working to update the spreadsheet over the next couple of weeks and will aim to have an update for the next call.

- i. **Committee will go back to their respective companies to see if they use the Merchant Alert messaging tools.** [COMPLETE]

Most of the representatives said they do not use the Merchant Alert, with the exception of Jonathon Aust who said they do use but will not need it. With that, the Committee decided not to fund it and Staff will provide that feedback to the other Western RCs.

#### 6. **WRWG Updates and Approval Items**

Denton McGregor said that he has no updates from WRWG as they have not met yet since the last WREC meeting, and informed the Committee that their next meeting is going to be a WebEx on November 27, 2018. Additionally, he informed the Committee that the WRWG plans to meet in person every other month, with the next face-to-face meeting on the afternoon of January 16, 2019 and the morning of January 17, 2019.

#### 7. **RC-to-RC Seams Discussion and Cutover Dates**

Keith Carman is concerned there are no appropriate parties involved in the Seams. Bruce Rew stated that SPP has the SPP Reserve Sharing Group (RSG) in the East that has participants outside of the SPP RC such as Associated Electric Cooperative who has TVA as an RC. SPP has close coordination in terms of transmission service and schedules that occur from the RC standpoint, so that they are made aware of contingencies as they occur and where the generation is coming from. He also said that some of the western reserve sharing responsibilities falls to the BA for their generation lost for ACE, and the RC will be aware of the transmission there for reliability and RSG agreement on how the service is reserved for recovery of those necessary power. Keith Carman requested that SPP takes this concern up to the RC-to-RC meeting for discussion item for the different RSG that are split between different BAs. Maude Grantham-Richards said contracts that cross the footprint, i.e. contract in one RC but

sink in another RC, should be reviewed by individual companies, and not by the RCs. She suggested that the participants take that as a homework assignment. Jonathan Aust said that Salt River Project (SRP) exchange is one area that needs to be considered in terms of schedules and will update SPP on that.

Denton McGregor will reach out to the Seams task force for engagement in the corresponding CAISO groups for the discussion of Seam. Jeff Landis will also take that message back to the Seams group after this meeting to ensure the Seams group talk to Denton McGregor as well.

#### 8. **Gen Only BA's impact on WIT/ECC**

Bruce Rew said that SPP sees the ECC as a congestion management tool, and since Gen only BAs do not have transmission, they should not have to pay for ECC; but that WIT is a BA tool so it should be appropriate to allocate some of the cost to them. However, since we have eight BAs, it is up for discussion on how to allocate the cost, such as pro-rata share at 12.5% equally of the WIT tool cost to each Gen only BA. On the other hand, Keith Carman believed BAs who are Gens are exporting energy out of their BA, which would also impact the ECC, so he reminded the WREC not to be too quick to exclude them from the cost sharing of ECC.

Additionally, he asked if SPP has been participating in the ECC task force meetings, a sub-committee of PEAK; which Bert Bressers confirmed that Yasser Bahbaz (SPP) has been involved. Keith Carman said he has recommended to the current Chair of the ECC Task Force that it should be independent of any RCs, since it is an interconnection tool, and to make it a multiple RC tool.

Carl Monroe said that someone from EIDSN (was previously called Eastern Interconnection Data Sharing Network) called him today; they were approached by CAISO to join but they did not want to pay for IDC (eastern part of congestion management); he will be talking with them to give them an education on EIDSN and possibility to use ECC in the connection allocation, and will provide feedback to the WREC on the next meeting.

#### 9. **WIDSA Update for CAISO**

This has already been discussed earlier in the action item, so there were no other updates.

**10. Contract Impacts of Date change**

This has already been discussed earlier in the action item, but Bruce Rew will provide feedback on why the multiple dates for implementation would be a concern on the next WREC meeting.

**11. Financial projection and implementation cost update for SPP West RC Services**

Bruce Rew gave an overview of the 2-page West RC Services Executive Summary report that was provided to the Board on the impact to the SPP budget over the next couple of years. SPP's 6-year projection included initial development year of 2019 and budget projections for the next five years, which included fixed Operating Expenses for SPP and additional expenses/cost that would be incurred for this contract. Denton McGregor asked how SPP came up with the contract service revenue number at 2% load growth over the five years. Bruce Rew said that assumptions were made and that there will be yearly adjustments. There was no change to the rate in the estimate, since escalation is based on the load and not the price. The net benefit to SPP members is realized based on providing cost based RC services to the Western RC customers which reduces the SPP East member via sharing of the costs common to the West RC and SPP East members (such as sharing EMS costs, overheads, etc.) . SPP financing is done on a four-year period, which is different from the original assumption of a five-year payback. Carl Monroe said that it will be a group decision on what the future financial schedule will be as stated in the RC Services Contract. The first decision on that will likely be in the summer of 2020, and that SPP's invoice will go out in November 1<sup>st</sup> each year.

Additionally, Bruce Rew said that SPP will be providing monthly updates on financials for reporting and tracking, which he hopes to be ready by the next WREC meeting.

**12. Future Meetings**

- a. Next WREC meetings:
  - 12/7/2018 Friday, 8-10am MT [WebEx]
  - 1/17/2019 Thursday, 1-5pm PT (Las Vegas, NV) [Face-to-Face, McCarran International Airport, WAPA will be hosting, after WRWG meeting]

- b. Keith Carman suggested that the Committee meet regularly on the third Friday of each month, from 8:00 am to 10:00 am MT, starting February 2019, and that Bruce Rew will help get this set up by the next meeting.

### 13. Other Items

- a. In respond to the questions on why SPP is allowing Gen only BAs in the footprint when NERC and WECC were pushing back, Bruce Rew explained that their concern is only if they are not contiguous with our footprint, and that SPP does not see any reason why they should go with SPP as well, even though they prefer SPP because SPP is cheaper for them, at \$6,000 + other charges which are estimated to be \$60-75,000, as opposed to CAISO at \$250,000. Carl Monroe further explained that being non-contiguous, they might have to pay more than \$6,000 due to the additional coordination; and that any BA who wants to join may also be dependent on being contiguous to SPP.
- b. Bruce Rew informed the WREC that Yasser Bahbaz will be the RC Manager for SPP, covering the policy for both East and West Reliability function.

### 14. Summary of Action Items

- a. Bruce Rew to get with SPP Accounting to come up with a different projections on the customer's perspective to show payoffs at 4 years versus 5 years, and their budget impacts.
- b. Bruce Rew will report back to WREC on any discussion about RSG across multiple RCs, as well as the SRP and WAPA exchanges.
- c. Bruce Rew will provide contract update related to changing the implementation and go-live dates.
- d. Bruce Rew will confirm that the Gen only BA signatories is aware of the WREC meetings.
- e. Carl Monroe to provide feedback on EIDSN discussion.
- f. Bruce Rew to identify 2019 dates for monthly meetings and face-to-face meetings in conjunction with WRWG meetings.

### 15. Adjournment

Keith Carman called for a motion to adjourn the meeting at 3:46 pm MT on Wednesday, November 14, 2018. Bob Staton approved the motion, and was seconded by Jeff Landis, with no further discussion or opposition.

Respectfully submitted,

Bruce Rew

WREC Staff Secretary



**Attendance (telephone)**

Shane Sanders (AZGT)

Denton McGregor (Black Hills, WRWG Chair)

Kaleb Brimhall (CSU)

Warren Rust (CSU)

Jeff Landis (PRPA)

John Tolo (TEP)

Keith Carman (Tri-State, WREC Chair)

Maude Grantham-Richards (Tri-State)

Jonathan Aust (WAPA)

Rebecca Johnson (WAPA)

Bob Staton (Xcel, WREC Vice Chair)

Bert Bressers (SPP)

Bruce Rew (SPP)

Carl Monroe (SPP)

Mike Riley (SPP)

Samantha Gwei (SPP)

Tennille Tims (SPP)