

Summary of January 7, 2009 WIRAB Meeting

The following members participated in the January 7, 2009 Western Interconnection Regional Advisory Body (WIRAB) meeting and constituted a quorum:

Alberta	Ian McKay
Arizona	Lori Faeth / Jessica Youle
California	Bill Chamberlain
Idaho	Marsha Smith
Mexico	Marcos Valenzuela
Nevada	Rebecca Wagner
Oregon	John Savage
South Dakota	Dusty Johnson / Brian Rounds
Washington	Tony Usibelli / Mark Anderson
Wyoming	Steve Ellenbecker

Also present were Louise McCarren / Tom Schneider / Brad Nickell (WECC), Pat Van Midde (SDG&E), and Doug Larson / Tom Carr (WIRAB).

Approval of the November 24 Meeting Summary

WIRAB Chairman John Savage (OR) asked for comments to the draft [summary](#) of the November 24 WIRAB meeting. Tony Usibelli (WA) moved and Rebecca Wagner (NV) seconded a motion to approve the draft summary. The motion was adopted.

Public Comment

There were no public comments.

WECC Update

Louise McCarren, Brad Nickell and Tom Schneider (WECC) briefed WIRAB on many issues before WECC. A WECC presentation focused on the most recent compliance statistics.

Louise McCarren reported that WECC's implementation of Reliability Centers has been a success. The two new Reliability Centers in Vancouver, Washington and Loveland, Colorado went live on January 1, 2009. McCarren acknowledged members of the WECC staff for their contributions to the project.

WECC has reorganized its Compliance Department. Mark Maher now serves as Acting Head of Compliance while WECC undertakes a search for a new vice president to lead Compliance. McCarren recognized Steve McCoy for his leadership in the start up phase of compliance operations and noted that WECC is heading to a steady state phase.

NERC will be undertaking a three-year assessment of WECC this year. WECC has completed its initial draft for the three-year assessment and intends to release that draft. The purpose of the WECC draft is to demonstrate to FERC the achievements and challenges as a regional entity. McCarren expressed tentative concern that the NERC assessment could become a stalking horse that might undercut the delegated authority model, although WECC has not seen the NERC draft at this point.

McCarren discussed an emerging standard setting issue involving the role of FERC. When FERC approved the large batch of reliability standards in Order 693 it included a number of directives for NERC to make changes to reliability standards. NERC and the regional entities did not seek rehearing and consequently became obligated to implement such directives. In the current NERC process to revise FAC-008-1, the proposed new standard FAC-008-2 has been voted down by the NERC ballot body over objections to conditions that address a FERC directive. NERC needs the condition to comply with the FERC directive. Industry stakeholders are concerned because FERC does not have statutory authority to set standards, but may use its directives to effectively exercise standard setting in a backdoor method. Bill Chamberlain observed that transmission owners and operators are concerned that FERC may use the proposed standard to force new transmission construction for areas that have been identified as weak links in the network. McCarren said the WECC does not have serious objections to the substance of the proposed standard, but did have problems with the procedural implications that could enable FERC to direct construction of new transmission.

On the compliance front, WECC is making progress reducing the backlog and reaching settlements. As of December 31, 2008, WECC issued notice of alleged violations (NOAV) for 566 violations to 81 Registered Entities. Of the 81 Registered Entities, 11 have requested settlement, and 8 of those 11 have settled in principle. One entity has requested a hearing but is still negotiating a settlement. Settlements are labor intensive but less labor intensive than pursuing a hearing. WECC is currently in discussions with NERC on the form of the notice of confirmed violations. WECC has a queue of 98 notice of confirmed violations. Under the current review process, the large workload represented in the WECC backlog will soon be transferred to NERC. McCarren observed that NERC will need to streamline its process of review to handle the large number of cases it will be forced to handle in the future.

Brad Nickell provided the WECC update on wind integration and transmission planning. WECC produced a [white paper](#) on single generator Balancing Authorities in response to the formation of a new wind-only Balancing Authority in Montana. The white paper examined the impact of single generator Balancing Authorities on three factors: (1) work load for the Reliability Coordinators; (2) impact on reliability as measured against the NERC reliability standards, and (3) integration of renewable energy.

WECC's Joint Guidance Committee created the [Variable Generation Subcommittee](#) (VGS) to identify issues and opportunities to facilitate solutions that provide value to WECC members. The first meeting of the VGS will be January 15. The

types of issues the VGS may undertake are intra-hour scheduling and new market innovations. In response to a question about the Ace Diversity Interchange (ADI), Tom Schneider reported that there is a commitment to complete a study of a one-bubble ADI by July.

Brad Nickell reported that WECC staff will be happy to lead a WIRAB/CREPC webinar to discuss the results of TEPPC modeling on the WIRAB cases. The timing of such a webinar would have to be after the study report approved by TEPPC which should occur after a meeting on March 19, 2009.

Tom Schneider gave notice that WECC is organizing a [Long-term Planning Seminar](#) on February 2-3, 2009 in Phoenix. The seminar will examine technical issues for a large transmission overlay, the appropriate sizing of new lines, the appropriate timeframe to plan for transmission expansion, and some of the policy implications in designing a transmission network. The agenda is being developed at this time. WIRAB will be able to pay for travel for WIRAB members interested in attending the Long-term Planning Seminar. It was noted that Wyoming Governor Freudenthal has written WECC asking for assistance in evaluating technical issues associated with very high voltage transmission line proposals.

Doug Larson announced that there will be resource planners meeting for load serving entities and public utility commissions on February 24-25, 2009 in San Diego.

Tom Schneider briefed WIRAB on the proposed revised Tier 1 standards. In October, the NERC Board of Trustees approved 6 of the 7 revised Tier 1 standards and tabled the IRO-006 standard. WECC staff has been engaged in discussions with NERC staff on preparing the proposed standards for a filing to FERC. WECC staff had a productive meeting earlier in the week with NERC staff and made progress moving these issues forward. WECC and NERC will separate out the Tier 1 standards into three sub-groups for preparing filings at FERC: (1) four easy to handle Tier 1 standards, (2) two standards (TOP-007 and BAL-002) that include more than minimal changes, and (3) the most controversial standard IRO-006. NERC will submit the four easy standards first. The two other more complicated standards will be filed later. The last controversial standard will take more time. A pre-filing meeting among NERC, WECC and FERC is scheduled for late January.

Bill Chamberlain asked WECC staff about NERC staff's adherence to the deference principle as a regional entity covering an entire interconnection. Tom Schneider replied that NERC staff has defied the deference principle and acted under its interpretation of independent responsibility to advise the NERC Board of Trustees.

FERC Update

Tom Carr (WIRAB) briefly reported on a new FERC order on NERC compliance filings regarding the delegation agreements with regional entities. Issues in this order

directly addressed the NERC-WECC delegation agreement. Tom Schneider believed that WECC did not have significant issues with the FERC order.

WIRAB Work Plan

Doug Larson presented proposed additions 2009 WIRAB work plan which WIRAB approved in the spring of 2008. The work plan is developed as part of the budget process but not part of the formal submission to NERC and FERC. The proposed additions to the 2009 work plan would increase activities related to:

- Monitoring issues raised during the Registered Entity panel at the October 30, 2008 WIRAB meeting;
- Monitoring and offering advice on 3-year review of WECC and NERC performance; and
- Exploring state/FERC cooperation on cyber security.

Tony Usibelli (WA) supported adding the concerns of registered entities expressed in October and called for WIRAB to check-in with the registered entities on a regular basis. Additionally, he endorsed the cyber security issue and noted that other state commissions and agencies may be able to offer input to this critical issue. Tom Schneider observed that WECC has completed its draft of the NERC 3-year assessment and could be available for WIRAB review in the near future.

Ian McKay reported that Alberta has incorporated certain policy proposals proposed by Doug Larson into its [Provincial Energy Strategy](#). This PES can be found on Alberta's provincial webpage.

Future WIRAB advice and meetings

- The next WIRAB conference call will be on Friday, February 6 at 12:00 noon PST / 1:00 p.m. MST / 2:00 p.m. CST.