

Reliability Standards and Compliance Subcommittee

WebEx and Meeting

Friday, December 18, 2015

10:00 am to 12:00 pm EPT, Valley Forge, PA

Mr. Moleski reminded the Subcommittee that the WebEx's are now recorded for the convenience of the Members who could not make the meeting. No objections were raised.

1) Administration

a) Call to Order / Role Call (Mr. Moleski)

Subcommittee Members:

Mark L. Holman	Manager, NERC and Regional Coordination
Thomas Moleski, Secretary	Sr. Compliance Specialist, NERC and Regional Coordination Dept.
Peter Buerling	FirstEnergy Solutions Corp.
Thomas Buhler	Rockland Electric Company
Vince Catania	Exelon Business Services Company, LLC
Connie Davis	City of Cleveland, DPU, Div of Cleveland Public Pwr
Elizabeth Davis	Talen Energy Marketing, LLC
Daniel Duff	Liberty Electric Power, LLC
Claudine Fritz	PECO Energy Company
Kristy Gedman	Essential Power LLC
Marlene George	UGI Utilities, Inc.
Stacey Harman	Baltimore Gas and Electric Company
Mike Hurd	Dayton Power & Light Company (The)
Art Iler	American Municipal Power, Inc.
George Kogut	New York Power Authority
John Loftis	Virginia Electric & Power Company
Connie Lowe	Dominion Virginia Power
James Manning	North Carolina Electric Membership Corporation
Claudia Meluni	PEPCO Holdings, Inc.
Peg Petrusa	Commonwealth Edison Company
Sherri Rhodes	FirstEnergy Solutions Corp.
Bruce Samblanet	Appalachian Power Company
Keith Semrau	City of Cleveland, DPU, Div of Cleveland Public Pwr
Joseph Smith	Public Service Electric & Gas Company
William Smith	FirstEnergy Solutions Corp.
Bob Thomas	Illinois Municipal Electric Agency
David Thorne	Potomac Electric Power Company
Brenda Truhe	PPL Electric Utilities Corp. dba PPL Utilities
Bill Watson	Old Dominion Electric Co-Op
Katherine Zvomuya	City of Cleveland, DPU, Div of Cleveland Public Pwr

PJM Staff:

Glen Boyle	Manager, System Operator Training
Michael Herman	Sr. Engineer, PJM Transmission Planning
Bradley Hofferkamp	Lead Analyst, PJM CIP Compliance
Srinivas Kappagantula	Sr. Analyst, NERC and Regional Coordination.
Mark Kuras	Sr. Lead Engineer, NERC and Regional Coordination.
Sebastian Newton	Co Op, NERC and Regional Coordination.
Chris Pulong	Manager, Dispatch
Mark Sims	Manager, Transmission Planning.
Michael Tate	Consultant, NERC and Regional Coordination.
William Temple	Sr. Lead Compliance Analyst NERC and Regional Coordination

b) Review of Administrative Documents (Mr. Moleski)

- i) Antitrust Guidelines
- ii) Code of Conduct
- iii) Compliance Disclaimer
- iv) Media Statement

There were no questions raised on the administrative documents

c) Approval of Agenda (Mr. Moleski)

The Agenda was approved as presented.

d) Approval of the November 19, 2015 Meeting Minutes (Mr. Moleski)

The November 19, 2015 minutes were approved as presented.

2) PJM Compliance Activities

a) Manual Updates

i) Manual 40 – Mr. Boyle

- (1) Primary changes to Section 3.3. Changes to this version were made to increase the level of member operator compliance with PJM's training and certification requirements.
- (2) A "compliance scoring" system was set up to rank the severity of any possible noncompliance. This system includes a threshold for reporting violations of PJM's Tariff and Operating Agreement.
- (3) Final approval is expected at the end of January.

ii) Manual 13 – Mr. Pulong

- The total Day Ahead Scheduling Reserve requirement for RFC effective January 1, 2016 was lowered from 5.93% to 5.70%.
- Several text changes to provide consistency with the PJM Tariff.
- Generators connected below 230 kV are no longer required to participate in the voltage reduction.
- Strengthened several references to PJM's GMD Operating Plan.

iii) Manual 14B – Mr. Herman

- (1) Changes brought about by the upcoming enforcement dates for R1 and R7 of the new TPL-001-4. Changes are both administrative and technical in nature.
- (2) PJM began work on the changes required to ensure compliance in July of 2012. This was a collaborative effort with a special subcommittee under the PJM Planning Committee.
- (3) PJM Planning Committee has already endorsed the changes. Changes are in front of the MRC today for final approval.
- (4) Additional details can be found at: <http://www.pjm.com/~media/committees-groups/subcommittees/rscs/20151218/20151218-item-2aiii-draft-m14b-revisions-presentation.ashx>

b) NERC Standard Drafting Team Opportunities (Mr. Moleski)

Mr. Moleski reported that Project 2015-INT-03 Interpretation of TOP-002-2.1b, is the only NERC initiative currently looking for team members. PJM SMEs have reviewed the request, and determined that there is not a need for PJM representation. Request seems to be focused on BAs that are not also TOPs.

c) MOD-031-1 changes (Mr. Kuras)

MOD-031 is a Standard that replaces several other Standards that covered requests for Load and Demand Side Management data. Mr. Kuras was the Chair of this SDT. Their intent was to only require data reporting upon request, in cases where the user had no other way of obtaining the data (not the case in PJM). Mr. Kuras confirmed that PJM has access to all the demand data it needs, and will not be requesting additional data from the DPs.

d) ComEd reactive interface definition change (Mr. Tam)

- i) New Interface definition will be changed from all ComEd ties to six EHV lines (the eastern border).
- ii) Change will be made effective March 1, 2016.
- iii) New interface will be named "CE-EAST".
- iv) For additional details, go to: <http://www.pjm.com/~media/committees-groups/subcommittees/rscs/20151218/20151218-item-2d-comed-interface-definition-change.ashx>

e) CB021 on PER-005-2 (Mr. Kappagantula)

Mr. Kappagantula informed the Subcommittee that a draft of this Compliance Bulletin was being circulated internally. The standard addresses "a Transmission Owner that has the ability to act independently to operate or direct the operation of the Transmission Owner's Bulk Electric System transmission Facilities in Real-time." Since operations of this type are not allowed in PJM, the Compliance Bulletin will explain the TO/TOP relationship, and explain why this standard may not be applicable to PJM Transmission Owners. Mr. Kappagantula is hopeful that he will have a draft that he can share at the next RSCS meeting. The effective date of PER-005-2 is July 1, 2016.

f) Deregistration of LSE as a functional entity

As promised in the November RSCS meeting, PJM has conducted a review of all of the Compliance Bulletins that referenced the LSE as a functional entity. As a result, Compliance Bulletins 004 and 010

have been rescinded, and removed from the PJM website. References to LSE in compliance Bulletin 022 will be removed when the bulletin is re-written during its annual update in 2016.

g) Winter Reliability Criteria Update – (Mr. Sims)

- i) The Winter Reliability Criteria was approved by the MRC and posted. It will be implemented on January 1, 2016, as part of the 2016 RTEP.
- ii) The Resource Adequacy Planning Department already calculates peak winter loads by zone to be used in the analysis.
- iii) Similar in many respects to the summer peak analysis. All classes of contingencies will be studied, with all lines monitored.
- iv) Results will be run through the normal RTEP process. Stakeholders will work with PJM to resolve outstanding issues.
- v) "Gas Events" (Pipeline failures that outage more than 1,000 MWs of generation) will be included in the analysis. However, Gas Events are considered extreme, and do not trigger an RTEP event.

h) 2016 NERC ERO Enterprise CMEP (Mr. Kappagantula)

- i) Risk based framework. Some consolidation of risk areas from last year was performed.
- ii) RF performed a Regional Risk Assessment (RRA) taking into consideration entities in its footprint, their past performance, and recent events in RF footprint (e.g. Polar Vortex), among several other factors.
- iii) RF has moved to a risk-based compliance monitoring oversight plan that is specific for each entity. This entity specific plan will be developed based on Inherent Risk Assessment of the entity and will include the compliance monitoring tools (self-certification, audit, or spot check) and the frequency of such monitoring.
- iv) RF has changed its self-certification process. The new process is called Guided Self-Certification and will include standards/requirements resulting from the IRA. The Guided Self-Certification schedule will not be published, rather each entity will be notified separately of the scope.
- v) Four Standards have already been identified as spot checks for many of the entities in ReliabilityFirst. They are VAR-001-4, EOP-010-1, PRC-005-2, VAR-002-4. Details can be found in the 2016 ERO Enterprise CMEP posted on NERC website.
- vi) ReliabilityFirst will be offering Risk Assessment training. Dates to be determined.

3) FERC Activities (11:00 – 11:15)

a) Recent compliance related FERC activities (Mr. Temple, Panel)

- i) At NERC's request, a recent FERC order approved deferred implementation of PRC-005-3, PRC-005-3(i), and PRC-005-4 until after FERC issues a final order regarding proposed Standard PRC-005-6. As a result of this order, currently effective Standard PRC-005-2(i) will remain in effect until further action by FERC regarding proposed Standard PRC-005-6
- ii) On November 19, 2015, the FERC approved revisions to the TOP and IRO Standards. Three revised TOP Standards will replace the eight currently-effective TOP standards. Four revised IRO Standards will replace six currently-effective IRO Standards.
- iii) Recent FERC Directives:
 - (1) Revise TOP-001- 3, Requirement10 to require real-time monitoring of non-BES facilities.

- (2) Modify TOP-001- 3, Requirement19 and Requirement.20 to include the requirement that the data exchange capabilities of the TOPs and BAs require redundancy and diverse routing. In addition, FERC directed NERC to clarify that “redundant infrastructure” for system monitoring in IRO-002-4, Requirement 4 is equivalent to redundant and diversely routed data exchange capabilities.
- (3) Develop a modification to the TOP and IRO standards that addresses a data exchange capability testing framework for the data exchange capabilities used in the primary control centers to test the alternate or less frequently used data exchange capabilities of the Reliability Coordinator, Transmission Operator and Balancing Authority.

4) NERC and Regional Activities (11:15 – 11:45)

- a) **Committee Updates (Mr. Moleski)**
 - i) There were no significant compliance related activities to report.
- b) **Standards Under Development (Mr. Kuras)**
 - i) **Project 2010-14.2.1 Phase 2 of Balancing Authority Reliability-based Controls (BARC)**
 - (1) BARC 2 Periodic Review Team (PRT) recommended revising BAL-005-0.2b and BAL-006-2. Second Drafts of BAL-005-1 and FAC-001-3 are posted for comments. Revisions to existing versions include the following:
 - (a) BAL-005-1: Retiring several requirements and moving/merging content of the remaining requirements. Previous version had 17 requirements, new one has 7.
 - (b) FAC-001-3: Added various sub-requirements to requirements of FAC-001-2 as a result of moving BAL-005-0.2b R1 to FAC-001-3
 - (c) No change to any requirements in BAL-006-2 except for R3, which has been moved to BAL-005-1
 - (2) Ballot and comments close January 16, 2016

5) Future Agenda Items (11:55 – 12:00)

No future agenda items recommended

6) Future Meeting Dates

Friday, January 15th, 2016	10:00 AM	WebEx
Thursday, February 18th, 2016	10:00 AM	Meeting and WebEx
Friday, March 18th, 2016	10:00 AM	WebEx
Friday, April 15th, 2016	10:00 AM	WebEx
Thursday, May 19th, 2016	10:00 AM	Meeting and WebEx
Friday, June 17th, 2016	10:00 AM	WebEx
Friday, July 15th, 2016	10:00 AM	WebEx
Thursday, August 18th, 2016	10:00 AM	Meeting and WebEx
Friday, September 16th, 2016	10:00 AM	WebEx
Friday, October 21st, 2016	Cancelled	
Thursday, November 17th, 2016	10:00 AM	Meeting and WebEx
Friday, December 16th, 2016	10:00 AM	WebEx

Author: Thomas Moleski

Anti-trust:

You may not discuss any topics that violate, or that might appear to violate, the antitrust laws including but not limited to agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition. If any of these items are discussed the chair will re-direct the conversation. If the conversation still persists, parties will be asked to leave the meeting or the meeting will be adjourned.

Code of Conduct:

As a mandatory condition of attendance at today's meeting, attendees agree to adhere to the PJM Code of Conduct as detailed in PJM Manual M-34 section 4.5, including, but not limited to, participants' responsibilities and rules regarding the dissemination of meeting discussion and materials.

Public Meetings/Media Participation:

Unless otherwise noted, PJM stakeholder meetings are open to the public and to members of the media. Members of the media are asked to announce their attendance at all PJM stakeholder meetings at the beginning of the meeting or at the point they join a meeting already in progress. Members of the Media are reminded that speakers at PJM meetings cannot be quoted without explicit permission from the speaker. PJM Members are reminded that "detailed transcriptional meeting notes" and white board notes from "brainstorming sessions" shall not be disseminated. Stakeholders are also not allowed to create audio, video or online recordings of PJM meetings.