

**Railbelt Reliability Council Implementation Committee - Meeting**  
**January 25, 2021**  
**Final Minutes (Approved By IC on 2/1/2021)**

**1) Roll-call**

The meeting was held via Zoom, was called to order at 1:15 pm, and was chaired by JE.

Primary		Alternate		Organization
Brian Hickey (BH)	Y	Jeff Warner (JWR)	Y	Chugach Electric Association
John Burns (JB)	Y	Frank Perkins (FP)	Y	Golden Valley Electric Association
Rick Baldwin (RB)	Y	Dan Chay (DC)	Y	Homer Electric Association
Julie Estey (JE)	Y	Ed Jenkin (EJ)	n	Matanuska Electric Association
Lou Florence (LF)	Y	Shayne Coiley (SC)	n	Doyon Utilities
Dave Burlingame (DB)	Y		v	City of Seward
Kirk Warren (KW)	Y	Curtis Thayer (CT)	n	Alaska Energy Authority
Suzanne Settle (SS)	Y	Sam Dennis (SD)	Y1	Cook Inlet Regional Inc.
Joel Groves (JG)	Y	Mike Craft (MC)	Y	Alaska Environmental Power, LLC
Veri di Suvero (VDS)	Y	Enei Begaye (EB)	n	Alaska Public Interest Research Group
Chris Rose (CR)	Y	Greg Stiegel (GS)	n	Renewable Energy Alaska Project
Hank Koegel (HK)	Y		v	Unaffiliated seat
<i>Jeff Waller (JWL)</i>	Y	<i>Janet Fairchild-Hamilton (JFH)</i>	n	<i>Regulatory Affairs and Public Advocacy</i>
<i>Bob Pickett (BP)</i>	n	<i>Antony Scott (AS)</i>	n	<i>Regulatory Commission of Alaska</i>

Y: Attending n: Not attending v: seat is vacant

Y1 SD joined before 3:30 pm

Steve Mahoney (SMA) present.

Steve Lewis (SL), Rebecca Sexton-Kelly (RSK) Hallie Buse (HB) with Sapere present for facilitation.

12 of 12 voting members are initially present, one ex-officio member is present.

**2) Approval of Agenda**

**MOTION** to approve today's agenda 1CR, 2KW.

**PASSED** with no objections. [12-0-0].

**3) Approval of January 18 Meeting Minutes**

**MOTION** to approve 1/18/2021 meeting minutes. 1JG, 2BH.

**PASSED** with no objections [12-0-0].

**4) Non-Disclosure Agreement Discussion**

SM reviewed current NDA draft.

Member Q/A with SM to clarify NDA function. Highlights:

NDA intended to cover material coming into IC from/via members, not materials produced by IC.

Concerns expressed about over-use of confidentiality, complexity of administering within a large group, inconsistent application of confidentiality.

KW asked how State employees are treated by the NDA. SM clarified they are not expected to be signatories, as they are bound by functionally similar statutes / regulations, and the implementing resolution should acknowledge this point.

CR requested clarification that recipients can elect to share a confidential document, provided the 2<sup>nd</sup> hand recipient signs this or equivalent NDA. SM confirmed this is correct, and would allow a transmission chain, however with the original recipient retaining responsibility.

Question to table this indefinitely as there is no current need for it. JE and RB expressed concern if we don't finish it won't be available when we need it and would then cause protracted delay. DB expressed concern that IC work product, until filed with RCA, should be considered confidential due to potential for competing ERO applicants to adopt the IC's work product. SM/RSK mused on whether this is best addressed in NDA or DOC. Will bring recommendation back to IC. Members to provide comments to SM on NDA, possible revised draft at 2/1/2021 meeting.

## 5) Project Management (PM) Ad Hoc Committee

### a) Status Update

SS: PM committee met Tuesday with Sapere. They want the PM scope - it is what they do, what they expected from the outset. PM committee met Wednesday and agreed the best course is to continue with Sapere and give them the full PM scope. Recommend proceed to revise their scope and budget to reflect this, structure to route through new budget change process.

Contemplated changes to Sapere scope include:

- Establish IC executive committee to facilitate / steer agenda, help coordinate with Sapere and other consultants.
- Rebecca would become the PM, has PMP, what she does for many clients.
- Recommend JE resume running meetings, Sapere only step in as needed. Sapere's prime role would change from IC facilitator to IC PM.
- Sapere would commit to getting a schedule published by February 15<sup>th</sup>.
- IC members would need to step up and own work product. Ask for resources when unable to meet commitments.
- Sapere would not support subcommittees unless requested to do so. They would check in weekly with chairs to review scope/schedule/budget against the plan.

### b) Discussion and path forward

Had requested and just received revised SOW and budget from Sapere, haven't reviewed yet. Will review and distribute for decision hopefully next week. Sapere doing PM, not doing work. IC needs to do the work or identify need for external resources.

Will proceed with proposal review and circulate to IC.

## 6) Governance Topics

### a) Board Composition

*[discussion organized by board seat type, not necessarily in chronological order]*

CR how does RRC deal with future utility consolidation? RB easiest to name the utilities, and define contingency for future changes. CR, BH, RB agreed that bylaws should define how board balance would be maintained when a change occurs in the named utilities (consolidation or addition). DB raised question of a Transco coming into the railbelt, and how it would be

handled. RB said hadn't been considered yet, pointed out draft regulations require ERO recertification on 6-year basis partly to validate board balance is maintained over time.

JG observed naming a utility or narrowly defining them is a moot distinction, if the definition is that concise may as well just name them. The RRC will have a stronger interest to solve balance in the future as it will have the vested authority of the ERO, whereas the IC today just aspires to be the ERO. Reasonable to defer the solution to the future date, recognizing that the RCA is a backstop to any decisions.

JWL suggested "X utility or their successor". Pointed out that SB123 calls for RAPA and RCA as ex-officio members.

LF acknowledged Doyon is different. It is a utility, but a unique one. Suggested the seat be an at-large electric utility. Provided update on DU clearance to participate on IC. They had run the traps with Defense Logistics Agency and others, and had approval to be on IC / RRC board with duty of loyalty to interests of IC / RRC.

Discussion of Doyon seat criteria. At large? Electric utility? Connected to railbelt? Open questions. BH: DU per statute not public utility as less than 10 customers. Take care in definition of seat. LF: DU is connected to bulk electric system. JWL: word of caution on DU, at time of CPCN issuance RCA was very careful to find that DU is a public utility.

DB: from reliability perspective, DU has same standing as other utilities – reliability and obligation to serve. ERO is not a market or economic organization, it's a reliability organization.

JE/CR keep DU seat as an at-large seat. KW agreed flexibility is best.

IPP seats. Some discussion of differentiation based on connection voltage, preference to keep them as two at-large seats. JE asked if selection would still be through AIPPA. RB clarified selection is not on agenda today, just composition. CR favors at large for maximum flexibility. JWL emphasized IC/RRC ERO application will need to explain to the RCA how its board is balanced, not just that the IC agreed to it. RB asked whether two at-large IPP seats present a balance concern? JWL doesn't know but need to consider it, make a decision, and defend it in the application. Maybe need multiple technologies represented or something. Point is to preserve nimbleness in bylaws so can navigate RCA review.

Big/Little consumer. RB: AKPIRG represents both residential and commercial so 'little'. Big is open question. Considering applicant pool consisting of top 10 customers from each utility.

JG suggested whether a consumer is subject to demand charges as a potential definition for 'large' consumer that could be easily applied across all utilities.

JWL cautioned, RCA R20-005 docket covers electric vehicle chargers, which may be subject to demand charges and are proposed to be widespread. Demand charge threshold may not be a good definition. Look to utilities' cost of service studies, as they already delineate large customers.

FP suggested defining large by connection voltage. If they connection to transmission they have a greater impact to the bulk energy system with regard to reliability issues. CR agreed with a definition that considers reliability impact.

DB cautioned IPPs don't want a voltage definition, so don't use it for consumers. If it's a valid criterion for consumers, then for consistency it's a valid criterion for IPPs. Use power instead.

SS: We're spending a lot of time splitting hairs over non-utility representatives, but five very similar utilities are all presumptively accepted on the board. What is the point of hair splitting?

RB: utilities have obligations to serve customers and have ability to bill customers for ERO costs. Other entities don't have that public obligation. They're easy to identify. Other interest groups have never been defined before.

JWL: look at board definition, "balanced stakeholder board". Consider if the definitions being debated result in members that are stakeholders. Utilities clearly are. Would Providence Hospital be? Is an IPP a stakeholder? Doyon? AEA?

*[SD joined prior to 3:30 pm, 12 of 12 members present].*

SD: question for today, is IC okay with these 13 seats. Details to come.

**MOTION** that IC accepts the 13 categories presented for RRC governance seats. 1HK, 2SS.

JG: do we need to differentiate between small and large consumer, or just have two at-large consumer seats? Calling the environmental interest 'consumer' seems arbitrary and subject to RCA scrutiny given it is needed to achieve producer / consumer balance. Recommend have robust justification in our back pocket to defend that.

SS: defended consumer differentiation as large consumers are more sensitive to reliability and small consumers are more sensitive to rates, as one example of valid distinctions.

VDS: reemphasized need to define a robust stakeholder input process throughout RRC operations. Representation is key and getting right stakeholders represented is part of that.

JWL: Cautioned should retally the producer / consumer points with this proposal.

SS: That's already been done, the math works.

**PASSED** with no objections.

SD completed presentation walk-through and schedule overview for next chunks of bylaws.

## 7) Updates/Member Comments

- a) Excom Development JE: moving forward with draft charter for discussion, will have for IC discussion next week. DB: ExCom will be open to members to attend and listen? JE: haven't discussed anything yet but open to that.
- b) RCA Coordination JE sent email to RCA to coordinate schedule.
- c) Commonwealth North presentation JE: they reached out to BP, JE on presentation. BP said have JE do SB123 and R2020-1,2,3 dockets. Everything still virtual. JE can work with subcoms or Excom or members. Tentatively a Friday, not scheduled yet. Reach out to JE to help / present.

## 8) February 1 Meeting Agenda

NDA discussion and/or execution.

PM discussion.

Budget Subcommittee Tariff / Application Update.

ExCom Update (hopefully charter).

HK alternate.

JE RCA presentation run thru.

**9) Adjourn - ADJOURNED** at 3:57 PM.

**DEFINITION OF ABBREVIATIONS AND ACRONYMS**

All committee members are identified by their initials, as defined in the roll call table.

1JE, 2JG. Shorthand designating which committee members proposed and seconded motions.

[~]: Secretary's commentary provided for clarity / context as appropriate.

Vote tally shorthand is Y-N-A, yea – nay – absent or abstain.

Aol: articles of incorporation

CEA: Chugach Electric Association, Inc.

DOC: duties of care

DU: Doyon Utilities

ERO: Electric Reliability Organization

ExCom: executive committee

IC: Implementation Committee

MEA: Matanuska Electric Association, Inc.

NDA: non-disclosure agreement

PM: project management

PMP: project management professional

RAPA: Regulatory Affairs and Public Advocacy

RCA: Regulatory Commission of Alaska

RRC: Railbelt Reliability Council

SOW: scope of work

**ATTACHMENTS:**

1. List of 13 categories presented for RRC governance seats approved by IC.

ATTACHMENT 1/1 (1 PAGE)

## Board Composition

*(DECIDE)*

- > Naming Utilities
- > Balance
- > Adding Seats

## Board Selection

*(DISCUSS)*

## Next Steps

Review: on December 21<sup>st</sup>, the IC preliminarily agreed to Option 2

1. Chugach
2. GVEA
3. HEA
4. MEA
5. Seward
6. Doyon
7. AEA
8. IPP 1
9. IPP 2
10. Small Consumer
11. Large Consumer
12. Environmental Consumer
13. Independent