

Railbelt Reliability Council Implementation Committee - Meeting

April 5, 2021

Final Minutes (Approved by IC 4/19/2021)

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)	Y1	Jeff Warner (JWR)	Y2	Chugach Electric Association
John Burns (JB)	Y3	Frank Perkins (FP)	Y	Golden Valley Electric Association
Rick Baldwin (RB)	Y4	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	Rob Montgomery (RM)	n	City of Seward
Kirk Warren (KW)	Y5	Curtis Thayer (CT)	n	Alaska Energy Authority
Suzanne Settle (SS)	Y	Sam Dennis (SD)	n	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)	Y1	Greg Stiegel (GS)	n	Renewable Energy Alaska Project
Hank Koegel (HK)	Y	David Newman (DN)	n	Unaffiliated seat
<i>Jeff Waller (JWL)</i>	Y6	<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: BH and CR joined at 1:35 PM.

Y2: JWR joined at 1:30 PM.

Y3: JB joined at 1:25 PM.

Y4: RB joined at 1:20 PM.

Y5: KW initially present, left meeting from 2:00 PM to 2:30 PM.

Y6: JWL joined at 2:30 PM.

Steve Mahoney (SM) present; Tom Lovas (TL) present until approximately 2:10 pm.

Rebecca Sexton-Kelly (RSK) and Bayunt Ollek (BO) with Sapere present.

Seth Blumsack (SB) and Stephanie Lenhart (SL) not present.

10 of 12 voting members are initially present, no ex-officio members are initially present.

2) Approval of Agenda

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

PASSED as amended with no objections. [10-0-2].

[RB joined at 1:20 PM, 10 of 12 voting members present.]

3) Approval of March 29 Meeting Minutes

MOTION to approve 3/29/2021 meeting minutes, 1SS, 2JG.

PASSED with no objections [10-0-2].

4) ERO Application Table of Contents (TOC)

JG summarized activity since last week. No additional comments were received on draft.

TL summarized current draft, minor organizational/numbering changes as discussed last week.

SS asked whether Bylaws would still be considered ERO rules under AS ~767. TL said they would, just not numbered in the application narrative anymore.

SS asked how application narrative and Bylaws language drafting efforts would avoid effort duplication. SM and TL agreed best approach would be for application to cross-reference Bylaws sections.

[JB joined at 1:25 pm, 10 of 12 voting members present.]

SS asked about the purpose of including the MOU in the Application narrative. Informal discussion on the matter, JE directed that the question be deferred to the committee assigned the Application development for consideration and recommendation to IC.

[JWR joined at 1:30 pm, 11 of 12 voting members present.]

[CR, BH joined at 1:35 pm, 12 of 12 voting members present.]

MOTION to Tentatively Approve the ERO application table of contents for distribution to a committee to begin developing the application 1JG, 2JB.

With TA, the TOC can be assigned to a committee for development of the application, consistent with final RCA regulations and future IC direction.

DB spoke in favor of the motion, emphasizing that the motion would move this out of BudCom.

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

JE suggested that a new subcommittee be tasked with the application, volunteered to be committee chair. VDS, JB also volunteered.

MOTION to form an Application Subcommittee chaired by JE. 1SS, 2LF.

PASSED with no objections [12-0-0]. JE appointed herself as chair, VDS and JB as members.

JE will organize a meeting and those interested in participating should contact her.

5) Tariff TOC

TarCom chair EJ is absent so TL presented status. No comments were received, he removed some redline markups, no major changes to Tariff TOC.

MOTION to Tentatively Approve tariff TOC. 1HK, 2DB.

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

6) BySub Update

a. TAC Presentation

SS presented BySub's proposed TAC structure (meeting packet page 52).

IC engaged in informal discussion of various elements of the proposed TAC structure.

MOTION that TAC structure be Tentatively Approved so BySub can work with SM to advance associated Bylaws, policies, procedures. 1CR, 2DB.

RB suggested this matter is tied to Board governance, so need to also finalize that. CR asked if RB would add voting thresholds to that package. RB confirmed yes – the main related issue is voting thresholds, whether 8 or 9 votes are required to pass major items.

MOTION TO TABLE until the IC is ready to combine with Board governance matters. 1RB, 2BH.

MOTION TO TABLE WITHDRAWN by RB, 2BH.

MOTION TO AMEND to make the Tentative Approval of the TAC structure subject to the satisfactory resolution of the voting threshold issue. 1RB, 2DB.

SS suggested that the IC Tentatively Approve the TAC structure, so StanCom, IRPcom can move forward with their work. The TA has to be until other pieces are developed. Can't finalize anything so need to recognize that a TA is tentative.

MOTION TO AMEND WITHDRAWN 1RB, 2DB.

[KW left meeting at 2:00 pm. 11 of 12 voting members present.]

Discussion of the motion, its intent, and relation to major item voting thresholds.

[TL left meeting at approximately 2:10 PM]

BH asked whether DB had withdrawn his 2nd of the original motion.

DB asked that the motion be restated, JG restated motion, DB reaffirmed his second.

BH called the question and objected to the motion.

MOTION FAILED by roll call vote. CEA, GVEA, HEA, MEA, AKPIRG, HK voted against, AEA was absent. [5-6-1].

JE remanded TAC structure to BySub to address IC comments for potential reconsideration.

b. Board Seat J Selection Process

MOTION to Tentatively Approve Bylaws selection process language for board seat J. 1HK, 2LF.

JG raised point of order, seat J language was approved last week. Asked if motion was to revise or replace prior Tentatively Approved language.

SM pointed out a missing clause at the end of the seat K clause, will fix before it comes up for final approval.

MOTION WITHDRAWN by HK.

c. Delegation of Authority:

SM presented draft Bylaws language at 2.2.4.

[KW rejoined meeting at 2:30 PM, 12 of 12 voting members present.]

[JWL joined meeting at 2:30 PM]

MOTION to Tentatively Approve Bylaws section 2.2.4 on Delegation of Authority. 1BH, 2SS.

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

d. Conflicts of Interest (parts 1-6):

SM presented draft Bylaws language at section 6.1 and 6.2 language.

MOTION to Tentatively Approve Conflicts of Interest, Interested Party language. 1BH, 2HK.

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

SM presented draft Bylaws language at section 6.2.1 (Financial Interest) and 6.2.2 (compensation).

MOTION to Tentatively Approve 6.2.1 and 6.2.2 language defining a financial interest 1BH, 2HK.

Discussion on how the 6.2.2 compensation process would function, addressed by SM.

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

SM presented draft Bylaws language at section 6.3, Duty to Disclose a Conflict.

MOTION to Tentatively Approve section 6.3, procedures to disclose and determine a conflict exists. 1BH, 2HK.

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

SM presented draft Bylaws language at section 6.4, procedure for addressing conflicts.

MOTION to Tentatively Approve section 6.4, procedure for addressing conflicts 1HK, 2BH.

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

SM presented draft Bylaws language at section 6.5, violations of conflict disclosure.

MOTION to Tentatively Approve section 6.5, violations of conflict disclosure 1BH, 2KW.

VDS asked what a corrective action might look like? SM said it depended on the Board. One option would be to reconsider the decision if the vote mattered (recognizing that third party rights could already be in effect). The Board could also notify the group the offending member represents of the failure to disclose so that group could act against the member. Or it could be things like requiring remedial education, obliging the offending member to explicitly disclose conflicts at future meetings, or it could be formal disciplinary actions if allowed by the Bylaws.

KW observed that the language suggests some action is required. SM confirmed that yes, some action is required.

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

SM presented draft Bylaws language at section 6.6, annual representation letter.

MOTION to Tentatively Approve section 6.6, annual representation letter 1HK, 2VDS.

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

7) Brief Committee Updates:

ExCom: JE gave update. The ExCom is monitoring IC progress on approving BySub materials and whether the IC is delaying BySub progress but no action at this time. Also considering IC member education. No proposals for now, may defer to committees for intra-committee education or have committees propose full IC educational topics. JE will update RRC IC webpage as part of outreach

duty. Had considered a legislative update but decided to not pursue due to lack of IC consensus on SB123 delay and fact that legislature is busy.

BySub: HK, nothing to add. SS noted BySub is definitely behind schedule, including full bylaw packet as appendix A of meeting packet. Lots of material to cover yet. At least 9 policies required, so lots to do. Contemplating a schedule update, maybe by next week. SD due back soon, will coordinate with him on these matters.

BudCom: JG: Only a short meeting last week, waiting on others for material to continue BudCom tasks. Tracking March monthly reporting and expense review. All is peachy.

TarCom: HK presented for EJ. Meeting cancelled due to conflicting RCA meeting, nothing to report. JW asked whether TarCom had adjusted scope to reflect latest RCA discussions concluding that the ERO should not have a complete Tariff. BH responded that TarCom hasn't discussed this, but the current work is limited to a roadmap, not a full Tariff. So not a current concern.

StanCom: JWR: committee met last Wednesday, discussed standards development process. More work to do. This task is due to IC by 4/12. StanCom is also working on a more detailed schedule for remaining standards development. Will be meeting with SS and RSK to finish that. Next meeting is Wednesday at 11.

IRPcom: DB: Have held a couple of meetings. Very hard-working committee, doing lots of homework, 2.5 hour meeting, working on IRP details, working to craft RFP for a consultant, process of reviewing what is (and is not) in other IRPs is enlightening. Some things to work through, making progress.

JG thanked IRPcom for hard work and synopsis of uniqueness of our IRP scope (including transmission). DB yes, not absolute but reviewed some 150 IRPs and transmission is not part of their scope. MC asked about the implications of transmission being omitted from Lower 48 IRPs. DB said it reflects a critical difference between the regions. Lower 48 has a complex transmission system, and generation placement is relatively simple. Alaska a simpler transmission system but complex generating siting / portfolio. The Lower 48 would never build generation in lieu of transmission, but that is routine here.

HK added that part of reason for this is that Lower 48 markets determine where transmission gets built, not the utilities. So it is not normally covered in IRPs.

8) Updates / Member Comments

RB commented that he listened to the RCA meeting today. If reading correctly, they are becoming more willing to give latitude to the RRC in how it organizes. Encouraging, and places more responsibility on the IC to act responsibly and swiftly.

JG: advised will miss meeting next Monday.

VDS: advised will also miss meeting next Monday.

9) April 12 Meeting Agenda

RSK: Tracking the following items for next week:

1. Contingent on BySub actions, revisit TAC.

2. Contingent on Application Subcommittee progress, review new charter.
3. JWR: StanCom may be ready to have a presentation for next week.

10) Adjourn

MOTION to adjourn, 1BH, 2JG.

ADJOURNED at 3:23 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.
AppCom	ERO application subcommittee
BudCom:	budget subcommittee
BySub:	bylaws subcommittee
CEA:	Chugach Electric Association, Inc.
CPCN:	certificate of public convenience and necessity
DU:	Doyon Utilities
ERO:	Electric Reliability Organization
ExCom:	executive committee
IC:	Implementation Committee
IRP:	integrated resource plan
IRPcom:	integrated resource plan process subcommittee
LSE:	load-serving entity
MEA:	Matanuska Electric Association, Inc.
NDA:	non-disclosure agreement
NTE:	not to exceed
PM:	project management
PMP:	project management professional
RAPA:	Regulatory Affairs and Public Advocacy
RCA:	Regulatory Commission of Alaska
RRC:	Railbelt Reliability Council
SB:	Senate bill
SOW:	scope of work
StanCom:	standards subcommittee.
TarCom:	tariff subcommittee

ATTACHMENTS:

1. Tentatively approved Bylaws clauses 2.2.4, 6.1 through 6.6.

ATTACHMENT 1/1 (2 PAGES)

Bysub – April 5, 2021
Language to review and possibly TA by the IC

2.2.4. Delegation of Authority

Subject to the ultimate authority of the Board, the CEO is delegated the authority necessary and appropriate for the efficient administration of the Corporation and its programs, including the establishment of policies and procedures for the programs and operations of the Corporation, except where the Board has reserved specific authority pursuant to the Bylaws Section 2.2.3 and this policy as enumerated above. The discretionary powers of the CEO shall be sufficiently broad to enable him/her to discharge these responsibilities.

Unless otherwise restricted by specific Board policies or directives, the CEO may delegate general executive management and administrative authority to other executive officers and employees as necessary and prudent, including authority to execute contracts and other legal documents. The CEO may condition, limit, or revoke any presidential authority so delegated. All delegations and revocations shall be in writing, name the position to whom such authority is delegated, describe the scope and limitations of such authority, and prescribe the extent to which such authority may be further sub-delegated. Notwithstanding any delegation, the CEO remains responsible for the proper functioning of the Corporation.

**ARTICLE VI
CONFLICTS OF INTEREST**

6.1 Purpose.

The purpose of the conflict-of-interest provision is to protect this Corporation when it is contemplating entering into a transaction or arrangement that might benefit the Personal Interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This provision is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

6.2 Interested Party.

Any director, principal officer, or member of a committee with board delegated powers, who has a direct or indirect financial interest or receives any remuneration from the Corporation, is an interested person and is considered to have a Personal Interest.

6.2.1 Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family an ownership or investment interest in excess of 5% in any entity with which the Corporation has a transaction or arrangement, or a potential ownership or investment interest in excess of 5% in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. For the avoidance of doubt and notwithstanding any other provision of these bylaws, a director shall not be precluded from voting on or participating in any discussion on a matter solely on the basis that the director has a financial interest in an owner, user, or operator of the Railbelt bulk electric system and the matter relates solely to the use, ownership or operation of the bulk electric system.

ATTACHMENT 1/1 (2 PAGES)

Bysub – April 5, 2021

Language to review and possibly TA by the IC

6.2.2 Compensation. A voting member of the governing board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation (they are not prohibited from providing information to any committee regarding compensation).

6.3 Procedures.

The Board and its members will abide by the following procedures:

6.3.1 Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of more than a de minimis ~~the~~ financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

6.3.2 Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

6.4 Addressing Conflicts in Decision Making

Should the potentially conflicted person agree that a conflict may exist the Alternate for that director's seat may participate for all purposes with regard to the issue rather than the director. Should the potentially conflicted person disagree, after determining that a conflict does or may exist, the Board members or committee members present by simple majority of disinterested directors vote to appoint the Alternate for that director's seat to participate for all purposes with regard to the issue rather than the potentially conflicted person.

6.5 Violations.

If the governing Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest it shall take appropriate disciplinary and/or corrective action.

6.6 Annual Representation Letter.

Each director, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms such person has received, read, understood, and agrees to comply with these conflicts of interest provisions.