

# Railbelt Reliability Council Implementation Committee - Meeting

April 19, 2021

## Final Minutes (Approved by IC 4/26/2021)

### 1) Roll-call

The meeting was held via Zoom, was called to order at 1:15 pm, and was chaired by SS, then 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)	Y1	Ed Jenkin (EJ)	n	Matanuska Electric Association
Lou Florence (LF)	n	Shayne Coiley (SC)	n	Doyon Utilities
Dave Burlingame (DB)	Y	Rob Montgomery (RM)	n	City of Seward
Kirk Warren (KW)	Y2	Curtis Thayer (CT)	n	Alaska Energy Authority
Suzanne Settle (SS)	Y	Sam Dennis (SD)	Y	Cook Inlet Regional Inc.
Joel Groves (JG)	Y3	Mike Craft (MC)	Y	Alaska Environmental Power, LLC
Veri di Suvero (VDS)	n	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	David Newman (DN)	n	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: JE joined at 1:45 PM.

Y2: KW left meeting from 2:00 to 2:30

Y3: JG joined at 1:30 PM, left meeting from 3:20 to 3:40 PM.

Steve Mahoney (SM) present; Tom Lovas (TL) not present.

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

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

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

### 2) Approval of Agenda

**MOTION** to approve today's agenda, with a modification to move the Application Committee discussion to give time for JE to join the meeting, 1KW, 2MC.

**PASSED** as amended with no objections. [9-0-0].

### 3) Approval of April 5 Meeting Minutes

**MOTION** to approve 4/5/2021 meeting minutes, 1CR, 2HK.

**PASSED** with no objections [9-0-0].

### 4) Committee Updates

StanCom: JWR: Provided update. On track to have final Standards Process in May. Working to update schedule and will turn focus to CMEP Process next.

TarCom: HK: TarCom had a meeting today where they worked on updating the TL contract. No other updates.

IRPCom: DB: Developing a solid understanding of what elements belong in an IRP and how a Railbelt IRP will be different from those in the Lower 48. Didn't meet last week, but continuing to make progress. After next meeting will start working on a consultant scope of work.

SS: There are some things in the in the draft regulations that may not be assigned to any subcommittee scope. ExCom and Sapere will work through the regulations and make sure that everything is being covered.

JWR: Suggest shortening the IC meetings in order to free time for the subcommittees to meet and get their work done. Especially with all the RCA hearings, it is difficult to find time for subcommittees to complete their work.

SS: Good thought although the IC will have a lot of work to do also as subcommittees start bringing work products back for approval.

RSK: We talked about this a few months back, maybe there is a happy medium that we can revisit?

BySub: SD: Still behind schedule, working to get caught up. SM has provided a fairly complete version of the Bylaws for review. Will bring some of this language to the IC next week. Some of the contentious issues like TAC structure and Voting Thresholds will be discussed today.

*[JG joined meeting at 1:30 pm. 9 of 12 voting members present.]*

BudCom: JG: no meeting last week.

- Budget updates. Waiting on other committees for budget guidance.
- RRC Org Chart. Waiting on TAC structure approval by IC.
- March Expense Report. Waiting on Sapere invoice.

None of these items are yet on critical path for October Application submittal.

JB asked about near-term budget projections, his board is interested, and he was unable to respond. JG summarized IC's current obligations are roughly \$500,000. Original IC estimates from Sept / Oct of last year was \$2.4M, think the IC will come in under that. Significant other contracts expected from new committees that haven't been refined yet will likely amount to several \$100,000s, so total IC expenses by the time the ERO application goes in could be \$700k to \$1M. BudCom's plan is to have this refined and out to the IC in the next month.

ExCom: SS gave update. Forming agenda, no other recent activity to report.

*[JE joined meeting at 1:45 pm. 10 of 12 voting members present.]*

## **5) TAC Structure**

SS presented TAC structure developed by BySub. The structure has not changed since it was presented to the IC last week. BH added that there was discussion in BySub about the process for bringing the minority opinion in front of the Board. The minority opinion should not be limited to a whitepaper format, if any single or any two Board members would like to request that the minority opinion be presented in person, they should have the right to put this on the agenda.

SM: Normally the process for adding things to the agenda would be addressed during the agenda approval process at the beginning of the meeting. A member could propose to add the agenda

item, the Board would vote whether it should be allowed, and if it is voted down then it doesn't belong on the agenda anyway. Other issue is access to RRC staff. Normally Board members would not have access to staff but this could be addressed in a Policy.

RB spoke against a motion on the TAC structure, prefers to have TAC and important vote threshold linked. SS requested a motion.

**MOTION** to defer action on TAC until after discussion on voting threshold for important items. 1RB, 2BH

CR objected, then rescinded objection.

**MOTION TO TABLE** 1JB, then withdrawn.

DB emphasized the need to settle these two issues, want to resolve TAC structure first.

BH spoke to his concern that individual RRC board members should be able to solicit TAC commentary on white paper dissents. JB, agree with BH, dissenting white paper should have right to present to RRC board.

DB suggested that any two board members be allowed to force a dissenting presentation. One member shouldn't be able to do it. CR agree with DB, don't like automatic clearance, should have some threshold in there. JB also concurred.

HK said he favors a group of 4. Organization's purpose is to filter information, think it needs to do this.

CR added that for sake of moving forward, happy to have a low vote threshold for hearing dissenting views presented.

*[KW left meeting at 2:00, 9 of 12 voting members present]*

SM added that the Board needs to be fully informed, but also is time limited and can't hear every issue. If it is an issue of how many directors that is an IC decision. Possible to address this in the TAC section of the Bylaws if desired.

*[SS transferred chair to JE].*

## 6) Voting Thresholds

SD led discussion. Items up for debate as to whether 8 votes or 9 votes approval threshold are Articles of Incorporation, Bylaws, Reliability Standards, Integrated Resource Planning, Tariffs, Policies, CEO Hiring, Enforcement Actions, and Annual Budget Approvals.

DB: Would like to hear 8 position and 9 position.

CR, in favor of the 8 view. Per academic group, a high threshold can block progress, 9/13 would mean only 5 votes needed to block. Can see natural blocs of 5 in both utility and non-utility faction. Having an 8-vote threshold will help us reach consensus easier and be able to move more things forward.

RB, in favor of the 9 vote position, I think that the majority of the voting power does not lie with any particular group, but rather a particular geographical area with ratepayers who reside in that area who are affected by any commercial decisions that are made by the ERO. I have not seen

Board members who were able to uncouple their economic bias from important decisions, and so would like to see a higher voting threshold for passing these important issues. Not worried about a utility bloc.

JWL suggested perhaps a combination of voting threshold and stakeholder group requirement could satisfy both sides. HK in favor of pursuing this further.

SD added that BySub has investigated permutations of stakeholder groups. 9 votes automatically requires 3 stakeholder groups buy in, 8 votes only requires 2 in some cases. BySub needs clear direction coming out of this meeting on how to proceed.

*[KW rejoined meeting at approximately 2:30, 10 of 12 voting members present.]*

JE: Don't like either 8 or 9. Don't like one group veto or actions that can be moved without utilities.

**MOTION** that the voting thresholds defined in the Bylaws would be as follows: Approval of Articles of Incorporation, Bylaws, Reliability Standards, Integrated Resource Plans, Tariffs, Policies, CEO Hiring, Enforcement Actions and Annual Budget Approvals would require an affirmative vote of at least 9 members of the RRC board. All other approvals would require 7 affirmative votes. 1SD, 2JB.

HK objects.

**MOTION FAILS** [6-4-2] by roll call vote with CIRI, AEP, REAP and HK voting against (9 to pass).

**MOTION** that the voting thresholds defined in the Bylaws would be as follows: Approval of Articles of Incorporation and Bylaws would require an affirmative vote by at least 9 members of the RRC board. Approval of Reliability Standards, Integrated Resource Plans, Tariffs, Policies, CEO Hiring, Enforcement Actions and Annual Budget Approvals would require an affirmative vote of at least 8 members of the RRC board. All other approvals would require 7 affirmative votes. 1SD, 2CR.

JB, HK object.

**MOTION FAILS** [3-7-2] by roll call vote with CEA, GVEA, HEA, MEA, SES, AEA, and HK voting against (9 to pass).

SD called for mediation on the matter with participation of full IC.

SS asked if can assert a date certain for mediation. SD yes, push for decision by May 3rd. JE asked if should pull academics team into loop. CR We have heard from academics. they will slow process down and not be helpful now. RB concurs, academics not necessary. JG asked about whether the combo vote stakeholder concept raised by BH would be considered. CR, RB confirmed that everything should be on the table for a mediated solution.

**MOTION** that BySub investigate the impacts and voting thresholds of structuring the voting thresholds be defined that would require an affirmative vote of at least three stakeholder groups to pass or two to fail, this would allow to AOI, bylaws, reliability standards, IRPs, tariff, policies, CEO hiring, enforcement actions, and annual budget approvals. 1DB, no 2<sup>nd</sup>.

**MOTION FAILS** for lack of a 2<sup>nd</sup>.

BH sought to clarify that IC is differentiating between facilitation and mediation. SS – nothing is legally binding. BH it's a process question. How will process work to get resolution by May 3?

JE asked if IC members had recommendations on mediation service providers?

*[JG left meeting at 3:20 pm. 10 of 12 voting members present.]*

JE: ExCom will continue this discussion and pursue a path forward on mediation services. IC members should submit referrals for mediation services to ExCom for consideration this week.

## 7) Application Committee

JE presented draft AppCom charter and membership.

**MOTION** to approve the Application Committee charter and membership, 1BH, 2HK.

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

JE: AppCom will determine their meeting schedule this week and report back to the IC. They will begin working on mapping the Application tasks to the subcommittees working on them.

*[JG rejoined meeting at 3:40 pm. 10 of 12 voting members present.]*

## 8) Draft Standards Development Process Presentation

JWR led presentation and discussion. No action taken, presentation will be made available to IC.

## 9) Member Comments

JE: request from Energy Committee for progress update, suggested utility and non-utility representative. CR pointed out that the Energy Committee chair asked him for an update. CR declined to join in IC update, but is giving an update on Tuesday, not representing IC but REAP. JE reiterated request for non-utility companion. DB clarified, utilities did not ask JE to do it, he was notified as everyone else was.

BH: will CR share presentation with IC prior? CR said don't plan a lot of slides, but happy to share prior. May not be much prior.

DB: concerned that CR would represent IC. He is free to represent his opinions but shouldn't represent IC progress.

JB: Concerned that CR representing IC negatively, may undermine the process. Ultimate concern is factions break out and advance separate proposals.

SS: important that we remain respectful that we are all individuals and retain freedom to retain our ability to articulate opinions.

JB: concerned about this because of reaction to utility CEO letter. Same situation.

MC: willing to go to JNU but reluctant to engage in dialog about how he feels because not satisfied with progress due to loyalty to the IC. If he was satisfied with progress would love to talk to legislature.

**MOTION** JE to provide an update on IC progress to House Energy Committee as outlined in existing CWN presentation 1BH, 2SS.

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

JE pointed out that monthly committee reports are part of packet, nothing to add.

JE asked for questions on the reports. There were none.

**10) April 26 Meeting Agenda**

- BySub draft language
- Application task mapping
- Mediation process update

**11) Adjourn**

**MOTION** to adjourn, 1MC, 2JB.

**ADJOURNED** at 4:20 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. Approved Application Committee Charter

ATTACHMENT 1/1 (2 PAGE)

<b>ERO APPLICATION SUBCOMMITTEE PROJECT CHARTER</b> RAILBELT RELIABILITY COUNCIL IMPLEMENTATION COMMITTEE (RRC IC)	
<b>Application Committee (AppCom)</b>	
<b>SCOPE AND DELIVERABLES</b>	
<p>As efficiently and effectively as practical, develop an Electric Reliability Organization (ERO) application for filing with the Regulatory Commission of Alaska meeting the intent and directive of SB123 and corresponding regulations. In general, application content will be developed by other IC subcommittees, and AppCom will integrate this content into a single application document with supporting attachments. As required, AppCom will also oversee drafting of original content to present and explain how the RRC compiles with SB123 and corresponding regulations. This will be achieved through the following tasks:</p>	
<ul style="list-style-type: none"><li>• Ensure the existing Application Table of Contents tentatively approved by the IC on April 5<sup>th</sup> remains thorough and consistent with associated statute and regulation.</li><li>• Ensure clear subcommittee ownership and timeline is established for each component of the application.</li><li>• Establish process and protocols for interfacing with the IC and other subcommittees, to present application content, solicit feedback on content, and gain approval of content not already approved through the subcommittee process.</li><li>• As components are completed and approved, integrate into application through established process.</li><li>• Work with project manager to identify timeline and associated dependencies concerns.</li><li>• Complete final application and associated regulatory filing through established process.</li></ul>	
<b>MEMBERSHIP AND SUPPORT</b>	
<p>Membership is as identified on the IC committee membership roster. Initial membership includes Julie Estey (chair), Veri di Suvero, John Burns, and Brian Hickey.</p>	
<p>The AppCom will be supported by high-level administrative resources that will compile the components of the application, identify gaps, overlap, inconsistencies and draft language. Initial step will be in concert with the RRC IC Project Manager as part of their existing scope.</p>	
<p>Technical support/oversight will be required outside of specific subcommittees to ensure content cohesion and quality and coordinate among the sub-groups developing content. Number of hours may vary on application requirements and the tasks/deliverables of related subcommittees.</p>	
<p>AppCom anticipates hiring external resources through targeted procurement by soliciting recommendations from IC members, interviewing candidates, and bringing a recommendation to the IC for approval.</p>	



**ATTACHMENT 1/1 (2 PAGE)**

<b>HIGH LEVEL SCHEDULE</b>				
Ensure all TOC components have a subcommittee owner and associated deliverable timeline (April 26)				
Complete process and protocols for integration, feedback, and approvals (May 3)				
Hire administrative resource (May 10)				
First draft of application (August 2)				
Final Draft of application to Stakeholder Organizations (August 27)				
Final Draft complete (September 27)				
<b>HIGH-LEVEL BUDGET</b>				
AppCom anticipates requiring the following support:				
<ul style="list-style-type: none"> <li>- Project Manager (Sapere) – Much of coordination will be in Sapere’s existing PM scope. Potential additional support to establish processes and protocols and attendance at relevant meetings. 40 hours total (\$8000ish)</li> <li>- High level administrative support – \$50,000 (assumes \$120/hr, 5 hrs/week in May, 20 hrs/week June-October)</li> <li>- Technical Support - \$50,000 (assumes 50 hours a month at \$200/hr)</li> </ul>				
<b>PROCEDURES AND EXPECTATIONS</b>				
The AppCom will meet weekly or as necessary to prepare deliverables for regular IC engagement. All committee meeting times will be posted and open to any IC member or contractor. The AppCom will adhere to all approved subcommittee expectations, including regular reporting.				
<b>PROJECT CHARTER APPROVAL</b>				
IC Approval	Yea:	Nay:	Absent/Abstain:	Date:
IC Chair – Julie Estey				Date:
IC Secretary – Joel Groves				Date: