

Railbelt Reliability Council Implementation Committee - Meeting

May 24, 2021

Final Minutes (Approved by IC 6/7/21)

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)	Y	Chugach Electric Association
John Burns (JB)	Y	Frank Perkins (FP)	Y	Golden Valley Electric Association
Rick Baldwin (RB)	Y	[HEA alternate]	v	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)	Y	Curtis Thayer (CT)	n	Alaska Energy Authority
Suzanne Settle (SS)	n	Sam Dennis (SD)	Y	Cook Inlet Regional Inc.
Joel Groves (JG)	Y	Mike Craft (MC)	Y	Alaska Environmental Power, LLC
Veri di Suvero (VDS)	Y	Alyssa Sappenfield (ASF)	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)	Y2	Unaffiliated seat
Jeff Waller (JWL)	Y	Janet Fairchild-Hamilton (JFH)	n	Regulatory Affairs and Public Advocacy
Bob Pickett (BP)	n	Antony Scott (AS)	n	Regulatory Commission of Alaska

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

Y1: Brian Hickey joined at approximately 1:20 PM.

Y2: David Newman was initially present and left at approximately 3:20 PM.

David Lockard (DL) attended the meeting for AEA in a non-voting capacity.

Steve Mahoney (SM) present; Tom Lovas (TL) present, Blythe Martson (BM) present.

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

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

Brief introductions from David Newman and David Lockard.

2) Approval of Agenda

MOTION to approve today's agenda, 1LF, 2BH.

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

3) Approval of May 17 Meeting Minutes

MOTION to approve 5/17/2021 meeting minutes, 1JG, 2MC.

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

4) IRP Committee RFP and contractor request form

DB updated IC on RFP status. Think price is around \$75k, IRPcom would like to issue to short list of contractors and make a decision to award. Would notify IC on 5/31 on short list, and advise IC of outcome and award on 6/14.

MOTION to approve RFP and to authorize IRPcom to develop a contractor shortlist, solicit proposals for interviews, and select a contractor, consistent with the RFP and contractor request form. 1DB, 2BH.

BH asked which LSE would be managing the contract. JE said CEA would be.

MC asked if IC will be able to review candidates and responses. DB confirmed yes. Don't have the list finalized yet but will notify the IC when it is populated.

JE asked if IC members can still forward candidates. DB said yes, have 6 names so far, please send others by COB Wednesday 5/26.

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

5) AppCom

JE reported master task list is populated, but not fully formatted yet. Headed to BO for formatting, goal is to have out to IC by end of week. Intent is over next two weeks all IC subcommittees can review, assign, adjust, flag concerns, etc. Hoping we can finalize at a future IC meeting.

JE reviewed the contractor request form with the IC. AppCom is proposing to sole source with Rena Miller, Tom Lovas, and Lori-Jo Oswald to support AppCom as 1) Application Manager, 2) Technical Advisor, and 3) Technical Writer, respectively.

MOTION that the IC approve the contractor request, budget approval, and contract change forms submitted by AppCom to the IC on 5/24. 1KW, 2BH.

JE clarified TL will still run through CEA, MEA will run the Rena and Lori contracts.

JG mentioned prior work experience with Lori-Jo Oswald, she is a fantastic resource.

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

6) Mediation Follow up Items

BM led discussion.

a. Code of Conduct Policy

Discussion of new Code of Conduct to clarify harassment provisions. IC a bit unclear on distribution and review status.

JG suggested to defer action and make sure it is circulated to members for review and action next meeting. Don't expect passage will be contentious, members just need time to review it. BM concurred.

b. Conflict of Interest Policy

SD reviewed updated conflict of interest language for alternate voting means in the event that both a director AND alternate are conflicted: to install the independent director's alternate for that vote. Language reviewed and sent to SM for updates, then come back to IC next meeting for approval.

c. Bylaw Renewal Provision

BM led review of clause on Bylaw renewal provision. No objections were raised.

d. Access to External Resources

BM led review of clause on director access to external resources.

JG flagged the tension between board approval of external resources against the scenario where a board minority wants external resources. CR echoed concerns.

CR suggested to introduce minimum number of stakeholder classes into approval process to help ensure minority positions are not unduly blocked.

IC discussion developed draft language requiring three stakeholders to authorize the external resources clause for refinement by SM. No objections to language as drafted.

e. TAC/CEO/Staff Function Language

BM led review of TAC section of Bylaws.

General discussion of key differences in TAC structure proposed in Bylaws vs. organization figure TAC structure the IC had previously agreed upon. Discussion to explore and reconcile differences, better refine duties and non-duties of TAC.

General consensus that compliance / monitoring / enforcement (CME) duties should be the responsibility of the compliance engineer. Their recommendations can be reviewed by the TAC and the TAC can concur or dissent, but the recommendations pass on to the ERO board either way.

General consensus to revert to the four TAC position descriptions in the org chart (reliability standards, CME, integrated resource planning, and system studies

General consensus that technical matters are routed through TAC. Other ERO functions (accounting, regulatory, etc.) would be conducted as directed by the CEO.

BH suggested that a sentence be added to the CEO clause stating that the CEO will be responsible for delegating execution of statutorily required one-off actions, such as the transmission system cost allocation and working with the TAC on these issues.

TAC/CEO/Staff Function language sent back to BySub for revision in accordance with the direction provided during IC discussion.

f. Stakeholder Classification

BM led review of committee composition section of Bylaws.

HK, CR, RB raised concerns with draft language being confusing and unclear. It confuses LSE / non-LSE balance and stakeholder balance. Due to time constraints, RB suggested this matter be tabled.

The stakeholder classification discussion was tabled, and the language was sent back to BySub for refinement.

[David Newman left at approximately 3:20PM, 12 of 12 voting members present.]

g. Voting Related to Statutorily Required Functions

BM directed the IC to the new language under the voting related to statutorily required functions section of the Bylaws. This language was developed by SM after discussion at the mediation session last week.

HK voiced concern with the 30 day stipulation. IC discussed pros and cons of longer, shorter, or no deadlines in the Bylaws. General consensus to leave it at 30 calendar days.

BM reviewed second clause in the section.

CR pointed out that if this section is meant to apply to all statutorily required ERO functions, then the language should align with the language in the TAC section as well. Just flagging it, no issues with it currently.

SM pointed out that defining voting thresholds as percentages invalidates the intended function of the 14th voter – suggested reverting to votes. JWL pointed out the percentages were intended to accommodate changing number of board seats. General consensus that would trigger Bylaws review and current Bylaws do not need to address that – Bylaws should define vote thresholds by votes, not percentages. Clause sent back to BySub for further refinement.

JE observed time remaining, closed discussion and scheduled next mediation session.

Next Mediation Session: Wed 6/2, 9am-12pm at AEA.

Duties of Care, TAC, Cost recovery process (maybe?) removed from mediation agenda. Remaining items for next mediation session:

Agenda:

- 1) List of supermajority subjects.
- 2) List of stakeholder groups.
- 3) Exit strategy language, with #'s, not %'s.
- 4) Maybe add cost recovery matter. – or subsequent meeting.

Sapere will send out details.

5) Brief Committee Updates

StanCom: JWR: Didn't meet last week, working on CMEP and hoping to bring the Final Standards Development Process soon.

TarCom: TL: TarCom is aware that IC approval of the proposed changes to section 2 and 6 of the Application TOC have been deferred per ExCom and AppCom outline efforts. Pointed out TarCom's revision to section 6 was intended to address how the regs handle Tariff matters. Encouraged AppCom to check that as they finalize the Master Regs Spreadsheet.

IRPcom: DB: met last week, RFP main activity. Will process per direction outlined today.

BySub: SD: Today's meeting covered our status. Once governance issues are resolved, balance of Bylaws should flow relatively quickly.

BudCom: JG. No meeting last week, invoice reviews are current [*correction: April invoices for M&B and ERE are still working through review process*], waiting on outcome of current Bylaws discussions to tackle RRC org charts and budget duties.

ExCom: JE: Nothing new from ExCom.

AppCom: JE: Already updated through prior items in today's meeting.

PubSub: VDS: was under weather, no update. JE updated that PubSub met last week and began to work on defining and drafting up some of the policies that fall under their scope.

6) Updates / Member Comments

BH disclosed that CEA feels regulations are ambiguous, poorly defined, don't think they are well-done. CEA's comments may include other signatures. Still fully committed to this process, just don't like the regulations development process.

JB: GVEA will also be submitting comments.

JE: MEA will also be commenting to this effect.

FP asked about the RCA's process and schedule after the public comment period closes? JE responded that while not the expert, she understands that this will first depend on what the RCA does with public comments. Once the RCA issues final regs, those must go to the Department of Law (DOL) for review. There could be significant changes from DOL. Not sure what happens after that.

JWL offered some clarification. The RCA expects to be very busy in June adopting final regs. They may have a public meeting each week as they work through comments. Once they adopt their final regs, they do go to DOL for review. The DOL regulations attorney is retiring, and the replacement is an unknown. After that review is completed, if there are no major changes, they get finalized and go to the Lt. Governor for signature and they go into effect.

BH asked about the timing of the notice to LSE's within this process. JWL said that is vague in SB123, and there are several possible interpretations ranging from the notice is due immediately after July 1 regardless of the status of the regs to the notice won't come out until the regulations are in effect. He doesn't know how that will be interpreted and applied.

7) June 7 Meeting Agenda

The June 7th IC meeting agenda will include:

- Application process, flow chart, schedule
- AppCom master regs spreadsheet
- Bylaws review
- Request for milestone dates/schedule check in from Sapere
- Guidance from members on timeline for internal Application approval process to inform schedule update
- StanCom Final Standards Process
- Mediation items Follow Up
 - Code of conduct
 - Addressing material conflicts in decision making

- Other outstanding topics from June 2nd mediation follow up session

8) Adjourn

ADJOURNED at 4:30 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.
CME:	compliance / monitoring / enforcement (of reliability standards)
CPCN:	certificate of public convenience and necessity
DaveCom:	See IRPcom
DOL:	Department of Law
DU:	Doyon Utilities
ERO:	Electric Reliability Organization
ExCom:	executive committee
IC:	Implementation Committee
IRP:	integrated resource plan
IRPcom:	IRP 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 IRP RFP
2. Approved AppCom contractor request / funding forms.

ATTACHMENT 2/2 (4 PAGES)

CONTRACTOR AND FUNDING AUTHORIZATION FORM					
CONTRACTOR REQUEST					
Requestor: AppCom					
Date Submitted: May 24, 2021					
DESCRIPTION OF NEED					
<p>The Application Committee has identified the need for three primary resources to compile, review and submit the ERO application to the RCA:</p> <ol style="list-style-type: none"> 1. Application Manager – this person will be the owner and point person for the compilation of the Application, including working with the RRC IC project manager, committee chairs and AppCom to source all materials, ensure they are compiled in a comprehensive way, identify overlap, gaps and inconsistencies and ensure they meet the appropriate regulations and statute, as well as manage the review and revision process. 2. Technical Advisory – this person will be a resource to the Application Manager. Their role will be to provide technical support to the Application Manager and subcommittees as necessary as well as be a second set of eyes to review and challenge the Application ahead of submittal. 3. Technical writer – this person will be a resource to the Application Manager to provide technical writing services to ensure a cohesive, error-free document that is accurate, honest, compelling and professional. They will ensure the voice of the Application is consistent. 					
CONTRACTOR SELECTION PROCESS					
<p>After formal and informal conversations with IC members asking for recommendations and socializing preliminary names, due to time constraints, the committee recommends moving forward with sole source contracts involving resources that are familiar with the content and primary players of the effort.</p>					
ROM BUDGET					
<p>AppCom is requesting approval of these budgets with the attached budget request form – details provided there.</p>					
CONTRACT AUTHORIZATION APPROVAL					
	Date approved	Yea:	Nay:	Absent/Abstain:	Date:
	IC Chair – Julie Estey				Date:
	IC Treasurer – Joel Groves				Date:

ATTACHMENT 2/2 (4 PAGES)

FUNDING AUTHORIZATION	
<p>Date Submitted: May 24, 2021 Recommended Contracting Utility: Chugach (Lovas) MEA (Miller, Oswald) Recommended Contract Manager: Hickey (Lovas), Estey (Miller, Oswald)</p>	
SCOPE AND DELIVERABLES	
<p>The Application Committee has identified the need for three primary resources to compile, review and submit the ERO Application to the RCA. All three will report to AppCom for this work. The primary deliverable will be the ERO Application to the RCA with drafts of components as well as the Application in its entirety at established milestones. A second deliverable will be working with IC project manager to develop a development and review schedule:</p> <ol style="list-style-type: none"> 1. Application Manager (Rena Miller) – this person will be the owner and point person for the compilation of the Application, including working with the RRC IC project manager, committee chairs and AppCom to source all materials, ensure they are compiled in a comprehensive way, identify overlap, gaps and inconsistencies and ensure they meet the appropriate regulations and statute, as well as manage the review and revision process. 2. Technical Advisor (Tom Lovas) – this person will be a resource to the Application Manager. Their role will be to provide technical support to the Application Manager and subcommittees as necessary as well as be a second set of eyes to review and challenge the Application ahead of submittal. 3. Technical writer (Lori Jo Oswald) – this person will be a resource to the Application Manager to provide technical writing services to ensure a cohesive, error-free document that is accurate, honest, compelling and professional. They will ensure the voice of the Application is consistent. 	
CONTRACTOR SELECTION	
<p>After formal and informal conversations with IC members asking for recommendations and socializing preliminary names, due to time constraints, the committee recommends moving forward with sole source contracts involving resources that are familiar with the content and primary players of the effort. The committee has had preliminary conversations with each of the three identified resources and all three are interested and have agreed to take on the work at the established rate.</p>	
SCHEDULE	
<p>May 24 – Approval for contractors Week of May 24 – Preliminary orientation June 7 – Draft of process and work/review schedule to IC for review and approval June to August – Provide draft narratives for subcommittees and committee review and approval based on subcommittee deliverables August 20 – Preliminary Draft of entire Application August 20 to Sept 30 – Manage review cycle and incorporate changes Oct 1 – Final Application to IC for final review</p>	
BUDGET	
<p>Due to the complexity of this project and the fact that it is the first of its kind and the critical draft regs are not finalized, the committee is forwarding this rough order of magnitude request acknowledging it is our best guess that may need refining through the process:</p> <ul style="list-style-type: none"> • Technical Advisor (Lovas) – approximately 150 hours @ \$275 – \$41,250 (NTE \$45,000) • Application Manager (Miller) – approximately 250 hours @ \$130 – \$32,500 (NTE \$35,000) • Technical Writer (Oswald) – approximately 200 hours @ \$65 – \$13,000 (NTE \$15,000) <p>Total - \$86,750 (NTE \$95,000)</p>	

ATTACHMENT 2/2 (4 PAGES)

CONTRACT AUTHORIZATION APPROVAL					
Date approved	Yea:	Nay:	Absent/Abstain:	Date:	
IC Chair – Julie Estey				Date:	
IC Treasurer – Joel Groves				Date:	

CONTRACT CHANGE REQUEST	
Energy & Resource Economics (Tom Lovas) Change Request #4 Date Submitted: May 24, 2021	
SCOPE CHANGE	
Before Change:	After Change:
<ol style="list-style-type: none"> 1. Become familiarized with RRC IC guiding documents (SB123; associated draft regulations; IC actions to date; and (as applicable) existing draft RRC articles of incorporation, bylaws, policies and procedures, code of conduct, and other control documents; and IC’s MOU. 2. Prepare draft table of contents for RRC Tariff and RRC ERO certificate application consistent with RRC IC guiding documents. Delineate items that are required for the ERO application vs those that the RRC would only need to develop after an ERO certificate is issued. 3. Prepare estimate of level of effort to draft Tariff and Certificate Application documents for ERO application. 4. Present draft findings to budget subcommittee, address subcommittee comments, and present findings to IC. 5. Attend RCA’s R-20-003 3-day work session scheduled for February 2021 6. Additional IC and TarCom calls (20 additional hours through September) 7. Prepare contents of Tariff with information described in 46.860(a)(1) and (2). 8. Draft the initial Tariff sections to meet 46.860 (3)(5) and (6) 9. Draft Section 5.2 – Reliability Standards Process (source: Standards Committee) 10. Prepare work plan, budget and anticipated filing date for complete Tariff 	<ol style="list-style-type: none"> 11. Provide technical support to the Application Manager and subcommittees as necessary. 12. Provide secondary review of the Application ahead of submittal. 13. Contingency for support of tasks 11 and 12.

ATTACHMENT 2/2 (4 PAGES)

SCHEDULE CHANGE				
		Target date for completion		
		Before Change:	After Change:	
Task 11		N/A	10/01/2021	
Task 12		N/A	10/01/2021	
Task 13		N/A	10/01/2021	
BUDGET CHANGE				
		Before Change:	After Change:	
Task 11		N/A	\$27,500	
Task 12		N/A	\$13,750	
Task 13		N/A	\$3,750	
Contract Total:		\$90,000	\$135,000	
Date approved	Yea:	Nay:	Absent/Abstain:	Date:
IC Chair – Julie Estey				Date:
IC Treasurer – Joel Groves				Date: