

# Railbelt Reliability Council Implementation Committee - Meeting

June 28, 2021

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

### 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)    | n | Jeff Warner (JWR)              | Y  | Chugach Electric Association           |
| John Burns (JB)      | Y | Frank Perkins (FP)             | Y  | Golden Valley Electric Association     |
| Rick Baldwin (RB)    | Y | Dave Thomas (DT)               | Y  | Homer Electric Association             |
| Julie Estey (JE)     | Y | Ed Jenkin (EJ)                 | Y  | Matanuska Electric Association         |
| Lou Florence (LF)    | n | Shayne Coiley (SC)             | Y  | 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)  | Y | Sam Dennis (SD)                | Y1 | Cook Inlet Regional Inc.               |
| Joel Groves (JG)     | Y | Mike Craft (MC)                | n  | 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)              | n  | Unaffiliated seat                      |
| Jeff Waller (JWL)    | n | 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: SD joined at approximately 2:00PM.

Steve Mahoney (SM) present; Tom Lovas (TL) present; Rena Miller (RMR) present.

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

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

### 2) Approval of Agenda

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

RSK advised wrong sections of Tariff being introduced for discussion – should be 2.5 to 3.2, not 3.0 to 4.0. Also wrong presenters for TAC discussion – should be Dennis/Warner, not Dennis/Burlingame.

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

### 3) Consent Agenda

**MOTION** to approve modified consent agenda, 1RB, 2HK.

VDS proposed amendment to correct that the website policy will be changed to be anti-harassment, not ant-harassment. JE pulled from consent agenda.

JWR raised point of order. When we are TAing items for application, will there be an opportunity for later review of minor stuff?

RB regarding process, if we want to change something from the consent agenda, we need to pull that item off the consent agenda and address it separately. Suggested for efficiency that typo-level items just be directed to committee chairs for correction.

VDS withdrew request to pull website policy.

JG pulled Bylaws TA motion for correction, and asked for clarification on what approval of consent agenda items 3 and 4 means. These are being TA'd or something else? RSK confirmed they are up for TA, revised the consent agenda accordingly.

DB pulled Tariff for discussion.

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

**MOTION** to Tentatively Approve Bylaws provisions approved by IC on 6/21 as summarized in 6/28 meeting packet, with section 2.2.3.1 removed as that Bylaws provision was remanded back to BySub for more work. 1JG, 2VDS.

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

Chair advanced discussion to TA of tariff provisions.

DB raised question on Tariff section 2.3, LSE definitions. On military bases, there is an entity that bills all private concessions on bases that would fit into LSE definition as written. Suggest TarCom revise definition to exclude that entity.

SC clarified, yes there is a department of public works that bills private on-base vendors. That is just an invoicing entity.

EJ pointed out language defines LSEs as "Electric Utility". DB thought Wainwright has a CPCN so meets that definition. DB suggested defer to TarCom to address the issue.

RMR counseled SB123 carefully crafted to avoid this issue. Suggest reference and adopt that language.

EJ TarCom will address the matter.

*[procedural note: the IC neglected to introduce a motion to TA tariff sections 1 to 2.4 prior to the two following motions to amend. The introductory motion follows the two amending motions].*

**MOTION TO AMEND** Tariff sections 1 to 2.4 for TA approval but to remand 2.3 back to TarCom for clarification. 1RB, 2JWR.

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

CR asked for schedule for balance of Tariff. TL explained currently only discussing sections 1 – 2.4, TarCom agenda item later in the meeting is meant to introduce balance of 2 and some of 3. Then these sections will be up for TA next meeting.

JG commented that Tariff section 1.3.1 (conflict process) only mentions conflicts over reliability standards. Should also mention other ERO functions in Tariff, (sections 6,7,8,9,11) either in detail or generally as appropriate. VDS concurred, added that according to draft regs, the only appeals policy needed at the time of Application filing is that regarding reliability standards. Tariff should point to future 'to be developed' policy for other functions.

JG commented sections 1.4 and 2.2 use the word stakeholder differently than RRC Bylaws or draft regulations, basically defining stakeholder as something similar to registered entity rather than the broader definition used in other documents. Advocated that these sections be revised to use different terminology as appropriate. TL clarified intent here was to point to entities or individuals who are impacted by the Tariff, not broader stakeholder definition used in Bylaws and draft regs. EJ

advised TarCom will consider revising to more specifically point to the intended entities or individuals.

**MOTION TO AMEND** Tariff sections for TA approval to remand 1.3.1, 1.4, and 2.2 back to TarCom for clarification. 1JG, 2HK.

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

**MOTION** to TA Tariff sections 1.0 to 2.4 except for sections, 1.3.1, 1.4, 2.2 and 2.3. 1JE, 2JG.

**PASSED** as amended, with no objections. [12-0-0].

*[SD joined meeting at approximately 2:00pm, 12 of 12 voting members present].*

#### 4) Technical Consultant Contractor Request

JG introduced budget request, explained rationale / need for external support.

**MOTION** to approve contractor funding request as presented. 1JG, 2HK.

Robust discussion over proposal. VDS summarized primary issues raised to include:

- Streamlining an already schedule-constrained process with an extra consultant,
- Defining the specific and tangible things to look at,
- Maintaining selection, direction, and accessibility of consultant and work products to the full IC
- Including consultant in the development process, and not just appending their involvement to the end of the process.
- Anything else?

HK requested generally that IC documents refer to 'independent member', not him by name.

**MOTION to TABLE** to next meeting. 1JWR, 2HK.

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

#### 5) Review Articles of Incorporation

SD/SM led discussion of AOI.

CR asked wither (c)(3) or (c)(4). JG confirmed IC decided (c)(4) on 8/31/2020.

CR asked at Art. 11, who is CT corp? SM explained who they are and their role. CT Corp provides a registered office service. They will receive any legal filings or State notices and assume responsibility for forwarding to the RRC.

SD asked if IC is ready to approve. If so, ready to file?

Robust discussion. Informal consensus that best course is to:

- Proceed to finalize the Articles so they are ready for filing, but defer filing until the Bylaws are also ready for adoption.
- Revisit insurance to confirm insurance can be bought post filing but prior to organizing meeting.

- Allow LSEs time to formalize IC/RRC funding plan in the interim period between RRC formation and ERO certification. RB's interpretation of the LSE's MOU is that the MOU funding agreement probably expires at the RRC's organizing meeting.

SD BySub will work with ExCom and others to advance process as directed. Expect final articles back next week.

## **6) RRC Street Address and Large Consumer Seat Discussion**

JE led discussion. Immediate issues are AOI, large consumer seat, finalize address.

JG presented draft process for filling the large consumer seat on an interim basis. Principal decision is whether to have the IC nominate and select an interim member, or open it up to a more open quasi-public process.

Member comment focused on:

- Preference for a more open selection process, but equally concerned about creating slower / more complex process for the IC to manage / execute when we already have much to do
- Longer interim appointment period, 1-2 years. Draft six months too short for applicants to be interested.
- Need to fill the seat so RRC board reflects the governance structure of the bylaws.
- Interim member doesn't serve until RRC board is formed at organizing meeting.

JE stated ExCom will take input back and present a process for IC consideration.

JG advised CEA, CIRI, HEA, and DU have provided candidates to date, requested IC members continue to send in nominations so if IC approves a quicker selection process we are ready for it.

## **7) Draft Nature of Application Components**

SS led discussion.

FP wouldn't most of the Application require the RCA to approve changes later?

JE good point, if it pertains to "rules", then yes.

JG need/want to maintain as much flexibility as possible. Probable we will be updating / supplementing the initial Application filing with more / revised content during the RCA review process as we refine things and/or upon request of the RCA. FP's point is really important as well.

JE yes, but RCA wants to know what they are authorizing so being overly 'drafty' has drawbacks.

## **8) TarCom – Tariff Sections 2.5 to 3.2**

EJ delegated presentation duties to TL due to technology issues. TL reviewed Tariff sections 2.5 – 3.2.

### 2.5 Reliability Standards

TL suggested non-substantive amendment to delete repetitive clause. CR noted tension in statute 42.05.765 between clause A(2) and A(3). A(2) is addressed here, but A(3) is not. TL clarified that A(3) is addressed in section 5 of Tariff.

### 2.6 Cybersecurity and Critical Infrastructure Protection (CIP) Standards

No comments.

#### 2.7 Open Access Transmission Standards

No comments.

#### 2.8 Transmission Interconnection Standards

DB advocated for clear reciprocity between who is beholden to standards and who has rights to open access / interconnection standards. Not sure where this language belongs, but would like to see it in either 2.7 or 2.8. JG suggested define 'registered entity' (RE) or similar term as those who are subject to reliability standards and that same group of entities shall be eligible for OAT etc. TL suggested adding this to standards section. 2.8 was remanded to TarCom for discussion.

#### 2.9 Integrated Resource Planning

CR pointed to statute language, suggested adding clause from statute language for consistency.

On IRP cost recovery, DB feels cost recovery is between LSEs and RCA, not ERO. FP, VDS concurred. 2.9 was remanded to TarCom for discussion.

#### 2.10 Additional Information

No comments.

#### 2.11 Additions and Modifications

DB suggested to add "in accordance with cost recovery standards." Also need to include language defining that additions or mods in 2.11 or 2.12 may be recoverable for a request for transmission service that is not included in IRP. If someone request service that requires transmission change, some of that cost might be allocated to the requestor, some might be levied against broader ERO group. 2.11 and 2.12 were remanded to TarCom for discussion.

#### 2.12 Transmission Cost Recovery Standards

See DB comments from 2.11 Additions and Modifications. 2.12 was remanded to TarCom for discussion.

### 3.1 LSE Obligations

CR noted contemplation that EROs study an LBA with economic dispatch. RCA has already informally opined this would not be a recoverable cost. Can we address this in the Tariff? TL clarified that this was an issue to be addressed through the surcharge defined in the budget. DB disagreed that studies cannot be recovered. Noted that statute language allows for ERO to recover all costs associated with improvements in efficiency in Railbelt system. Would like to see this language appear in the Tariff as a catch all.

Section 3.1 was remanded to TarCom for discussion.

### 3.2 LSE Responsibilities

DB asked whether definition of LSE or RE is coming? Where will it be? TL clarified that LSE is defined in 3.2, RE is embedded in 3.2. Both LSE and RE will also be defined in definitions section as well.

CR noted agreement to strike some language at morning TarCom meeting. Noted that means to meet service requirements do not include efficiency, and asked for clarification as to why? EJ clarified that LSE is not always responsible to acquire resources. Sometimes it may be another entity that acquires resources, so is not solely responsibility of LSE to acquire.

CR asked for clarification on LSEs and IPPs responsibility for standards. If relationship exists between LSE and IPP, language could be read to say that only LSEs are responsible for standards compliance. TL clarified that section does not foreclose responsibility of others, just ensures that LSE is responsible. Language is written in a way that any registered entity would be responsible.

SS reason to strike 3.2 language is because LSE's are not required to acquire new resources? But acquire could mean buy the facility, or buy the service, which would be the role of the LSE either way. EJ gave example that if you have need for a new transmission line connecting multiple LSE's, could be an entity that owns the new line and has approved cost recovery mechanisms that may be LSEs. SS agree, definition of 'acquire' is issue, can we revise this sentence to avoid this issue.

DB same issue. First part is that LSEs are bound by IRP action plan. That should be referenced as they are not acting independently, they are acting per the RRC action plan. Other part is LSE/RE compliance penalties. RRC will be responsible for compliance monitoring and enforcement. If fine levied to LSE due to RE's action, fine would flow through from LSE to RE. RRC would not assign fine directly to RE.

EJ responded that, for the first part of DB's question, that may conflict with SB123, need to dig into that. Agree with second part, fine structure is envisioned to work like that.

TL noted action to clarify compliance process. Fine is intended to flow through LSE to RE. EJ confirmed, clarified that mechanism should be allowed for in Tariff language.

Section 3.2 was remanded to TarCom for discussion.

## **9) PubSub – Public Participation Framework and Confidentiality Policy Discussion**

VDS gave quick update. Two items seeking IC feedback on.

- 1) Three tiers of public engagement.
- 2) Confidentiality levels.

If interested join PubSub Thursday at noon to participate in discussion.

## **10) TAC Structure and Workflow**

SD presented initial TAC Structure and Workflow outline. Advised members should not worry about where stuff gets defined, focus on functionality.

JWR concurred, added that members should also look at TAC Org Chart and standards process.

FP asked where members can find these documents for review?

JE suggested that IC actions list can include these drafts.

DB noted that the thing missing from the TAC document is a description of WG function. How WGs get formed, who is eligible, etc.

## **11) BySub – Bylaws Language**

Tabled due to meeting behind schedule.

## **12) Brief Committee Updates**

Restricted to as-needed updates due to meeting behind schedule – no critical updates this week.

## **13) Updates / Member Comments**

DB requested that consent agenda items be separated from everything else and placed up at the front of the packet.

FP noted lots of work and bandwidth problems, but also lots of fun.

JE commented that she thinks there may be an order from the RCA Wednesday. JG asked for clarification, expectation is that this RCA order will be the formal notice to LSE's of ERO jurisdiction? JE confirmed yes that is the chatter. Still no clarification regarding the draft nature of the regulations, hopefully that will be addressed by the order.

## **14) July 6 Meeting Agenda**

The July 6th IC meeting agenda will include:

- Draft Bylaws approval
- Draft Tariff sections
- Incorporation Path Forward
- Street Address
- Articles of Incorporation
- PubSub policies discussion
- Contractor Request for Technical Consultant to aide in

## **15) Adjourn**

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

**ADJOURNED** at 4:08 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.                 |
| TA:      | tentatively approve, tentative approval |
| TarCom:  | tariff subcommittee                     |

**ATTACHMENTS:**

1. Website Terms and Conditions Policy