

**Railbelt Reliability Council Implementation Committee - Meeting
July 19, 2021
Final Minutes (Approved by IC 7/26/21)**

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)	Y2	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)	Y3	Matanuska Electric Association
Lou Florence (LF)	Y	Shayne Coiley (SC)	n	Doyon Utilities
Dave Burlingame (DB)	Y4	Rob Montgomery (RM)	n	City of Seward
Kirk Warren (KW)	n	David Lockard (DL)	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	Alyssa Sappenfield (ASF)	Y	Alaska Public Interest Research Group
Chris Rose (CR)	Y4	Greg Stiegel (GS)	n	Renewable Energy Alaska Project (REAP)
Hank Koegel (HK)	Y	David Newman (DN)	Y	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: BH joined at 1:26 PM.

Y2: JB joined at 1:22 PM.

Y3: EJ joined at 1:35 PM.

Y4: DB and CR joined at 1:20 PM.

Steve Mahoney (SM) present; Tom Lovas (TL) present; Rena Miller (RMR) not initially present, joined for AppCom agenda item.

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

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

2) Approval of IC Agenda

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

[CR and DB joined at 1:20 PM, 11 of 12 voting members present.]

MOTION TO AMEND to move BySub agenda item after consent agenda (1:35 PM time slot) 1JG, 2CR.

JG explained there are several important BySub items that have been repeatedly deferred because they are last on the agenda and the IC runs out of time. Would like to ensure that the IC is able to get to these today.

AMENDMENT PASSED with no objections [11-0-1].

PASSED AS AMENDED with no objections. [11-0-1].

3) Consent Agenda

Chair asked for requests to remove items from consent agenda, none raised.

MOTION to approve consent agenda, 1JG, 2HK.

PASSED with no objections. [11-0-1].

[JB joined at 1:22 PM, 11 of 12 voting members present.]

4) BySub

a) Introduce Code of Conduct

SS introduced draft Code of Conduct. Explained draft is well thought out and debated by BySub which has balanced stakeholder representation. Introducing today, seeking comment prior to Wednesday, hopefully put on next week's consent agenda.

[BH joined at 1:26 PM, 11 of 12 voting members present.]

b) Introduce Whistleblower Policy

SS introduced whistleblower policy. Similar detailed development process as the Code of Conduct.

LF asked if the compliance officer is envisioned to be Board member or RRC employee? SS clarified that this person has not been determined. LF suggested that the Bylaws define who it is. SM agreed can ultimately specify it in a policy. Perhaps "as named by the Board" at first instance of compliance officer in the policy document.

[EJ joined at 1:35 PM, 11 of 12 voting members present.]

c) Draft Bylaws Review

SS introduced current Bylaws sections up for Tentative Approval (TA).

2.1.3.1, director fee.

HK requested additional language specifying that when the independent alternate has to vote (in the dead-lock mechanism) they also receive a fee. Unique condition because this would be in addition to, not in lieu of, the primary independent director receiving a fee.

CR recounted some BySub discussion on the fee. Pointed out that large consumer solicitation estimated ~25% full time equivalent level of effort for the IC/RRC. In order to meet the principle that all of us have equal opportunity to participate suggests the need for a higher meeting fee. Important for IC to understand this was considered.

IC comments from SS, RB, DB, DT and JG in support of adopting an initial fee concurrent with Bylaws adoption but specifying the fee in a policy and not the Bylaws.

Remanded to BySub for more work.

2.2.1.4.5 deadlock resolution, mediation/arbitration clause.

TA'd as presented.

2.2.3.3.5, CGC, Review allegations of RRC policy, COC, COI, ethics violations.

SS advised BySub is renaming committee to Governance Committee.

DN suggested rephrasing to “stated policies including OCC, COI, ethics...”

TA’d as revised.

4.1.3.4 TAC adding standards compliance and enforcement.

TA’d as presented.

4.1.3.5 Term and Salary of employees.

IC discussion from DB, SS, EJ, HK, FP, and SM over proper role of Board vs. CEO in engaging in employee contracts, whether the RRC would have employee contracts, and under what circumstances. This section was remanded to BySub for more work.

5.1 Budget

IC discussion from DB, EJ, BH, HK, JG, LF, and RB on proposed language. Main points are how to reflect RCA’s ERO budget review process within the RRC’s budget development process, which positions within the RRC (Board vs. CEO, officers) would be authorized to manage and execute budget, and level of detail to put in Bylaws vs. policy. Remanded to BySub for more work.

5) PubSub

a. Public Member on a Committee Policy

VDS presented current policy draft. Highlighted several elements that will need to dovetail with other in-progress elements of the Application.

MOTION to Tentatively Approve the Public Member on a Committee Policy as presented. 1VDS, 1CR.

MOTION TO AMEND language at II(A) bullet 2 to replace “affirmatively recommended” to “approved”, 1DN, 2SS.

DB objected to the amendment as it would allow every interested party join the committee. The WG chair needs to curate applicants for balance etc. DN clarified that is not his intent with the motion. VDS commented “affirmatively recommend” to apply now says chair is recommended by WG chair to even apply, that is not intent. DB maintained his view.

FP flagged Type 1 and 2 members. Type 2 have full opportunity to comment on proceedings. Agree Type 1 needs to have higher bar. Would vote down amendment.

JE called the question and asked for objections, LF objected.

AMENDMENT FAILS by roll-call vote [6-4-2, with DU, SES, CIRI, REAP voting against, AEP abstaining, and AEA absent].

DN introduced **MOTION TO AMEND** to reflect that technical qualifications for members of the public should not have same technical qualifications as other technical members as their purpose and value in participating is not technical in nature. 1DN. Chair advised without specific language, cannot advance an amendment. No second, motion failed.

MOTION TO TABLE approval of this policy document to 7/26/2021 IC meeting 1JG, 2SS.

[JG's original motion was to table the item to the 7/26 consent agenda, consensus is this was not appropriate and the motion was restated as phrased above.]

MOTION TABLED with no objections [11-0-1].

b. Confidentiality: Levels of Classification

VDS reviewed draft document, new elements. VDS informed expectation is to bring revised policy back to IC for approval next week.

HK asked if there is a records destruction element of this? VDS clarified that there is not.

DB observed most or all of the RRC's records will be electronic. SM clarified PubSub is not doing records retention / destruction, but BySub is working on a records policy that does address this.

6) BudCom – Budget Request for CPA

a) Budget Request

JG presented budget request, proposed process and schedule, and requested recommendations on CPA contractors.

DB asked LSEs if they needed the RRC to delineate between operating expenses and planning expenses on the cost allocation. TL advised the Tariff will include a surcharge that includes costs of standards and planning, based on books and records, and specifies an amount due from LSEs. JG requested clarification that the question was over whether costs were operating vs. capital as utilities need to handle capitalized expenses differently. DB concurred.

LF observed much of the proposed scope is what he would expect a CFO to do once on the job, questioned which items were needed for the Application and advocated to defer anything not needed for the Application to the post certification future. JG clarified the scope of work was based on the draft regulations spreadsheet, so generally was Application requirements, but he agreed to the principle that any unrequired scope be deferred to the future. JE confirmed many of the work items were Application requirements per the final regulations.

SM advised any CPA working for the RRC/IC would be ineligible from auditing the organization, and the IC should be aware of that nuance. He also advised he is also a CPA and could coordinate finding a partner to help develop these items for the RRC.

JG provided recap. Issue any comments to BudCom and issue any recommendations to BudCom. Intent is to have this up next week for approval of funding authorization and contractor.

7) ExCom Large Consumer Seat Final Call

JE noted that no contact info received for Board nominees, no interest from website or RCA listserv. May need to extend deadline. May extend deadline a week to solicit more candidates. Will discuss further at ExCom.

8) StanCom

a) Technical Consultant Contractor Request

JWR presented StanCom technical contractor request.

MOTION to Tentatively Approve technical contractor request as presented. 1JWR, 2BH.

IC discussion from CR, EJ, DB, JG, SS, JE, and BH on contractor selection process. Consensus that the proposed process was most expedient and necessary and clarified that SS, as sole non-utility member on StanCom, would have veto authority over the selected contractor(s) which, if exercised, would bring the matter back to the IC. Also acknowledged that multiple contractors may be appropriate to cover the breadth of work and tight schedule.

PASSED with no objections [11-0-1].

JWR briefly reviewed six candidates received to date and solicited any further comments for StanCom, none received.

b) Standards Development Budget and Workplan

JWR introduced workplan budget and schedule to complete full suite of standards once the RRC is certificated.

JG asked if StanCom had considered the budget required for Board-represented stakeholders to hire their representatives to serve on the standards WG and engage in this process. JWR clarified the budget did not include this per the footnote excluding director fees. JG observed director fees and stakeholder representatives were similar but different items but understood the intent. JWR clarified that the consultants included in the budget were the TAC's consultants to do the primary work and provide general expertise to the full WG, and not to engage in review / advocacy activities. StanCom's view is director fees and stakeholder representation contract costs are a separate issue and cost element that is not part of the standards completion plan / budget.

EJ commented that the proposal has 4 consultants working on 16 standards over 2 years. The hired consultants would be deeply embedded in process. Seems there's opportunity for overlap. JWR agreed, there could be. This scope is for developing standards themselves. EJ observed MEA has a standards and compliance engineer who would probably be involved, not a consultant. EJ expects all consultants to be professionals and work together to get the work done efficiently.

MOTION to Tentatively Approve the standards development budget and workplan as presented 1JWR, 2BH.

CR support this on tentative basis, recognizing need to address stakeholder consultants and how they integrate into the process. Also, didn't see an interconnection element to this.

JWR confirmed the interconnection standards would be a separate process from these standards.

PASSED with no objections [11-0-1].

9) **TarCom – Draft Tariff Sections 5 and 6**

EJ introduced Tariff sections 5 and 6 for IC review. TL presented these sections.

CR asked on 5.1, whether users, owners, operators that are otherwise exempt from regulation (such as IPPs) will be held to standards through power purchase agreements, through their standing as registered entities, or what? TL clarified could be either, will depend on the specifics of

the standard itself. This is just the framework. Not clear you want to try to differentiate in the 5.1 narrative, best to do that in the standards themselves.

JG asked where Rules live: in Tariff, in Bylaws, other? TL they are not in Tariff but are RRC policies. They are listed in the previously TA'd Application outline. Not in Bylaws but could be referenced by them.

JE intervened due to time, any critical path TarCom requirements?

EJ advised 2 sections for TA, 2 for first read coming next meeting. TL continued with section 6.

JE queried questions on 5 and 6. None received. TA next week.

10) Brief Committee Updates

StanCom: JWR provided update. Working on sanction guidelines document, consultant selection at this week's meeting.

TarCom: EJ provided update. Sections 5 and 6 for TA next week, 8 and 9 for first read. EJ absent next week, TL will lead TarCom meeting and Tariff review at IC.

IRPcom: DB provided update. Meeting last week reviewed four sections of IRP process, on track. Thursday is review of next 4 sections, then overall review, then IC presentation.

BySub: SS provided update. Anti-harassment policy and ranked choice voting language will be reviewed in BySub this week, then continue Bylaws review.

BudCom: JG provided update. Waiting for ERO CAM analysis back from CEA. Org chart and narrative is drafted, should have to IC 7/26. TAC charter next up for us, then budget and policies.

ExCom/AppCom: JE provided update. Transition plan is major item. RCA update (also AppCom) went thru new regulations spreadsheet last week. More committee chair attendance would have been nice. Sapere is finalizing new deliverables – generally a refinement – also developing a list of questions where deliverables are unclear. AppCom wants to submit a list of questions to the RCA that they can address in their eventual order. Plan is to also provide quarterly update with that submittal.

TL asked if new regulations spreadsheet has been distributed yet. JE informed it was updated in Thursday AppCom meeting and then revised by RMR over the weekend. Expect distribution to full IC this week.

PubSub: VDS provided update. PubSub will circulate meeting time for this week once finalized. If members have comments on current materials, please send them to PubSub for consideration.

11) Updates / Member Comments

There were no member comments this week.

12) July 26 Meeting Agenda

JE noted possibility of extending future IC meetings to accommodate anticipated deliverable approvals. ExCom will discuss this week.

LF advised he has lots of ‘first priorities’ on his plate. He advised that he expects a full business day for IC packet review and indicated noon Friday as a hard deadline for submittals for the Monday meeting. He will not comment on anything that comes in thereafter.

JWR added draft agenda item #9, first look sanction guidelines, for next week.

First Look:

1. BySub – Anti-Harassment policy to IC
2. BySub – Corporate governance committee charter to IC
3. BySub – Budget for ERO governance to IC
4. BudCom – ERO org structure to IC
5. PubSub – Public notice policy to IC
6. PubSub – Public process policy to IC
7. TarCom – Tariff sections 7-8 to IC
8. StanCom – Narrative on open access transmission to IC
9. StanCom – Sanction Guidelines to IC

Tentative Approval:

10. BySub – IC approve code of conduct policy
11. BySub – IC approve whistleblower policy
12. PubSub – IC approve public member on a committee policy
13. PubSub – IC approve public access to documents policy
14. TarCom – IC approve Tariff sections 5 & 6

Other Business:

15. BudCom - Cost allocation methodology analysis update
16. ExCom – Introduce motion to approve date of filing for incorporation

JE asked that members review the list and provide feedback to Sapere if there are questions or concerns.

13) Adjourn

MOTION to adjourn 1CR, 2BH.

ADJOURNED at 4:06 PM.

DEFINITION OF ABBREVIATIONS AND ACRONYMS

All committee members and consultants are identified by their initials, as defined at 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.
AAA:	American Arbitration Association
AOI:	articles of incorporation
AppCom:	ERO application subcommittee
BudCom:	budget subcommittee
BySub:	bylaws subcommittee
CEA:	Chugach Electric Association, Inc.
CEO:	chief executive officer
CIP:	critical infrastructure protection

CGC:	corporate governance committee
CME:	compliance / monitoring / enforcement (of reliability standards)
CPA:	certified public accountant
CPCN:	certificate of public convenience and necessity
DaveCom:	See IRPcom
DOL:	Department of Law
DU:	Doyon Utilities
ERO:	Electric Reliability Organization
ExCom:	executive committee
FAC:	finance and audit committee
IC:	Implementation Committee
IPP:	independent power producer
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
PAC:	public affairs committee
PM:	project management
PMP:	project management professional
Precious:	(1) A spreadsheet listing clauses in the implementing regulations for SB 123's ERO provisions, identifying associated ERO application deliverables, and assigning deliverable preparation responsibility to IC subcommittees. (2) A fancy gold ring.
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
TAC:	technical advisory committee
TarCom:	tariff subcommittee
TIER:	times interest earned ratio
WG:	working group

ATTACHMENTS:

1. StanCom Funding Authorization.
2. Standards Development Budget.

ATTACHMENT 1/2 (2 PAGES)

CONTRACTOR AND FUNDING AUTHORIZATION FORM				
CONTRACTOR REQUEST				
Requestor: Standards Subcommittee				
Date Submitted: 7/19/21				
DESCRIPTION OF NEED				
<p>The Standards Subcommittee is requesting external resources to assist in the development of the foundational documents required by SB123 and the current Regulations approved by the RCA. Additionally, the consultant will advise all IC members as required relating to technical aspects of the work products provided by the Standards Subcommittee required for ERO application.</p> <p>Nature of work will include the following:</p> <ul style="list-style-type: none"> • Participate in the development of Standards Subcommittee documents included in the Regulatory requirements spreadsheet developed by the Applications Subcommittee. • Provide conceptual and technical guidance on Standards Subcommittee work products in the context of conformance with existing industry practice (recognizing uniqueness of Railbelt BES), completeness, and balance. 				
CONTRACTOR SELECTION PROCESS				
<p>1) The IC has expressed an urgency in procuring a consultant to participate on the Standards Subcommittee. For this reason, the selection process will be sole source. The Standards Subcommittee shall provide a list of recommended consultants to the IC for consideration and selection.</p>				
ROM BUDGET				
Requested budget approval is provided concurrent with this authorization request. See attached document.				
CONTRACT AUTHORIZATION APPROVAL				
Date approved	Yea:	Nay:	Absent/Abstain:	Date:
IC Chair – Julie Estey				Date:
IC Treasurer – Joel Groves				Date:

ATTACHMENT 1/2 (2 PAGES)

FUNDING AUTHORIZATION				
Date Submitted: 7/19/21				
Recommended Contracting Utility: MEA				
Recommended Contract Manager: Jeff Warner Standards Subcommittee Chair				
SCOPE AND DELIVERABLES				
Scope of work (SOW)				
<ol style="list-style-type: none"> 1. Attend all Standard Subcommittee meetings. 2. Review and comment on Standard Subcommittee existing draft deliverables required for application. 3. Participate in the development of draft Standard Subcommittee deliverables included in the regulation requirements spreadsheet provided by the Application Subcommittee. 4. Provide technical support to IC members individually and collectively relating to Standards Subcommittee work product. 5. Attend IC meetings as requested by Contract Manager. 				
CONTRACTOR SELECTION				
See consultant selection process on associated Contractor Request Form.				
SCHEDULE				
The following schedule is based on IC approval of this funding authorization on July 19, 2021.				
July 16: Forward draft SOW and candidate list to Project Manager to include in July 19 IC Agenda.				
July 19: IC considers Funding Request and list of candidates for approval.				
July 21: Standards Committee selects consultant from IC approved list that is consistent with this authorization.				
August – October: Execute SOW as described in scope and deliverables above.				
BUDGET				
Not-to-exceed (NTE) budget for this scope is \$50,000.				
Anticipate 200 hours total at \$250/hour billable rate.				
NTE developed as follows:				
1 consultant x 10 weeks x 20 hours/week = 200 hours x \$250/hour = \$50,000.				
CONTRACT AUTHORIZATION APPROVAL				
Date approved	Yea:	Nay:	Absent/Abstain:	Date:
IC Chair – Julie Estey				Date:
IC Treasurer – Joel Groves				Date: