

Railbelt Reliability Council Implementation Committee - Meeting
September 13, 2021
FINAL Minutes

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)	Y	Jeff Warner (JWR)	n	Chugach Electric Association
Frank Perkins (FP)	Y	John Burns (JB)	n	Golden Valley Electric Association
Rick Baldwin (RB)	Y	Dave Thomas (DT)	Y	Homer Electric Association
Julie Estey (JE)	Y	Ed Jenkin (EJ)	Y1	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	David Lockard (DL)	n	Alaska Energy Authority
Suzanne Settle (SS)	Y2	Sam Dennis (SD)	n	Cook Inlet Regional Inc.
Joel Groves (JG)	Y	Mike Craft (MC)	n	Alaska Environmental Power, LLC
Veri di Suvero (VDS)	n	Alyssa Sappenfield (ASF)	Y	Alaska Public Interest Research Group
Chris Rose (CR)	n	Greg Stiegel (GS)	Y	Renewable Energy Alaska Project (REAP)
Hank Koegel (HK)	Y	David Newman (DN)	n	Unaffiliated seat
<i>Jeff Waller (JWL)</i>	Y	<i>James "Jay" Layne (JL)</i>	Y	<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: EJ left at 2:55 PM.

Y2: SS left meeting at 2:11 PM and rejoined at 2:35 PM.

Steve Mahoney (SM) present; Tom Lovas (TL) not present; Rena Miller (RMR) joined at 1:33 PM.

Bayunt Ollek (BO) with Sapere present, Rachel Wilson (RW) with Synapse present for agenda item 5.

12 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.

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

3) Consent Agenda

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

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

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

4) ExCom

a) Workplan Update

JE introduced discussion then transferred to BO. BO summarized current schedule shows first draft completion October 25th, filing November 22nd. Many committees are finishing up, two are stuck on stuff. Discussion at ExCom to refocus some committees to rebalance load.

LF asked for refresher on what the RCA trigger is and timeline once trigger is pulled? JE clarified – RCA notice to LSEs that they are subject to ERO, then 90 days to file, then 180 days for a decision.

JE continued, two specific issues delaying overall progress. 1 is TAC workflow, other is the suite of definitions UOO, RE, etc.

b) TAC Workflow

ExCom wants to devote next week to talking through and finalizing the TAC workflow. Have raised mediation, but don't feel like we're there yet. That is a possible outcome from next Monday.

LF asked whether 9/20 TAC discussion would be limited to workflow or all of it like anti-revolving door provision (ARDP), etc. JE clarified, first workflow, then the rest of it as time allows. SS added, also talked about a larger group to work through it on a parallel track. Enough absences right now that this should be doable and helpful.

HK asked for a list of key issues revolving around TAC. JG confirmed yes BudCom can/will distribute a list.

JE continued, have discussed with Sapere and from an overall workflow perspective, this is a good time to pause and dive into these tighter issues. Following resolution, possible may shift work between committees to distribute workload and expedite Application completion. TAC is one, maybe going to BySub. Transmission cost allocation methodology, maybe to TarCom.

c) Definitions

JE continued, other key item is the suite of definitions. Can work on that as well during this time. ExCom is concerned this is a big deal for some, so need to resolve sooner than later.

[RMR joined at 1:33 PM].

d) Approve Regulatory Attorney Solicitation

JE continued, an additional resource that would be useful on finalizing key definitions is the regulatory attorney to help us properly implement the regulations. Concept is to have a group continue to work on agreement over the definitions but want to fast track the new attorney so they can provide us real-time interpretation. This is really up to the RCA, but they won't give us guidance until DOL is done with their reg review.

JE asked for JG/SS additions. SS added lots of discussions ongoing, seems we're close so talking through it seems like the right approach. Regulatory attorney is likely key – suggested we consider Elena Romerdahl at Perkins Coie.

BH commented in favor of getting regulatory attorney on board. Make our best effort in application and wait for RCA to tell us where we're wrong.

JWL commented Elena has done some stuff for HEA and is a good candidate. Cautioned about conflicts – the pool of RCA attorneys is very small, and really need someone with RCA-specific experience. All of them will have conflicts with this group. Need best person, knowledgeable, and with reasonable billing practices. Suggested someone like Steve DeVries. SM asked if Steve DeVries is available? JWL maybe, he's a former RAPA employee, not sure what he is currently working on. Dean Thompson, Tina Brovier, Robin Brena are also good candidates. Observed attorneys also 'ride for the brand' in reference to MC comments at previous IC meeting. SM

commented that Steve DeVries has a high degree of integrity, so he would be a great candidate if available.

JE asked JWL if going outside Alaska was advisable. JWL felt not, need someone who knows the RCA, local or RCA-experienced outsider is better, and that familiarity probably overrides a bit of bias. There's foreigners and locals. HK and DB concurred local experience is important. Same logic could apply to ARDP.

FP suggested we just ask the RCA what they think? JE clarified, BP has made it clear that RCA doesn't want to start that dialog until DOL is done with their review. Then they want to do it in front of everyone so all have same opportunity.

JE shared draft contractor funding authorization form for regulatory attorney.

MOTION that IC approve solicitation of regulatory attorney. 1EJ, 2BH.

JE made further comments to clarify the proposed process.

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

JE said ExCom will continue to work on this, asked members for recommendations for good candidates for both immediate and future work by Thursday AM so ExCom can cover at noon.

Steve DeVries and Elena Romerdahl are two options, will try for a recommendation next week.

5) IRPcom

a) Near Final IRP Process

DB provided status update. IRP process document is drafted incorporating prior IC comments, IRPcom has also developed a budget and schedule for getting this done. The committee worked well together, had disagreements but worked through them.

SS requested a redline to expedite review. DB agreed, but cautioned it won't contain sources for the changes, just the changes. SS responded that is reasonable.

DB continued, no comments that changed the process flow itself. He offered to walk through the process with the IC but noted that it is the same as the prior version so may not be very productive. HK agreed, don't need to walk through it today.

JE highlighted implementation as a key issue that changed, asked DB to discuss that part.

DB confirmed that was a sticking point. Regulations require implementation at least cost. Solution was to have the process just do that, to implement a solution at the least cost. So basically just punted the issue to future IRP implementation. HK, RW commented to concur.

JE asked for next steps on process document. DB clarified will present this at next IC meeting for approval. DB added HK is super excited to present this. DB will issue the doc compare shortly.

b) IRP Workplan and Budget

DB continued to present the IRP budget and schedule. \$3.6M excluding stakeholder class representative costs and any WG member costs if eligible, so just budget for RRC staff time and RRC consultants.

JWL asked if we will be filing this with the RCA in our application. Highlighted some questions we should expect from RCA review and be well prepared to answer. Also asked if LSEs won't be doing much of the work on the IRP and thus shouldering those costs directly. DB clarified that the LSEs provide data and participate in WGs, but they will not be doing the IRP. IRP is done by the RRC, by the TAC and/or WGs. The only other work the LSEs are required to do is their load forecasts. They must use the ERO's forecasting methodology.

EJ responded to JWL to add that LSEs won't be doing individual IRPs anymore. Going forward they will just look at load, distribution systems, local transmission networks, but they won't have to do IRPs for generation, transmission etc. These have all been contracted out in the past, so there is a cost savings there that will help offset the RRC's IRP costs. This RRC effort is more comprehensive and more frequent than current practice and so there is a benefit that merits some new expense.

EJ asked about staff time, observed all the RRC staff will have other concurrent duties. DB clarified IRPcom estimate does not include full cost of staff in this estimate. Estimate assumes 75% FTE of identified staff is dedicated to the IRP. Per regulations we need to budget for the full cost much like a utility would. BudCom has been advised of this to avoid double counting RRC labor costs in budgeting.

LF commented not shocked at the budget, probably about right, maybe low.

JWL commented this is the sort of detail/backup we will need to bring to the RCA. \$3.6M for Railbelt IRP probably won't be seen as overly high. DB offered IRPcom can add more detail, subsequent cycles will be significantly less expensive.

DB shifted to IRP schedule / workplan. #1 is about 3 years, subsequent IRPs are ~2 years. He flagged addition of junior engineers based on level of detail and effort. IRPcom and consultant all think it is reasonable to have the additional staffing.

RW added the juniors are principally for data management and modeling, starts around task 11 of the work plan. That is likely to be one of their main duties. Also emphasized that public comment / process is major labor effort / requirement in the IRP.

HK added if we need these people, which I agree we do, it is easier / cheaper / better to plan for them now than to hire consultants to do this work later.

KW commented, the 2010 Railbelt IRP was about \$2.5M excluding the transmission element, and excluding owner costs, and that was 2010 / 2014\$. So this estimate is not out of line.

JE summarized next steps. Members should look out for doc compare and be ready to vote to approve this at next IC meeting.

[SS left meeting at 2:11 PM, 11 of 12 voting members present. Chair swapped PubSub and BySub agenda items to allow time for SS to return.]

6) PubSub

a) Document Classification Process Flow

JWL introduced confidentiality flow chart. Similar to RCA process, walked through it.

FP commented in prior review, the owner of the document decided its confidentiality. JWL clarified, yes and no, gave example. If MEA wants to submit docs to RRC and they think its confidential, they can assign it as such and petition for confidential treatment. MEA needs to justify that designation and the RRC may concur or may not. JWL continued that the process for RRC generated docs is that RRC gets to decide, but external parties can protest that and the RRC has to reconsider its classification.

DB commented he likes and understands the policy, but questioned whether we need it for the application? JWL responded he is not sure if it is required at the time of application filing, but it is definitely prudent to get in front of this. Don't want to be scrambling to develop a policy in real-time. Public / advocacy folks may test these classifications so they can become a big deal.

RMR offered that a means to reclassify things is not needed, but we do need a rule and process to classify documents. That process is necessary per the rules in the regs.

JWL pointed out that if an LSE files something thinking it is confidential forever, and the RRC has this reopener mechanism, that is key for all to understand that process and intent.

ASF commented that PubSub wanted responses by today on the Excel spreadsheet on what should be confidential and why so it can start to balance all of those interests. Want to understand big conflicts on this and try to get ahead of them now so we understand the issues as well as we can.

JWL working on reclassification process now. Trying to make it ministerial/staff driven as much as possible. Gave an example of a short-term confidentiality matter. A refuse firm wanted confidential treatment on a contract approval process so other entities can't see their procurement strategies. After time has passed and successor contracts are in place, this information is not harmful to move into the public domain. Other stuff like CEII may not expire.

JWL moved on to process III.B of the flow chart, process to seek confidential treatment of information.

RB asked what is the argument in favor of letting the RRC declassify materials in the future? Seems it would have a chilling effect on information sharing. JWL responded - good point, public disclosure may keep info from coming to the RRC and that is a tradeoff. Entities will be cautious in submitting information knowing that confidential treatment may be denied, and docs may not be able to be withdrawn.

RB continued, primary goal should be a good RRC product, and that should be the tilt on these decisions. Discouraging persons from sharing important info is probably not the right direction. Careful as RRC has limited coercive power, must use honey instead. DB and LF provided concurring comments, emphasized importance of this matter.

JWL agreed, balance here is between encouraging info sharing and public disclosure. Should have these comments incorporated into Application to justify the final policy.

[SS rejoined meeting at 2:35 PM, 12 of 12 voting members present].

JWL moved on to flow chart part III.C, petition to declassify docs. No opinion on necessity of this piece for Application, but provides public a means to gain access to information.

SS agreed with comments. Prefer to error towards more transparency as we are a public entity with public interest. But there will be proprietary info such as what an IPP may get from an OEM. Project parameters are important but even an IPP may not be able to disclose things. RRC needs to be transparent with publicly interesting info, some info is not of public interest though and perhaps easier to leave such material confidential if desired.

JWL agreed, degree of public interest is also a factor that should be considered.

JWL requested input on these flow charts before Wednesday 9/15, or by next IC meeting 9/20 so PubSub can have these up back for approval at 9/27 meeting.

b) Public Notice Policy Additions

ASF revisited public notice policy – previously TA'd. PubSub wants to add more stuff into this policy based on more info learned. Unsure what the process is to do this. Adding more stuff, not changing prior TA'd content.

MOTION to allow PubSub to make additions to TA'd Public Notice Policy to add content about tariff, standards, rules, etc. 1ASF, 2BH.

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

7) BySub

a) Governance Committee Charter

SS introduced governance charter first look.

FP commented that it looks good, but expressed concern that it has repetitive elements with the Bylaws that mandate multiple updates for revisions. SM explained the Bylaws just give rough outline of the things that will happen and refer to charter for implementation details. There is a good reason to be a bit duplicative and it should be that way.

JE asked for next steps. SS responded tentatively put up for a vote in two weeks. Get feedback to BySub by next Wednesday 9/22.

b) Bylaws Update – Member Organization Comments Due Thursday 9/16

SS reminded IC that comments from member organizations are due by Thursday 9/16. If comments necessitate revisions, please provide draft language for BySub consideration.

8) BudCom – TAC Charter

JG presented three regulatory provisions that pertain to TAC structure / flow.

[EJ left meeting at 2:55 PM, 12 of 12 voting members present].

3 AAC 46.050(f)(2): standards and IRPs must be approved by a voting committee.

3 AAC 46.110(b): ERO rules must not preclude an interested member of the public from participating in a non-voting capacity on an advisory committee.

3 AAC 46.999(c)(4): "Committee" definition ... a topic-specific group that plays a role in ERO decision making.

JG summarized importance of these requirements on TAC structure. TAC is not a “committee” as it will not have public membership or input. It is a staff panel or something. Suggested name might be changed to avoid ambiguity.

DB agreed with JG. The only entity charged with development of standard or IRP is the ERO. This requires senior review by ERO staff – TAC. JG concurred. The operative element of this is that the TAC deals with a lot of different topics. Therefore, TAC should not be subject to public involvement requirements of 110(b).

RMR flagged other regulation that requires public participation in the development of IRP, standards. JG agreed, this is covered through public participation with regards to public participation policy as developed by PubSub.

BH asked JG to explain the specific issue with the presented regulations. JG clarified most of the regs are informational. The key issue here is that our proposed structure is in conflict with ~050(f)(2) which says a committee vote is required to approve standards or an IRP. We have non-voting (consensus driven) working groups that are “committees”, and we have a voting TAC that is not a “committee”. Unclear this conforms. We could just file the Application this way and see if the RCA rolls with it. Other option is to reconcile this and go in a different direction. Regulatory attorney might be nice to consult with on this.

SS suggested revising TAC title to TAD – Technical Advisory Department. This clarifies this group as an internal group, avoids confusion with committee / working group.

RB, HK, KW commented to leave the TAC name as is, not a concern that warrants the confusion.

LF commented there are two things he will be looking for in the TAC charter. 1. Very clearly specified purpose / function of WG. Group doing work or group reviewing. 2. Very clear description of WG process. Don't think can rely on attaining consensus to move things forward.

DB pose question. If 4 engineers aren't reviewing and choosing a final plan, then who is? That is a core function of Staff.

BH asked JG to clarify what the contentious items are and what the IC needs to work through.

JG pointed to TAC workflow, WG voting thresholds, ARDP, others. Will draft something for members to consider.

BH asked RMR to weigh in on voting thresholds.

RMR observed that RCA probably wanted ERO to have some form of TAC. Not sure that they fully contemplated how this would look though. Seems the IC has some leeway to develop this structure as they see fit.

JG clarified TAC does have a voting threshold, it's not been contentious and is simple majority vote. However, not sure process that we have follows regulations.

JE informed that next steps here are for BudCom to draft / frame up discussion points for Monday. Full meeting on 9/20 will be dedicated to all things TAC.

JE solicited input on who should be the facilitator for the 9/20 TAC-o-rama? JE, RSK, other? JE suggested she can facilitate and EJ can comment for MEA. BH suggested JE do it. Others concurred.

9) Alternate Voting Structure Proposal Update

JG provided update. 5 IC members expressed interest in further exploration of the Supermajority voting threshold and Board balance. Most efficient / productive means to do so is in concert with other governance matters as they are TA'd, including Bylaws, TAC Charter and RRC scope / definition matters. So no action at this time, but will add to IC parking lot for later discussion when appropriate.

10) Member Comments - None

11) Committee Updates

Bysub: SS nothing further.

IRPcom: DB informed IRPcom is finishing final pieces of their work, will be disbanding soon. JE asked that the committee consider taking on deliverables from other committees if they finish work early.

TarCom: EJ and TL absent, no update.

StanCom: LF StanCom was going through CMEP, lots of issues came up. Consensus was to develop full CMEP post-Application. StanCom will focus on developing CMEP framework for Application.

PubSub: JWL / ASF nothing further. Mentioned confidentiality questionnaire is due Wednesday morning.

BudCom: JG nothing further.

AppCom: JE actively recruiting new members. Request for resumes etc. is outstanding, due in a week. Shout out to master definitions list, please flag differences for RMR to consolidate. IRPcom process document is a big source of definitions. Continued, RMR building a style guide for capitalization, sent out to members last week.

ExCom: JE continued, will be giving orientation to ANTHC next Monday, should be in meeting for Monday.

FP is now primary rep for GVEA and JB is alternate.

JG commented transition funding plan cash flow projection is also up at BudCom for tomorrow, should be back to utility / IC task force Tuesday / Wednesday to let that discussion resume.

BH asked to clarify the sequence here? JE responded, step 1 was BudCom would produce a cash flow estimate, step 2 is to go back to utility CFOs to figure out a transition funding plan.

12) September 20th Agenda

JE informed tentative September 20th agenda listed on this week's agenda page is being deferred to 9/27 to allow 9/20 meeting to be entirely devoted to TAC discussions. If anything needs to come to the IC on the 20th that is not TAC related, please inform ExCom so that it can be added.

The September 27th IC meeting agenda will include:

First Look

1. AppCom – Umbrella process (IRP, Tariff, Standards, Rules) to IC
2. BySub – Balance and stakeholders narrative to IC
3. BySub – Independence narrative to IC
4. IRPcom – IRP process workplan and budget narrative to IC

For Tentative Approval*

5. IRPcom – IC approve final IRP process
6. IRPcom – IC approve IRP workplan and budget
7. BySub – IC approve governance committee charter
8. TarCom – IC approve Tariff sections 1 and 2

16) Adjourn

MOTION to adjourn 1SS, 2BH.

ADJOURNED at 3:30 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
SES:	Seward Electric System
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. None.