

Railbelt Reliability Council Implementation Committee - Meeting
January 26, 2022
FINAL Minutes

1) Roll-call

The meeting was held via Zoom, was called to order at 11:00 AM, and was chaired by SS.

Primary		Alternate		Organization
Brian Hickey (BH)	n	Jeff Warner (JWR)	Y	Chugach Electric Association
Frank Perkins (FP)	Y	John Burns (JB)	n	Golden Valley Electric Association
Dave Thomas (DT)	Y1	Rick Baldwin (RB)	n	Homer Electric Association
Julie Estey (JE)	Y2	Ed Jenkin (EJ)	n	Matanuska Electric Association
Lou Florence (LF)	Y	Shayne Coiley (SC)	n	Doyon Utilities
Dave Burlingame (DB)	Y3	Rob Montgomery (RM)	n	City of Seward
Kirk Warren (KW)	Y	David Lockard (DL)	n	Alaska Energy Authority
Suzanne Settle (SS)	Y	Sam Dennis (SD)	Y4	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 (REAP)
Paul Morrison (PM)	Y	Dustin Madden (DM)	n	Large Consumer
Hank Koegel (HK)	Y	David Newman (DN)	Y	Unaffiliated seat
<i>Jeff Waller (JWL)</i>	Y	<i>James "Jay" Layne (JL)</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: DT joined meeting at 12:30 PM

Y2: JE joined meeting at 12:05 PM.

Y3: DB left meeting at 12:21 PM.

Y4: SD joined meeting at 12:02 PM.

Steve Mahoney (SM) not present; Tom Lovas (TL) present; Rena Miller (RMR) present; Elena Romerdahl (ER) present. Bayunt Ollek (BO) and Sebastian Orillac (SO) with Sapere present. Rachel Wilson (RW) not present.

11 of 13 voting members are initially present, one ex-officio member is initially present.

2) Approval of IC Agenda

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

PASSED as amended with no objections. [11-0-2].

3) Standards Work Plan & Budget

JWR introduced budget for development of standards: reliability (operating and CIP), open access transmission (OAT) and open access interconnection (OAI), transmission cost allocation. Similar as presented before, some modifications.

JG asked whether salaries are gross pay, or fully loaded cost of labor? JWR clarified 5th bullet, indirect costs, is for fringe. It does not consider other RRC admin staff time.

JG requested clarification of 3rd and 4th bullets.

CR commented, just looking at total number of hours. 1300 total over 18 months so 3000 working hours. Is it possible to condense the schedule?

JWR responded not possible due to committee pace and work processes.

CR asked for clarification of the titles, what spurred change from senior engineer to “manager”. One and same as Project Manager role above? What else is senior engineer doing with other 50% of their time?

JWR responded, 50% allocation is just for reliability standards. They will also be working on OAT/OAI standards, transmission cost allocation standards as you will see in the next few budget pages. Senior standards engineer will have TAC duties, etc. Change from senior engineer to manager was to be consistent with other RRC documents and policies, including TAC Charter which refers to WG chair as “manager”. Project Manager role above is for external consultant to aide in project management and facilitation activities – coordinating agendas, scheduling meetings, preparing documents, etc. They will work together closely, but different roles.

CR asked why 20% of CEO over 2 years for this?

JWR advised the 20% is a rough estimate at this point. But CEO is TAC chair, so high level of involvement there, and Board presentation and prep. We have said standards development will be high priority for RRC in first years, so want to reflect that.

TL asked two questions: (1) 6/30/2024 date; is this estimate for complete package with all 24 standards? JWR confirmed yes. TL continued, none of the standards would be in effect until approved by the RCA. Is the intent to have them all come in at once, or one by one, or in batches, or other sequential filing process? JWR responded that StanCom has not decided this yet, but personal vision is to finish and file them in sequence to prioritize pre-IRP standards. TL continued, as each is approved, it will need to go into a tariff filing. JWR confirmed this is correct. TL moved to second question: (2) should we develop a schedule that includes board completion dates for each standard so we see how they get through the RCA? JWR acknowledged that this would be good information, was discussed in StanCom but backed away from that level of detail right now. TL advised this is a key issue for tariff completion, may want to consider developing pre-application to inform tariff completion workplan. Also will drive budget expectations for the tariff.

SS asked, is 6/30/2024 date of board approval, or RCA approval? JWR clarified RCA approval, trying to expedite IRP launch.

DB commented standards engineer part of TAC, so needs to be fully cognizant of all TAC matters such as IRP. 50% load sounds appropriate.

JG responded to two items: (1) responded to CR comments on workload. All the other senior engineer duties that were once listed in the TAC Charter didn't disappear. All of these things will still be done by TAC engineers, and that detail is in a box on the BudCom cutting room floor waiting to go into the RRC budget to support staffing levels. (2) responded to TL comments, generally and conceptually, lump sum cost of X to file a standard(s), so if 21 come forward individually, cost is 21X, if they get batched into 6 submittals, it is 6X. Not perfect but general concept.

LF stated that TL's comments made him realize that the RRC needs an integrated work plan. Pull all the work streams together. Start finding dependencies and integrate. Don't need it for budgeting necessarily, but for scheduling. Need to find dependencies and make sure schedules are synced and important workstreams are prioritized.

SS concurred w/ LF and asked whether ER or RMR can comment on this schedule matter with regards to application requirements?

RMR advised, in 090 we do need to propose filing dates for tariff completion, first IRP date. For non-reliability standards, RCA will give us a date; likely RCA date will be based off any proposed date that we include in the application. TL, RMR suggested proposing a date we can meet and they can meet.

JG observed that BudCom is aware of this and has discussed some of the high-level dependencies. IRP and standard schedules should, think they may already, reflect those. Haven't formalized these things yet, but are aware of them. JWR confirmed this is correct.

FP asked, doesn't RCA have 270 days to approve? SS responded, yes they have a timeframe that is slow, not sure exactly what it is for this. SS continued, integrated workplan should bifurcate when RRC is done, then when RCA is done.

JG interjected, SB123 gives RCA 180 days to act on an ERO application. Our presumption is they will take the full time.

ER opined there is opportunity for RCA to extend this timeframe if they so choose.

JWR continued, like approach of planning to RRC completion date, then let RCA do its thing.

TL commented, agree w/ JG on tariff filing budget – more efficient to bundle standards, but support activities will be different for multiple standards. Statement of reasonableness, etc would be common, but questions and discussion are more per-standard. Not entirely lump sum per filing, but somewhat with an element of per-standard level of effort also. Integrated filing, tariff workplan is function of standards development process. Question for IC on how to proceed.

RMR responded regarding standard filings, can ask for a proposed effective date for good cause, subject to RCA agreement. On other matter, RCA does ask for the proposed filing date. From application view, no problem with noting caveat our proposals are subject to CEO concurrence of the proposed plan. Can also combine these deliverables, just explain what we're doing and why.

DB noted the difference between RCA approved standard and RRC approved standard. RCA won't change standard to the extent they impact the IRP process. Only 4-5 standards that precede the IRP. We can move forward with RRC approved standards for purpose of IRP.

SS asked again for clarification. So is 6/30/2024 RRC completion or RCA completion. Need to decide that. JWR responded, part of this schedule is to inform the RCA, both what time we need and so they know when to schedule. Comfortable 6/30/2024 date is RRC date.

SS discussion is important, but this is an estimate.

CR appreciated the discussion. Question of moving up proposed date is about trying to expedite IRP. Batch and prioritize the pre-IRP standards. JWR agreed, and we are tracking those standards. We know what they are.

JWR continued to OAT / OAI standards.

TL commented in tariff, calling these Open Access Standard – Transmission and Open Access Standard – Interconnection. Standardize terminology as it appears in regulations. Also, same comments as prior on tariff approval timeline. JWR concurred, no need to change terminology from tariff, will revise these.

SS suggested, in line with previous discussion on reliability standards workplan, revise to clarify proposed date is RRC completion, kick RCA process as an asterisk exclusion.

JWR continued to Transmission Cost Recovery methodology

JWR confirmed these will be revised per comments and into packet for Monday approval.

4) IRP Work Plan & Budget

DB presented IRP schedule, about 3.5 years. Accommodates more processes and data required for 1st IRP than will be needed for subsequent ones (the date will then exist by merit of being developed for 1st IRP).

First step is kick off presentation for the whole thing to engage public. Then key public presentation points as indicated on the timeline. There are not the only public engagements, just the big ones.

At end of each task is a grey block, these are board approval points – not all of them, but major ones. This is high level schedule, not Project Manager schedule. Starts 1/1/2023.

SS asked for clarification, 1/1/2023, this is based on Sept 2022 certification and 5 standards are approved.

DB clarified 1/1/2023 is when key staff positions are filled, and early work does not depend on reliability standards, but do need standards to finish those tasks.

SS continued, so Q2 2026 is IRP filing date? DB confirmed this is correct.

RMR asked whether the plan assumes quarterly or monthly board meetings? DB advised plan is not that detailed. Minimum is monthly.

JG asked when the 5 standards that are IRP prerequisites would need to be done by? DB clarified that the 5 standards would need to be RRC approved, not RCA approved. Portions of task 4 and 5 as indicated on the IRP workplan would require these standards.

LF noted that this presumes the RRC is staffed by 1/1. So when does RCA need to make a decision on the application by in order for us to staff up and meet this timeline? SS observed assumption is that we will have certification by September. JG clarified SB 123 stipulates 180 days.

[SD joined at 12:02 PM, 11 of 13 voting members present]

[JE joined at 12:05 PM, 12 of 13 voting members present]

DB continued with budget. Doesn't include directors fees and SME participations. Back of envelope guesses place cost in the range of \$1.5M to \$5M, additional depending on assumptions.

SS noted that the 2nd IRP will be starting on heels of this one, will cost go down for #2? DB guesses #2 cost will be about half of #1, maybe less depending on how good we do with #1. Key thing is load projection methodology. If we nail that, don't have to reinvent it next time.

DB continued, structurally, budget includes consultants used by TAC / WG chair as best we can, and project management / facilitation support. It's become evident that this support is vital. So project manager / facilitator, senior engineer, junior engineer for each WG. Scope, between IRP and standards is about 6 WGs running simultaneously. Huge commitment for board members and their "teams" to participate and engage in.

HK asked DB about modeling software cost, is that annual fee or outright purchase? DB advised that this depends on the selected software package, can do it either way depending. Sometimes \$300k/yr subscription, others \$300k to buy and \$50k/yr maintenance fee.

VDS added that DB raised great point, can ExCom address director compensation? Big question mark in all these budgets. Agree RRC will designate the funds, but critical is what directors will be compensated for, key to understand this point for my vote and support for all this.

SS thanked VDS for question. Can't ignore that issue. Also, need to understand cost of SMEs. SS asked if BO is tracking this. BO confirmed he is.

SS raised nomenclature issues. Senior engineer, TAC manager, etc. Project Manager, facilitator, etc? What are the exact titles?

RMR advised next doc on agenda (TAC Charter) is where "manager" came from. Tariff and rules are not under TAC, need to decide responsible party for those. So called that person "manager".

CR queried why not tariff WG and tariff engineer? RMR responded that tariff is mostly done at application except for plugging in reliability standards etc. Once all that is done, it is a static document aside from revisions, so no tariff WG is envisioned.

CR agreed, then Senior engineer (WG manager), other role as facilitator. SS agreed.

DB disagreed. JWR structured it that way, IRP didn't. TAC charter is called manager to conform to process doc. But senior engineer does other things too.

DB noted need to sync format between StanCom and IRPcom budgets.

VDS observed that WG is one kind of committee, perhaps make distinction there to generic committee.

LF offered quick comment, should try to simplify CEO job as much as possible, advertise for facilitators / managers. Their title is engineer, their role is facilitation / management also. But they need to be engineers.

JWR TAC manager, Sr Engineer, Jr Engineer as titles. Disagree with calling project manager role facilitator. SS clarified, job is Jr/Sr engineer, role is manager/facilitator.

DB responded to VDS, good comment IC needs to address. Closing in on TAC process to accommodate all this. No reason same process can't apply to other public participation roles. We could have CEO appoint a manager to do a thing (tariff rule etc) and follow TAC process, or parts of it.

SS agreed. Action item? RMR? RMR commented IC decides what to do. Product development didn't go there because no need to stand up a Committee to do tariff or rules. Those do have public comment requirements. Could do these with a committee, but not required. So did not go there.

5) Product Development Process

RMR presented draft. On behalf of AppCom and ad hoc with committee chairs. Reviewed draft document.

[DB left at 12:21 PM, 11 of 13 voting members present.]

SS asked, both here and TAC charter, concerned about denying public participation on working groups. ER can you advise on this? It is in multiple documents.

ER commented there can be reasonable restrictions, as qualifications, that define public participants. Generally want to have open rules for participation, but need to be reasonable.

SS asked where public participation document is? RMR advised public participation is defined in the Public Participation in a Development Policy, currently with PubSub. Working draft is available on SharePoint. Not public member on a committee anymore.

VDS advised PubSub is meeting at 2:30 today to run through these policies, some of which will be rules. Broader than just TAC.

[DT joined at 12:30 PM, 12 or 13 voting members present.]

JG discussed the matter. TAC document will point to PubSub policy. Will need to balance unique and efficient stakeholder participation and not unduly restrict public participation. However IC lands, need to be ready to support our policy in front of the RCA.

RMR continued to review language and function. At 1.0, define the outcomes as "products".

CR thanked RMR for the first look. When are we voting on this? RMR responded, no committee meeting scheduled at this time. SS advised this is scheduled for tentative approval Monday. BO added word version exists on SharePoint, IC approval vote is scheduled for Monday 1/31. If not Monday next week, could possibly push to Wednesday 2/2, but no later.

FP commented good read, good process. Only issue I saw is that this is a really important process for the RRC. If there is any resistance, may need a statement that the final product that comes out of this process is subject to internal audit.

JG interjected, TAC process includes a full record of the process, perhaps that record can be shifted to this document so it is broadly applicable to serve as the audit function.

JWR are we TA'ing docs still or just approving them now?

SS clarified TA still. Will have a chance to comment on full draft application early March once compiled.

JG commented BudCom is meeting today at 5PM and Friday at 11AM to finish off the TAC. Please get in touch for details.

JWL asked about the PubSub meeting on the calendar for today? BO clarified meeting today is a more general meeting to provide PubSub outsiders overview of PubSub documents as they may pertain to deliverables in other committees. PubSub members need not attend unless they choose to.

SD advised BySub will stay on this call to discuss subcommittee deliverables.

6) Adjourn MEETING ADJOURNED at 12:43 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)
COA:	chart of accounts
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
PC:	Perkins Coie Law Firm
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
RCC:	regulatory cost charge
RE:	registered entity
RRC:	Railbelt Reliability Council
SB:	Senate bill
SES:	Seward Electric System
SOW:	scope of work
SRF:	simplified rate filing
StanCom:	standards subcommittee
TA:	tentatively approve, tentative approval
TAC:	technical advisory committee
TAQ:	technical advisory quango
TAT:	technical advisory team
TarCom:	tariff subcommittee
TIER:	times interest earned ratio
UOO:	user owner operator
USOA:	uniform system of accounts
WG:	working group