Meeting Attendees:

Karl Tammar (Chair) NYISO ktammar@nyiso.com
Denis Ackerman OPGI denis.ackerman@opg.com
Larry Alderink MECS alderinkl@mepcc.com
Nicole Fagnani PJM fagnan@pjm.com
Ron Falsetti IMO ron.falsetti@theIMO.com
Bob Kissner Allegheny Power jkissne@alleghenypower.com
Dick Kovacs ATSI rmkovacs@firstenergycorp.com
Paul Roman NPCC proman@npcc.org

1. Administrative Items

The roster was reviewed for any updates.

The minutes from the May 23 meeting were approved as revised. Paul will make the revisions and post on the NPCC web site. Ron Falsetti had a revision in the previous meeting minutes related to how phase angle regulators are handled in the LESPWG process.

For future meetings Karl Tammar will issue the agenda with an accompanying package of supporting material. It was agreed that a late August meeting was needed. Refer to item 8 of these minutes for future meeting and conference call information.

2. Report on Related Activities

Northeast ISO/MOU Collaboration

Karl Tammar discussed the activities of two ISO/MOU task forces: the Transaction Scheduling Task Force (TSTF) and another group that has been developing open scheduling tools. The open scheduling tools have been referred to as Common Interface Tool/Collaborative Scheduling System/Open Scheduling System CIT/CSS/OSS. The open scheduling concept is meant to provide one-stop shopping that would enable market participants to buy and sell power inter-regionally. Karl stated that these tools will be compatible with OASIS Phase II once it is implemented. A June 5-6 Workshop had been held on this topic.

If these tools go into place they would be part of the infrastructure and LESPWG should accept and accommodate them.

NERC Electronic Scheduling Collaborative (ESC)
Dick Kovacs had suggested that the Working Group review and discuss the ESC business practice white paper, “Controlled Interfaces” because it is pertinent to LESPWG efforts. Dick discussed the document content and suggested it should address industry diversity (innovation) versus uniformity. He added that it should also point out that actions taken have impacts on other flowgates. WAPA had provided this comment to the business practice: “it is not feasible to schedule PARs because they could not be used for reliability”. LESPWG agreed that system redispatch should embody the types of principles outlined in this paper.

ESC is planning to file the Business Practices with FERC on August 31, 2001. Another issue of the Business Practices to seek industry comments is expected in late-July with two to three weeks allowed for comments. LESPWG will try to review these.

Other ESC Business Practice white papers were discussed briefly.

**MIC/ CMS**

Karl Tammar reported that more work is needed on the congestion management efforts and that the NERC Congestion Management Subcommittee (CMS) has been trying to address this (e.g. through OASIS). Ron Falsetti mentioned a June 5-6, 2001 CMS meeting. Ron also mentioned a MAPP system redispatch proposal that had come out of the CMS. Ron Falsetti will forward the June 5-6 CMS meeting information package to LESPWG to look over.

3. Status of LESP Tools

**GSF Viewer**

Karl Tammar reported that the IDC Working Group is forming a self-directed work team to make GSF viewer enhancements. Larry Alderink indicated that Travis Robinson could expedite LESPWG needs in this area.

**Communication Hotline**

Bob Kissner had checked on the characteristics of the hotline. At times the call came in on a wrong line and at other times people were left off the call. Speed dialing via APS can connect six participants within a minute. Bob Kissner submitted a draft description of an Alternative LEER Hotline Procedure to use as a backup. Allegheny Power has offered to establish a platform for the alternative procedure as described. The group discussed and revised the draft.

**NERC Flow Impact Study Tool (FIST)**
Dennis Ackerman questioned LESPWG members regarding their acceptance and usage of the FIST tool. It is now the sole wide-area flow analysis tool available to all. There has been little feedback to NERC. Karl Tammar suggested that LESPWG utilize the LESP list server and ask questions on usage of FIST to try to get feedback.

4. Discussion of System Redispatch Approaches

Review of Energy Pricing Indices (Cinergy Index)

Denis Ackerman discussed the Lake Erie System Redispatch paper. He indicated that OPG is still agreeable to participate in LEER. However, if the redispatch is market-driven then it is unlikely that OPG would participate. To make participation feasible would require the “right of last refusal”. In addition, counterparties credit risk would be a concern and crosschecks of participating parties would be required.

Denis pointed out two risks: 1) OPG may not be paid and 2) market risk (e.g. if a predetermined index is used, and following redispatch the price goes much higher). This risk would be present between the approval and implementation times.

Denis also discussed the use of the Cinergy Index. It is based on day-ahead prices. Denis felt that this index is not adequate for Ontario until the market is implemented and matured because it is not sufficiently up-to-date. The same concerns may exist for other participants without markets in place. Denis will investigate different pricing points (i.e. what correlates with Cinergy index, or with PJM prices).

Straw Procedure Review

It was suggested that a point be added to the LESP SRD document to make it a requirement of market participation. It was suggested that a reference to the FIST tool be added in the ”Information on transactions at risk of curtailment” section.

Questions posed during discussion of the document included:

- What if there is more than one dependent CA/SC?
- Is the SRD quicker and easier than other options (e.g. declaring a TLR)?

  It was felt that TLRs are generally much more involved, as many transactions may be cut rather than just redispersching several units.

- The terminology referring to “dependent CA” is not the same as in LEER. Maybe “sink CA” should be used instead?
• Who should administer this?

It was also suggested that under the Lake Erie Security Process, a conference call should be initiated for some TLR 1s to apprise participants of the situation and to be prepared to act if it escalates to TLR 3A. Karl Tammar will draft something on this for discussion during a July 25 Conference Call.

5. LEER Procedure Training

Use of the training tool has been satisfactory and no problems were reported. Training sessions have made extensive use of the slides. Bob Kissner reported that at APS Jim Uhrin had conducted training sessions using the set of slides customized for APS operations.

Some minor changes to Example 1 and the GSF slides were suggested. At the late August meeting LESPWG will review the example slides and incorporate changes in preparation for 2002 LEER.

6. LEER Procedure Drill Review

Review Post-drill Recommendations

The June 6, 2001 drill was discussed. Karl Tammar had issued a drill review summary document and asked all to comment. Each of the recommendations was reviewed. Bob Kissner mentioned that at the end of year 2001 APS will no longer be an independent entity because of the PJM West arrangement. After that time APS will have a subordinate rather than a contributing role in LESPWG but will still be a participant.

LEER Procedure Updates

• Incorporate a role call list in the procedure at each step where a conference call is required. Bob Kissner will incorporate this.
• Add Back-up procedure if Hotline initiation fails. APS will have the role of maintaining the backup. Bob Kissner will make changes to the primary procedure regarding this. LESPWG will review the changes during the next meeting in late August and then finalize the procedure. The revised procedure will serve as a template for the 2002 procedure.

Future Drill Procedures

• Drill times should be left in the coordinating systems’ prevailing time (i.e., EDT). This will eliminate confusion as to when the drill actually is to start. LESPWG agreed to this.
• Don’t have the dependent SC/CA the same as the constrained SC. This would tend to spread the participation out to more of the SCs and CAs.
• Eliminate times for the action steps. Only the start time for the drill needs to be identified. This will help to assure a smoother flow of the procedure and reduce periods of inactivity. The participating operators concluded that intermediate times are not required in the procedure. The targeted completion time (no later than noon) needs to be included.
• Correct the Step Procedures (Appendix B): the drill uses "conference call" in Step 3, rather than "LEER Hotline call." This is repeated in Step 5 (number appears as "1.")
• Encourage active participation by more of the participants.

Hotline

• Participants using speakerphones and not speaking should mute their phones.
• The Dependent SC may exercise more control over the conversations by calling on each party to speak in turn.
• Add a comment that “Participants check the hotline in the alternate/backup control center.
• Remove this item “Have the dependent SC initiate a LEER Hotline test the day before the drill to identify any internal problems that may exist.”

Bob Kissner will make all the procedure document changes/additions.

Dennis Ackerman suggested that in next year’s drill the participation of some marketers should be encouraged to test the billing and other market–related portions of the process.

OBSERVATIONS

• Overall the drill went well.

• There were no problems submitting an MRD Tag. This effectively demonstrated how a protected Tag would look in a TLR cut list.

• The training server worked very well.

• The OATI Congestion Management Report provided a good tool for comparison with the Interchange Distribution Calculator.

• IMO played go between and was able to keep everyone informed.

• The MECS operator was very professional, accurate, and helpful.

• The test followed along the lines of the scenario as well as could be expected. The use of the SCIS was helpful in keeping everyone informed.
• The Drill Procedure concerning the procedures and drill scenarios was very helpful in understanding the process.

Paul Roman will post the drill summary write up in two weeks to allow for any additional comments.

7. **Update on Michigan-Ontario Phase Angle Regulators (PARs)**

Larry Alderink and Ron Falsetti reported on the status of the PARs. The L4D PAR failed its most recent factory test (during May-June period). Its return to service will be delayed from the previous estimate of mid-August. It was found necessary to move the L51D PAR off site to make repairs. It was determined that air trapped within the glue used in the PAR was the source of the internal fault in the PAR. The Keith-Waterman J5D circuit PAR has been operating normally and has not had problems. The appropriate flow-regulating operating mode for conditions without the L4D and L51D PARs is has not yet been determined. Larry Alderink mentioned that Detroit Edison/ITC had a meeting scheduled on June 29 on the Scott-Bunce B3N circuit status. The Detroit Edison/ITC-Hydro One and MECS-IMO agreements still need to be resolved.

8. **Future Meetings**

A conference call was scheduled for Wednesday, July 25 between 1pm and 3pm. Another conference call was tentatively set for Wednesday, August 8 from 1pm to 3pm. The next LESPWG meeting was scheduled for Wednesday, August 29 at Pittsburgh Airport at TGIF.

Prepared by: Paul A. Roman
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