



North American Energy Standards Board

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via email and posting

TO: NAESB WEQ Inadvertent Interchange Payback Practice Task Force
FROM: Todd Oncken, NAESB Deputy Director
RE: IIPTF Substantive Motions
DATE: January 20, 2004

The following is a compilation of successful substantive motions passed at the IIPTF since September 2004.

September 15-16, 2003

Mr. Cox moved, seconded by Mr. Goins, as follows: The IIPTF recognizes the discovery phase is largely complete and will begin the drafting phase. Any new discovery material must be approved by this task force through a formal motion. After limited discussion the motion passed with Mr. Illian, Mr. Blohm and Mr. Lively abstaining.

October 6, 2003

Moved by Mr. Terelmes and seconded by Mr. Goins. "The settlement of inadvertent as the IIPTF was tasked will be broken down into four components. 1) Inadvertent energy hourly measurement 2) Frequency hourly measurement 3) Hourly valuation for inadvertent energy 4) Valuation for contribution to frequency deviation. Valuations can be considered positive, negative or zero, and this does not preclude physical payback. The motion passed.

Moved by Mr. Terelmes and seconded by Mr. Illian. "The IIPTF task force recognizes that inadvertent energy and frequency deviation must be measured before it can be valued. However, the measurement of inadvertent energy and frequency deviation lies outside the scope of the IIPTF and will be a task reserved for NERC. The data received from NERC will be a sufficient measurement of inadvertent energy and frequency deviation. The motion passed.

Moved by Mr. Terelmes and seconded by Mr. Blohm. "NERC has agreed to provide inadvertent energy and frequency deviation measurements with hourly granularity. Although payback of inadvertent energy and contribution to frequency deviation shall be performed for each hour, reporting of such hourly information to be used for settlement purposes shall occur at such time intervals as deemed feasible by NERC. The IIPTF will accept the limitation of monthly measurement reporting frequency until such time that technology and NERC allow this data to be reported more frequently." The motion passed.

Moved by Mr. Terelmes and seconded by Mr. Oberski. "In an effort to arrive at a better method for the settlement of inadvertent, the IIPTF will consider only two basic methodologies. 1) Financial settlement for inadvertent 2) Physical settlement of inadvertent. The fact that inadvertent has at least two components, also allows for a combination of the above methodologies. The motion passed.

Moved by Mr. Blohm and seconded by Mr. Illian. "The IIPTF defines a Balancing Authority's Inadvertent Interchange as its Inadvertent Interchange 'with the interconnection.'" The motion passed.



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December 11, 2003

Mr. Illian moved, seconded by Mr. Reed, that “the IIPTF consider the settlement of reactive power to be out of scope with our charge and no longer be included as an issue in our discussion.” Mr. Lively stated this issue should be handled consistently with the handling of inadvertent interchange. Mr. Reed agreed that at some point reactive power should be addressed but at this time the group should move forward by focusing on inadvertent interchange. Upon a procedural vote the motion passed.

Mr. Illian moved, seconded by Mr. Cox, “that the discussion of Time Error is consistent with the issue of Frequency.” Upon a procedural vote the motion passed absent objection.

Mr. Illian moved, seconded by Mr. Blohm that “any methodology unable to represent negative energy prices is incompatible with a reasonable inadvertent settlement methodology, and therefore should be eliminated from discussion.” Upon a procedural vote the motion passed.

Mr. Henry moved, seconded by Mr. Goins that “the IIPTF write a standard that may include an allowance for each interconnection to develop a method that settles inadvertent and corrects frequency error to operate in a manner to compensate for inadvertent in an interconnection’s selected time intervals.” Upon a procedural vote, the motion passed.