

Standard Development Timeline

This section is maintained by the drafting team during the development of the standard and will be removed when the standard becomes effective.

Development Steps Completed

1. SAR and supporting package posted for comment on July 19, 2013.
2. Draft standard posted for initial comments and ballot from July 19, 2013 to September 3, 2013.
- ~~2-3.~~ Draft standard posted for an additional comment and ballot from November 15, 2013 to November 26, 2013.

Description of Current Draft

This is the ~~second~~third posting of the proposed draft standard. This proposed draft standard will be posted for a ~~45~~10-day ~~formal comment period and parallel~~final ballot.

Anticipated Actions	Anticipated Date
Additional 45-Day Comment Period with Ballot	October/November 2013
Final Ballot	December 2013
NERC Board of Trustees Adoption	December <u>February 2014</u>
Filing to Applicable Regulatory Authorities	December <u>February 2014</u>

Version History

Version	Date	Action	Change Tracking
1	6/18/2007	Initial Standard is FERC approved	
2	1/10/2011	FERC approved added LSEs and Controllable Load to the standard.	
3	6/20/2013	WECC Variance is approved by FERC	

Definitions of Terms Used in the Standard

This section includes all newly defined or revised terms used in the proposed standard. Terms already defined in the Reliability Standards Glossary of Terms are not repeated here. New or revised definitions listed below become approved when the proposed standard is approved. When the standard becomes effective, these defined terms will be removed from the individual standard and added to the Glossary.

None.

A. Introduction

1. **Title:** Voltage and Reactive Control
2. **Number:** VAR-001-4
3. **Purpose:** To ensure that voltage levels, reactive flows, and reactive resources are monitored, controlled, and maintained within limits in ~~Real~~Real-time to protect equipment and the reliable operation of the Interconnection.
4. **Applicability:**
 - 4.1. Transmission Operators
 - 4.2. Generator Operators within the Western Interconnection (for the WECC Variance)
5. **Effective Date:**
 - 5.1. The standard shall become effective on the first day of the first calendar quarter after the date that the standard is approved by an applicable governmental authority or as otherwise provided for in a jurisdiction where approval by an applicable governmental authority is required for a standard to go into effect. Where approval by an applicable governmental authority is not required, the standard shall become effective on the first day of the first calendar quarter after the date the standard is adopted by the NERC Board of Trustees or as otherwise provided for in that jurisdiction.

B. Requirements and Measures

Rationale for R1: Paragraph 1868 of Order No. 693 requires NERC to add more "detailed and definitive requirements on "established limits" and "sufficient reactive resources", and identify acceptable margins (i.e. voltage and/or reactive power margins)." Since Order No. 693 was issued, however, several FAC and TOP standards have become enforceable to add more requirements around voltage limits. More specifically, FAC-011 and FAC-014 require that System Operating Limits ("SOLs") and reliability margins are established. The NERC Glossary definition of SOLs ~~must~~ includes both: 1) Voltage Stability Ratings (Applicable pre- and post-Contingency Voltage Stability) and 2) System Voltage Limits (Applicable pre- and post-Contingency Voltage Limits). Therefore, for reliability reasons Requirement R1 now requires a Transmission Operator (TOP) to set voltage or Reactive Power schedules with associated tolerance bands. Further, since neighboring areas can affect each other greatly, each TOP must also provide a copy of these schedules to its Reliability Coordinator (RC) and adjacent TOP upon request.

- R1.** Each Transmission Operator shall specify a system voltage schedule (which is either a range or a target value with an associated tolerance band) as part of its plan to operate within System Operating Limits and Interconnection Reliability Operating Limits. *[Violation Risk Factor: High] [Time Horizon: Operational Planning]*
- 1.1.** Each Transmission Operator shall provide a copy of the voltage schedules (which is either a range or a target value with an associated tolerance band) ~~and associated tolerance bands~~ to its Reliability Coordinator and adjacent Transmission Operators within 30 calendar days of a request.
- M1.** The Transmission Operator shall have evidence that it specified system voltage schedules using either a range or a target value with an associated tolerance band.

For part 1.1, the Transmission Operator shall have evidence that the voltage schedules (which is either a range or a target value with an associated tolerance band) were provided to its Reliability Coordinator and adjacent Transmission Operators within 30 days of a request. Evidence may include, but is not limited to, emails, website postings, and meeting minutes.

Rationale for R2:

Paragraph 1875 from Order No. 693 directed NERC to include requirements to run voltage stability analysis periodically, using online techniques where commercially available and offline tools when online tools are not available. This standard does not explicitly require the periodic voltage stability analysis because such analysis ~~is now required~~ would be performed pursuant to the SOL methodology developed under the FAC standards. TOP standards also require the TOP to operate within SOLs and Interconnection Reliability Operating Limits (“IROL”). The VAR standard drafting team (“SDT”) and industry participants also concluded that the best models and tools are the ones that have been proven and the standard should not add a requirement for a responsible entity to purchase new online simulations tools. Thus, the VAR SDT simplified the requirements to ensuring sufficient reactive resources are online or scheduled. Controllable load is specifically included to answer FERC's directive in Order No. 693 at Paragraph 1879.

- R2.** Each Transmission Operator shall schedule sufficient reactive resources to regulate voltage levels under normal and Contingency conditions. Transmission Operators can provide sufficient reactive resources through various means including, but not limited to, reactive generation scheduling, transmission line and reactive resource switching, and using controllable load. *[Violation Risk Factor: High] [Time Horizon: Real-time Operations, Same-day Operations, and Operational Planning]*
- M2.** Each Transmission Operator shall have evidence of scheduling sufficient reactive resources based on their assessments of the system. For the operational planning time horizon, Transmission Operators shall ~~provide copies~~ have evidence of assessments used as the basis for how resources were scheduled.

Rationale for R3:

Similar to Requirement R2, the VAR SDT determined that for reliability purposes, the TOP must ensure sufficient voltage support is provided in Real-time in order to operate within an SOL.

- R3.** Each Transmission Operator shall operate or direct the Real-time operation of devices to regulate transmission voltage and reactive flow as necessary. *[Violation Risk Factor: High] [Time Horizon: Real-time Operations, Same-day Operations, and Operational Planning]*
- M3.** Each Transmission Operator shall have evidence that actions were taken to operate capacitive and inductive resources as ~~needed~~ necessary in Real-time. This may include ~~directions~~ instructions to Generator Operators to: 1) provide additional voltage support; 2) bring resources on-line; or 3) make manual adjustments.

Rationale for R4:

The VAR SDT received significant feedback on instances when a TOP would need the flexibility for defining exemptions for generators. These exemptions can be tailored as the TOP deems necessary for the specific area's needs. The goal of this requirement is to provide a TOP the ability to exempt a Generator Operator (GOP) from: 1) a voltage or Reactive Power schedule, 2) a setting on the AVR, or 3) any VAR-002 notifications based on the TOP's criteria. Feedback from the industry detailed many system events that would require these types of exemptions which included, but are not limited to: 1) maintenance during shoulder months, 2) scenarios where two units are located within close proximity and both cannot be in voltage control mode, and 3) large system voltage swings where it would harm reliability if all GOP were to notify their respective TOP of deviations at one time. Also, in an effort to improve the requirement, the sub-requirements containing an exemption list were removed from the currently enforceable standard because this created more compliance issues with regard to how often the list would be updated and maintained.

R4. The Transmission Operator shall specify the criteria that will exempt generators from: ~~compliance with the requirements defined in Requirement R5, part 5.1, and any associated notification requirements~~ 1) following a voltage or Reactive Power schedule, 2) from having its automatic voltage regulator (AVR) in service or from being in voltage control mode, or 3) from having to make any associated notifications. *[Violation Risk Factor: Lower] [Time Horizon: Operations Planning]*

4.1 If a Transmission Operator determines that a generator has satisfied the exemption criteria, it shall notify the associated Generator Operator.

M4. Each Transmission Operator shall have evidence of the documented criteria for generator exemptions. For part 4.1, the Transmission Operator shall also have evidence to show that, for each ~~unit~~ generating unit/generator in its area that is exempt from: 1) following a voltage or Reactive Power schedule, 2) from having its automatic voltage regulator (AVR) in service or from being in voltage control mode, or 3) from having to make any notifications, the associated Generator Operator was notified of this exemption.

Rationale for R5:

The new requirement provides transparency regarding the criteria used by the TOP to establish the voltage schedule. This requirement also provides a vehicle for the TOP to use appropriate granularity when setting notification requirements for deviation from the voltage or Reactive Power schedule. Additionally, this requirement provides clarity regarding a “tolerance band” as specified in the voltage schedule and the control dead-band in the generator’s excitation system.

Voltage Schedule tolerances are the bandwidth that accompanies the voltage target in a voltage schedule, should reflect the anticipated fluctuation in voltage at the Generation Operator’s facility during normal operations, and be based on the TOP’s assessment of N-1 and credible N-2 system contingencies. The voltage schedule’s bandwidth should not be confused with the control dead-band that is programmed into a Generation Operator’s automatic voltage regulator’s control system, which should be adjusting the AVR prior to reaching either end of the voltage schedule’s bandwidth.

- R5.** Each Transmission Operator shall specify a voltage or Reactive Power schedule (which is either a range or a target value with an associated tolerance band) at either the high voltage side or low voltage side of the ~~Generator Step-Up~~ generator step-up transformer at the Transmission Operator’s discretion. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*
- 5.1.** The Transmission Operator shall provide the voltage or Reactive Power schedule (which is either a range or a target value with an associated tolerance band) to the associated Generator Operator and direct the Generator Operator to comply with the schedule in automatic voltage control mode (the AVR is in service and controlling voltage).
- 5.2.** The Transmission Operator shall provide the Generator Operator with the notification requirements for deviations from the voltage or Reactive Power schedule (which is either a range or a target value with an associated tolerance band).
- 5.3.** The Transmission Operator shall provide the criteria used to develop voltage schedules Reactive Power schedule (which is either a range or a target value with an associated tolerance band) ~~and associated tolerance bands~~ to the Generator Operator within 30 days of receiving a request.
- M5.** The Transmission Operator shall have evidence of a documented voltage or Reactive Power Schedule (which is either a range or a target value with an associated tolerance band) ~~and tolerance band~~.
- For part 5.1, the Transmission Operator shall have evidence it provided a voltage or Reactive Power schedule (which is either a range or a target value with an associated tolerance band) ~~and tolerance band~~ to the applicable Generator Operators, and that the Generator Operator was directed to comply with the schedule in automatic voltage control mode, unless exempted. ~~The evidence shall include written records, email, or voice recordings.~~
- For part 5.2, the Transmission Operator shall have evidence it provided notification requirements for deviations from the voltage or Reactive Power schedule (which is either a range or a target

~~value with an associated tolerance band) and associated tolerance band. The evidence shall include written records, email, or voice recordings.~~

For part 5.3, the Transmission Operator shall have evidence it provided the criteria used to develop voltage schedules or Reactive Power schedule (which is either a range or a target value with an associated tolerance band) ~~and associated tolerance bands~~ within 30 days of receiving a request by a Generator Operator.

Rationale for R6:

Although tap settings are first established prior to interconnection, this requirement could not be deleted because no other standard addresses when a tap setting must be adjusted. If the tap setting is not properly set, then the amount of VARs produced by a unit can be affected.

- R6.** After consultation with the Generator Owner regarding necessary step-up transformer tap changes and the implementation schedule, the Transmission Operator shall provide documentation to the Generator Owner specifying the required tap changes, a timeframe for making the changes, and technical justification for these changes. *[Violation Risk Factor: Lower]*
[Time Horizon: Operations Planning]
- M6.** The Transmission Operator shall have evidence that it provided documentation to the Generator Owner when a change was needed to a generating unit's step-up transformer tap in accordance with the requirement and that it consulted with the Generator Owner.

C. Compliance

1. Compliance Monitoring Process:

1.1. Compliance Enforcement Authority:

As defined in the NERC Rules of Procedure, “Compliance Enforcement Authority” refers to NERC or the Regional Entity in their respective roles of monitoring and enforcing compliance with the NERC Reliability Standards.

1.2. Evidence Retention:

The following evidence retention periods identify the period of time a registered entity is required to retain specific evidence to demonstrate compliance. For instances in which the evidence retention period specified below is shorter than the time since the last audit, the Compliance Enforcement Authority may ask the registered entity to provide other evidence to show that it was compliant for the full time period since the last audit.

The Transmission Operator shall retain evidence for Measures 1 through 4-6 for 12 months. The Compliance Monitor shall retain any audit data for three years.

1.3. Compliance Monitoring and Assessment Processes:

~~As defined in the NERC Rules of Procedure,~~ “Compliance Monitoring and Assessment Processes” refers to the identification of the processes that will be used to evaluate data or information for the purpose of assessing performance or outcomes with the associated reliability standard.

1.4. Additional Compliance Information:

None

Table of Compliance Elements

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R1	Operational Planning	High	N/A	N/A	N/A	The Transmission Operator has does not specifyied a system voltage schedule (which is either a range or a target value with an associated tolerance band)and associated tolerance bands.
R2	Real-time Operations, Same-day Operations, and Operational Planning	High	N/A	N/A	The Transmission Operator does not schedule sufficient reactive resources as necessary to avoid violating an SOL.	The Transmission Operator does not schedule sufficient reactive resources as necessary to avoid violating an IROL.
R3	Real-time Operations, Same-day Operations, and Operational Planning	High	N/A	N/A	The Transmission Operator does not operate or direct any real-time operation of devices as necessary to avoid violating an SOL.	The Transmission Operator does not operate or direct any real-time operation of devices as necessary to avoid violating an IROL.

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R4	Operations Planning	Lower	N/A	N/A	The Transmission Operator has exemption criteria and notified the Generator Operator, but the Transmission Operator does not have evidence of the notification <u>to the Generator Operator</u> .	The Transmission Operator does not have exemption criteria.
R5	Operations Planning	Medium	N/A	The Transmission Operator-Operator <u>does not</u> provides the criteria for voltage <u>or Reactive Power</u> schedules <u>(which is either a range or a target value with an associated tolerance band)</u> -after 30 days of <u>a</u> request.	The Transmission Operator <u>does not</u> provides voltage or Reactive Power schedules <u>(which is either a range or a target value with an associated tolerance band-to) to some, but not all</u> , Generator Operators.	The Transmission Operator does not provide voltage or Reactive Power schedules <u>(which is either a range or a target value with an associated tolerance band) and tolerance bands</u> to any Generator Operators.

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
						Or The Transmission Operator did <u>does</u> not provide the Generator Operator with the notification requirements for deviations from the voltage or Reactive Power schedule (<u>which is either a range or a target value with an associated tolerance band</u>).
R6	Operations Planning	Lower	<u>The Transmission Operator does not provide</u> neither the technical justification or timeframe <u>for changing generator step-up tap settings are not provided.</u>	N/A	N/A	<u>The Transmission Operator does not provide</u> Neither the technical justification nor <u>and</u> the timeframe <u>for changing generator step-up tap settings are provided.</u>

D. Regional Variances

The following Interconnection-wide variance shall be applicable in the Western Electricity Coordinating Council (WECC) and replaces, in their entirety, Requirements R~~34~~ and R~~45~~. Please note that Requirement R~~34~~ is deleted and R~~45~~ is replaced with the following requirements.

Requirements

- E.A.13** Each Transmission Operator shall issue any one of the following types of voltage schedules to the Generator Operators for each of their generation resources that are on-line and part of the Bulk Electric System within the Transmission Operator Area: *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning and Same-day Operations]*
- A voltage set point with a voltage tolerance band and a specified period.
 - An initial volt-ampere reactive output or initial power factor output with a voltage tolerance band for a specified period that the Generator Operator uses to establish a generator bus voltage set point.
 - A voltage band for a specified period.
- E.A.14** Each Transmission Operator shall provide one of the following voltage schedule reference points for each generation resource in its Area to the Generator Operator. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning and Same-day Operations]*
- The generator terminals.
 - The high side of the generator step-up transformer.
 - The point of interconnection.
 - A location designated by mutual agreement between the Transmission Operator and Generator Operator.
- E.A.15** Each Generator Operator shall convert each voltage schedule specified in Requirement E.A.13 into the voltage set point for the generator excitation system. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning and Same-day Operations]*
- E.A.16** Each Generator Operator shall provide its voltage set point conversion methodology from the point in Requirement E.A.14 to the generator terminals within 30 calendar days of request by its Transmission Operator. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*
- E.A.17** Each Transmission Operator shall provide to the Generator Operator, within 30 calendar days of a request for data by the Generator Operator, its transmission equipment data and operating data that supports development of the voltage set point conversion methodology. *[Violation Risk Factor: Lower] [Time Horizon: Operations Planning]*

E.A.18 Each Generator Operator shall meet the following control loop specifications if the Generator Operator uses control loops external to the Automatic Voltage Regulators (AVR) to manage MVar loading: [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations*]

E.A.18.1. Each control loop's design incorporates the AVR's automatic voltage controlled response to voltage deviations during System Disturbances.

E.A.18.2. Each control loop is only used by mutual agreement between the Generator Operator and the Transmission Operator affected by the control loop.

Measures¹

M.A.13 Each Transmission Operator shall have and provide upon request, evidence that it provided the voltage schedules to the Generator Operator. Dated spreadsheets, reports, voice recordings, or other documentation containing the voltage schedule including set points, tolerance bands, and specified periods as required in Requirement E.A.13 are acceptable as evidence.

M.A.14 The Transmission Operator shall have and provide upon request, evidence that it provided one of the voltage schedule reference points in Requirement E.A.14 for each generation resource in its Area to the Generator Operator. Dated letters, e-mail, or other documentation that contains notification to the Generator Operator of the voltage schedule reference point for each generation resource are acceptable as evidence.

M.A.15 Each Generator Operator shall have and provide upon request, evidence that it converted a voltage schedule as described in Requirement E.A.13 into a voltage set point for the AVR. Dated spreadsheets, logs, reports, or other documentation are acceptable as evidence.

M.A.16 The Generator Operator shall have and provide upon request, evidence that within 30 calendar days of request by its Transmission Operator it provided its voltage set point conversion methodology from the point in Requirement E.A.14 to the generator terminals. Dated reports, spreadsheets, or other documentation are acceptable as evidence.

M.A.17 The Transmission Operator shall have and provide upon request, evidence that within 30 calendar days of request by its Generator Operator it provided data to support development of the voltage set point conversion methodology. Dated reports, spreadsheets, or other documentation are acceptable as evidence.

M.A.18 If the Generator Operator uses outside control loops to manage MVar loading, the Generator Operator shall have and provide upon request, evidence that it met the control loop specifications in sub-parts E.A.18.1 through E.A.18.2. Design specifications with identified agreed-upon control loops, system reports, or other dated documentation are acceptable as evidence.

¹ The number for each measure corresponds with the number for each requirement, i.e. M.E.A.13 means the measure for Requirement E.A.13.

E. Interpretations

None.

F. Associated Documents

None.

Guidelines and Technical Basis

For technical basis for each requirement, please review the rationale provided for each requirement.