

Consideration of Comments on Regional Standard BAL-502-RFC-02 — Planning Resource Adequacy Analysis, Assessment and Documentation

ReliabilityFirst thanks all commenters who submitted comments on the regional reliability standard to BAL-502-RFC-02 — Planning Resource Adequacy Analysis, Assessment and Documentation. This standard was posted for a 45-day public comment period from January 26, 2009 through March 12, 2009. There were 6 sets of comments, including comments from 9 different people from approximately 6 companies representing 5 of the 10 Industry Segments as shown in the table on the following pages.

http://www.nerc.com/filez/regional_standards/regional_reliability_standards_under_development.html

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at gerry.adamski@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.¹

¹ The appeals process is in the Reliability Standards Development Procedures:
<http://www.nerc.com/standards/newstandardsprocess.html>.

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The Industry Segments are:

- 1 — Transmission Owners
- 2 — RTOs, ISOs
- 3 — Load-serving Entities
- 4 — Transmission-dependent Utilities
- 5 — Electric Generators
- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
- 8 — Small Electricity End Users
- 9 — Federal, State, Provincial Regulatory or other Government Entities
- 10 — Regional Reliability Organizations, Regional Entities

		Commenter	Organization	Industry Segment										
				1	2	3	4	5	6	7	8	9	10	
1.	Group	Sam Ciccone	FirstEnergy Corp.	X		X	X	X	X					
	Dan Huffman	FirstEnergy Solutions	3											
	Dave Folk	FirstEnergy Corp.												
	Doug Hohlbaugh	FirstEnergy Corp.												
2.	Individual	Ray Kershaw	ITCTransmission, METC	X										
3.	Individual	James H. Sorrels, Jr.	American Electric Power	X		X		X	X					
4.	Individual	Louis Slade	Dominion Resources Services, Inc.	X		X		X	X					
5.	Individual	Greg Rowland	Duke Energy	X		X		X	X					
6.	Individual	Jianmei Chai	Consumers Energy			X	X	X						

1. Was the proposed standard developed in a fair and open process, using the associated Regional Reliability Standards Development Procedure?

Summary Consideration:

Organization	Yes or No	Question 1 Comment
FirstEnergy Corp.	Yes	
ITCTransmission, METC	Yes	
American Electric Power	Yes	This was evidenced by the SDT adjusting the SAR scope based on industry input.
Response: Thank you for your support.		
Dominion Resources Services, Inc.	Yes	
Duke Energy	Yes	
Consumers Energy	Yes	

2. Does the proposed standard pose an adverse impact to reliability or commerce in a neighboring region or interconnection?

Summary Consideration:

Organization	Yes or No	Question 2 Comment
FirstEnergy Corp.	No	
ITCTransmission, METC	No	
American Electric Power	No	
Dominion Resources Services, Inc.	No	
Duke Energy	No	
Consumers Energy	No	

3. Does the proposed standard pose a serious and substantial threat to public health, safety, welfare, or national security?

Summary Consideration:

Organization	Yes or No	Question 3 Comment
FirstEnergy Corp.	No	
ITCTransmission, METC	No	
American Electric Power	No	
Dominion Resources Services, Inc.	No	
Duke Energy	No	
Consumers Energy	No	

4. Does the proposed standard pose a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability?

Summary Consideration:

Organization	Yes or No	Question 4 Comment
FirstEnergy Corp.	No	FirstEnergy believes this revised Standard supports competitive markets by shifting the applicability from Load Serving Entities to Planning Coordinators where the requirements can be properly executed in a more efficient manner.
Response: Thank you for your support.		
ITCTransmission, METC	No	
American Electric Power	No	
Dominion Resources Services, Inc.	No	
Duke Energy	No	
Consumers Energy	No	

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5. Does the proposed regional reliability standard meet at least one of the following criteria?

- The proposed standard has more specific criteria for the same requirements covered in a continent-wide standard
- The proposed standard has requirements that are not included in the corresponding continent-wide reliability standard
- The proposed regional difference is necessitated by a physical difference in the bulk power system.

Summary Consideration:

Organization	Yes or No	Question 5 Comment
FirstEnergy Corp.		The question is not applicable as no continent-wide standard yet exists regarding resource adequacy assessments. We commend RFC for its initiative in preparing this standard which will likely serve as a benchmark for developing a NERC standard on Resource Adequacy, as planned on the to be initiated NERC Standard Development Project 2009-05 Resource Adequacy Assessments. At the conclusion of that effort, the continued need for this RFC standard will be evaluated.
<p>Response: You are correct, there is currently no standard at the NERC level dealing with resource adequacy assessments. At such time a Continent wide standard related to resource adequacy is approved at the NERC level, the RFC BAL-502-RFC-02 standard will be re-evaluated for its continued need.</p>		
ITCTransmission, METC	Yes and No	<p>ITC voted against this standard in the regional process because from our perspective this standard should work in conjunction with NERC standard MOD-004-1, Capacity Benefit Margin. The underlying basis for MOD-004 is Resource Adequacy as is BAL-502-RFC-02.</p> <p>BAL-502-RFC-02 has minimal reference to the dependency on import capability on some or all systems to meet Resource Adequacy represented by the LOLE requirements of the RFC standard and makes no mention of the need to set aside transmission capacity in the form of CBM to accomplish this. Without such assurances the capacity may not be there when it is needed.</p> <p>R3 and R4 of MOD-004-1 are requirements which include the determination of the Generation Capability Import Requirement or GCIR (R3 is a requirement of the LSE while</p>

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Organization	Yes or No	Question 5 Comment
		<p>R4 is a requirement for the Resource Planner). Somewhere in BAL-502-RFC-02, there should have been a requirement to determine the GCIR by that name, or any name that represents the MW value of import required for an entity to meet LOLE requirements.</p> <p>To our knowledge, virtually all States within RFC allow the use of CBM to meet resource adequacy requirements. This is a historical fact. We believe that BAL-502-RFC-02 should be amended to provide a requirement for this calculation, which will be required to meet MOD-004-1 requirements. In its existing form, the regional RFC standard fails to provide for national standard requirements even though the compatibility of the two standards is obvious.</p>
<p>Response: The SDT believes the standard is not in conflict with the draft MOD-004-01 standard. The dependency on transmission to meet these requirements may be dealt with in other reliability standards. This standard allows the flexibility to adopt any future transmission assessment frameworks.</p>		
American Electric Power	Yes	
Dominion Resources Services, Inc.	Yes	
Duke Energy	Yes	
Consumers Energy	Yes	