

Prerequisite Approvals and Activities

There are no other reliability standards or Standard Authorization Requests (SARs), in progress or approved, that must be implemented before this set of Balance Resources and Demand standards can be implemented.

The standard drafting team did not make any changes to the last posted version of this plan.

As part of this implementation plan, the drafting team is recommending that some already approved requirements be retired or revised because they will be replaced or need to be updated to conform to Version 1 Balance Resources and Demand requirements.

Effective Dates

The following table shows the proposed effective dates for the Version 1 Balance Resources and Demand standards. The effective dates shown below are contingent on the approval of the reliability standards by a vote of the Ballot Pool that is scheduled for March 2007. The effective dates are also contingent on adoption and approval of these standards by the NERC Board of Trustees and applicable regulatory entities. These standards are scheduled for consideration by the board on May 2, 2007. Note that the effective dates were revised because the compliance staff requested that drafting teams begin selecting effective dates that begin on the first day of a calendar year’s quarter. The proposed effective dates allow time for applicable regulatory approvals following Board of Trustee adoption.

Version 1 Standard	Proposed Effective Date for Eastern Interconnection and ERCOT	Reason for Delay in Implementation	Proposed Effective Date for WECC and Hydro-Québec ¹
BAL-007 Balance of Resources and Demand	1 st day of 1 st quarter, 6 months after applicable regulatory approvals	Entities that didn’t participate in the field test need to update system operator tools so that system operators can monitor BAALs and Frequency Limits.	1 st day of 1 st quarter, 12 months after applicable regulatory approvals
BAL-008 Frequency and Area Control Error	1 st day of 1 st quarter, 6 months after applicable regulatory approvals	Entities that didn’t participate in the field test need to update system operator tools so that system operators can monitor BAALs and Frequency Limits.	1 st day of 1 st quarter, 12 months after applicable regulatory approvals
BAL-009 Actions to Return Frequency to within Frequency Trigger Limits	1 st day of 1 st quarter, 6 months after applicable regulatory approvals	Entities that didn’t participate in the field test need to update system operator tools so that system operators can monitor BAALs and Frequency Limits.	1 st day of 1 st quarter, 12 months after applicable regulatory approvals
BAL-010 Frequency Bias	1 st day of 1 st quarter, 3 months after applicable regulatory	Time needed for entities to update their frequency bias settings.	1 st day of 1 st quarter, 9 months after applicable regulatory

¹ This assumes that Hydro-Quebec is recognized by the ERO as an Interconnection before the standards become effective.

Implementation Plan for Balance Resources and Demands Standards (BAL-007 through BAL-011)

Settings	approvals		approvals
BAL-011 Frequency Limits	1 st day of 1 st quarter after applicable regulatory approvals	Limits have already been established for each Interconnection that was identified when the standard was developed.	1 st day of 1 st quarter 6 months after applicable regulatory approvals

Delayed Effective Dates for WECC and Hydro-Québec Interconnections

WECC and Hydro-Québec did not participate in the field test. WECC expressed interest in the field test but could not get approval to waive compliance to CPS2 under the WECC Reliability Management System program. Hydro-Québec was not a recognized interconnection when the field test was started, and did not identify itself as an interconnection or express any interest in participating in the field test until the last comment period provided for development of the standards. To ensure that the limits developed for these interconnections work as intended, the drafting team recommends that members of WECC and Hydro-Québec have a six-month field test to operate under the proposed standards, with any adjustments needed to the interconnection-wide frequency limits made during the field test period.

Implementation Plan for Balance Resources and Demands Standards (BAL-007 through BAL-011)

Approved Standard	Proposed Effective Date
BAL-001-0 Real Power Balancing Control Performance	Retire when compliance with BAL-007-1 becomes effective
BAL-003-0 Frequency Response and Bias	Retire when compliance with BAL-010-1 becomes effective
BAL-005-0 Automatic Generation Control <ul style="list-style-type: none">▪ Compliance Monitoring Responsibility 1.1.1	When BAL-007-1 through BAL-009-1 become effective
EOP-002-2 Capacity and Energy Emergencies <ul style="list-style-type: none">▪ R5	When BAL-007-1 through BAL-009-1 become effective
IRO-005-2 Reliability Coordination — Current Day Operations <ul style="list-style-type: none">▪ R4, 8, 9, 11	When BAL-007-1 through BAL-009-1 become effective

Compliance with Balance Resources and Demand Standards

Once the Version 1 Balance Resources and Demand standards are effective, the responsible entities identified in each of the standards must comply with the requirements in that standard in accordance with the effective dates. The following maps the Balance Resources and Demand requirements to each applicable function. Note that some of the standards in this set are revisions to already approved standards. Entities must continue to comply with all requirements in approved standards until the requirements in the approved standards are replaced or retired.

For example, BAL-001-0 should be retired when BAL-007-1 becomes effective. BAL-001-0 has requirements for Balancing Authorities. The Balancing Authority is responsible for compliance with all requirements in BAL-001-0 until the requirements in BAL-007-1 become effective.

Earlier Compliance Allowed

Following the approval of the Board of Trustees and prior to the effective date, any Balancing Authority that has the agreement of its Reliability Coordinator and the approval of its Compliance Monitor may begin operating under the Version 1 Balance Resources and Demand standards.

Recommended Modifications to Version 0 Standards

The following table shows the Balance Resources and Demand Standard Drafting Team’s recommendations for modifying or deleting some already approved standards or requirements. Justification for these recommendations is provided in the table. Redline versions showing the proposed changes to BAL-005, EOP-002, and IRO-005 have been posted.

Approved Standard	Recommendation	Reason
BAL-001-0 — Real Power Balancing Control Performance	Retire entire standard	BAL-001 requires compliance with CPS1 and CPS2; CPS1 is addressed in the new BAL-007; CPS2 is being retired based on stakeholder consensus
BAL-003-0 — Frequency Response and Bias	Retire entire standard	BAL-003 requires calculation of frequency bias, but the requirements aren't as objective as desired; BAL-010 contains more objective requirements for the calculation of frequency bias.
BAL-005-0 — Automatic Generation Control	Revise standard to remove references to CPS	BAL-005 contains a reference to CPS – the compliance monitoring section was update to change the reference to CPM.
EOP-002-2 — Capacity and Energy Emergencies	Revise standard to replace references to CPS	EOP-002 contains a reference to CPS – the requirement was updated to retain the intent while updating the reference to either CPM or BAAL.
IRO-005-1 — Reliability Coordination — Current Day Operations	Revise standard to replace references to CPS	IRO-005 contains some references to CPS — the requirements have been updated to retain the intent of each requirement while updating the reference to either CPM or BAAL.

Functions That Must Comply with the Proposed Standards

Standard	Functions That Must Comply With the Requirements
BAL-007-1 Balance of Resources and Demand	Balancing Authority (All requirements)
BAL-008-1 Frequency and Area Control Error	Reliability Coordinator (All requirements)
BAL-009-1 Actions to Return Frequency to within Frequency Trigger Limits	Balancing Authority (All requirements)
BAL-010-1 Frequency Bias Settings	Balancing Authority (All requirements)
BAL-011-1 Frequency Limits	NERC (All requirements)