

**Consideration of Comments on Initial Ballot of Urgent Action Revisions to BAL-004-0**

**Summary Consideration:** The Operating Committee did not make any changes to the Urgent Action Revisions to BAL-004-0 based on comments submitted with ballots.

<b>Organization:</b>	<b>American Public Power Association</b>
<b>Member:</b>	E. Nick Henery
<b>Comment:</b>	It is agreed that a NERC Committee cannot select the Interconnection Time Monitor (The RC). However, someone, perhaps the RE, must be required appoint an RC for the interconnection, otherwise if two RCs wanted the job, which RC does the BA follows?
<b>Response:</b>	<p>At its December 2007 meeting, the Operating Committee will consider developing a procedure for selecting and reviewing the performance of the time error correction monitors, and the details for how time corrections are initiated and terminated.</p> <p>Actually, the committee has been doing this all along – but it needs to be documented and added to the Operating Manual. The Operating Committee has approved the time monitor assignments in the Eastern Interconnection (AEP for many years, followed by MAPP, and now MISO). And the time monitors have always brought time correction issues to the OC or the Reliability Coordinator Working Group (now that the reliability coordinators perform this task) for resolution. The OC and RCWG have discussed time correction problems and reviewed correction orders that, for whatever reason, weren't effective. They have changed the start and end times, and readjusted the error boundaries as needed. We will continue doing these things, and will work with NAESB as needed.</p>
<b>Organization:</b>	<b>Entergy Corporation</b>
<b>Member:</b>	George R. Bartlett
<b>Comment:</b>	The new version removes the responsibility for the NERC OC to designate the Interconnection Time Monitor without indicating how this responsibility will be assigned in the future. Additionally, this revision now removes the responsibility of who initiates or terminates TE corrections, thus leaving it vague as to who actually directs the RCs and BAs to perform TE corrections.
<b>Response:</b>	<p>The Operating Committee will make this clear.</p> <p>At its December 2007 meeting, the Operating Committee will consider developing a procedure for selecting and reviewing the performance of the time error correction monitors, and the details for how time corrections are initiated and terminated.</p> <p>Actually, the committee has been doing this all along – but it needs to be documented and added to the Operating Manual. The Operating Committee has approved the time monitor assignments in the Eastern Interconnection (AEP for many years, followed by MAPP, and now MISO). And the time monitors have always brought time correction issues to the OC or the Reliability Coordinator Working Group (now that the reliability coordinators perform this task) for resolution. The OC and RCWG have discussed time correction problems and reviewed correction orders that, for whatever reason, weren't effective. They have changed the start and end times, and readjusted the error boundaries as needed. We will continue doing these things, and will work with NAESB as needed.</p>
<b>Organization:</b>	<b>FirstEnergy Energy Delivery</b>

<b>Member:</b>	Robert Martinko
<b>Comment:</b>	<p>FE is presently voting against the proposed SAR because of the concerns outlined below and respectfully requests that NERC consider our comments and suggestions while addressing the potential issues. SAR Purpose Statements and FE Positions</p> <p><b>1. Remove inappropriate compliance requirements on reliability coordinators who voluntarily agree to serve as Interconnection Time Monitors. This will help ensure that reliability coordinators continue to provide this voluntary service.</b>  FE Position: FE understands the issue at hand but simply removing the requirement can be detrimental from a reliability standpoint. While time-error in and of itself is not a reliability issue, it is an indicator that frequency control and ACE are not being maintained by some Balancing Authorities. Therefore, it is FE's view that the requirement for performing Time Monitor functions is an important reliability issue that should reside under the purview of mandatory enforcement. Additionally, as NERC has stated in this proposed SAR, time correction methods depend on frequency or bias offsets which can affect Interconnection reliability. Since a single Reliability Coordinator must be designated as the Time Monitor for a given Interconnection, we propose NERC consider a format where the responsibility would rotate on some periodic basis, annually, every two years, etc. among registered Reliability Coordinators throughout the Interconnection. This rotation schedule could be added as an Appendix of the standard and would remove the voluntary service aspect that is presently utilized.</p> <p><b>2. Remove inappropriate compliance requirements on the NERC Operating Committee, which is not a user, owner, or operator.</b>  FE Position: We agree with this because reliability standard requirements should not be the responsibility of the ERO since they are not a user, owner or operator of the bulk power system.</p> <p><b>3. Remove inappropriate requirements to follow NAESB business practices.</b>  FE Position: FE understands that NERC believes that referencing NAESB business practices within a NERC standard may not be appropriate. However, we believe that NAESB's Manual Time Error Correction standard WEQ-006 provides a set of requirements for proper time error correction. It sets a uniform method for this procedure that we believe should be adhered to and visible throughout the industry. The NAESB WEQ-006 is a FERC Approved Standard and required to be reflected by public utilities in their open access transmission tariffs (OATT). Therefore, FE believes it is appropriate to reference the NAESB WEQ-006 within the BAL-004 standard.</p>
<b>Response:</b>	<p>These are all important topics that the OC believes can be more effectively explained and implemented in an OC procedure rather than in this standard.</p> <p>From a practical standpoint, the Committee's experience over the decades has shown that organizations are very willing to provide this service. AEP was the Eastern Interconnection time monitor for many years. Then MAPP volunteered once we required the monitors to be Reliability Coordinators. And now MISO performs the service. The OC has found the monitors to be serious about their responsibilities, forthcoming in bringing time correction problems to the OC and Reliability Coordinator Working Group, and in tune with the needs and concerns of the balancing authorities.</p> <p>The Committee will most likely expect Reliability Coordinators to be the time monitors and has every reason to believe the RCs will carry out these tasks responsibly. The OC will consult with the Reliability Coordinator Working Group on the merits of rotating the time monitor responsibilities.</p> <p>It would seem very appropriate to reference the NAESB WEQ-006 in such an OC procedure.</p>

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<b>Organization:</b>	<b>Nebraska Public Power District</b>
<b>Member:</b>	Richard L. Koch
<b>Comment:</b>	<p>I believe the revised standard is incomplete in that it does not say who is responsible and authorized to initiate or terminate Time Error Corrections. For example, I can argue the proposed revision does not prevent a Generator Owner, Transmission Operator, etc. from initiating or terminating a Time Error Correction. As proposed, the BA must respond to any GO's request to participate in a Time Error Correction or be non-compliant with the Requirement. In my opinion, rather than deleting R2, the Standard is more complete by revising R2 to say: R2. The Interconnection Time Monitor shall monitor Time Error and shall initiate or terminate Time Error Correction orders. Only an Interconnection Time Monitor can initiate or terminate Time Error Correction orders. This approach will:</p> <ol style="list-style-type: none"> <li>1) Outline the role and responsibility of the Interconnection Time Monitor yet remain ambiguous enough to reduce the risk of sanctions for non-compliance.</li> <li>2) Limit who can initiate or terminate a Time Error Correction. Neither the existing Standard or the proposed Urgent Action limits who can initiate or terminate the order.</li> <li>3) Removes the reference to the NAESB business practice. I also believe this Urgent Action should be expanded to revise R3 to say... R3. Each Balancing Authority, when requested by the Interconnection Time Monitor, shall participate in a Time Error Correction by one of the following methods: This revision clarifies who's request the BA must respond. As written today, R3 requires the BA to respond to all requests regardless of who initiated the request. Note my proposed revision to R2 above may eliminate the need for this revision to R3.</li> </ol>
<b>Response:</b>	<p>The Operating Committee will make all these items clear. This list is helpful.</p> <p>At its December 2007 meeting, the Operating Committee will consider developing a procedure for selecting and reviewing the performance of the time error correction monitors, and the details for how time corrections are initiated and terminated.</p> <p>Actually, the committee has been doing this all along – but it needs to be documented and added to the Operating Manual. The Operating Committee has approved the time monitor assignments in the Eastern Interconnection (AEP for many years, followed by MAPP, and now MISO). And the time monitors have always brought time correction issues to the OC or the Reliability Coordinator Working Group (now that the reliability coordinators perform this task) for resolution. The OC and RCWG have discussed time correction problems and reviewed correction orders that, for whatever reason, weren't effective. They have changed the start and end times, and readjusted the error boundaries as needed. We will continue doing these things, and will work with NAESB as needed.</p>
<b>Organization:</b>	<b>Independent Electricity System Operator</b>
<b>Member:</b>	Don Tench
<b>Comment:</b>	Although we support the change to the standard we question the use of the urgent action process to affect the change. It is our view the change does not constitute the need to exercise the urgent action process.
<b>Response:</b>	The OC discussed this and agreed the issue needed to be dealt with quickly.
<b>Organization:</b>	<b>FirstEnergy Solutions</b>
<b>Member:</b>	Joanne Kathleen Borrell
<b>Comment:</b>	FE is presently voting against the proposed SAR because of the concerns outlined below and respectfully requests that NERC consider our comments and suggestions while addressing the potential issues. SAR Purpose Statements and FE Positions 1. Remove inappropriate compliance requirements on reliability coordinators who

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	<p>voluntarily agree to serve as Interconnection Time Monitors. This will help ensure that reliability coordinators continue to provide this voluntary service. FE Position: FE understands the issue at hand but simply removing the requirement can be detrimental from a reliability standpoint. While time-error in and of itself is not a reliability issue, it is an indicator that frequency control and ACE are not being maintained by some Balancing Authorities. Therefore, it is FE's view that the requirement for performing Time Monitor functions is an important reliability issue that should reside under the purview of mandatory enforcement. Additionally, as NERC has stated in this proposed SAR, time correction methods depend on frequency or bias offsets which can affect Interconnection reliability. Since a single Reliability Coordinator must be designated as the Time Monitor for a given Interconnection, we propose NERC consider a format where the responsibility would rotate on some periodic basis, annually, every two years, etc. among registered Reliability Coordinators throughout the Interconnection. This rotation schedule could be added as an Appendix of the standard and would remove the voluntary service aspect that is presently utilized. 2. Remove inappropriate compliance requirements on the NERC Operating Committee, which is not a user, owner, or operator. FE Position: We agree with this because reliability standard requirements should not be the responsibility of the ERO since they are not a user, owner or operator of the bulk power system. 3. Remove inappropriate requirements to follow NAESB business practices. FE Position: FE understands that NERC believes that referencing NAESB business practices within a NERC standard may not be appropriate. However, we believe that NAESB's Manual Time Error Correction standard WEQ-006 provides a set of requirements for proper time error correction. It sets a uniform method for this procedure that we believe should be adhered to and visible throughout the industry. The NAESB WEQ-006 is a FERC Approved Standard and required to be reflected by public utilities in their open access transmission tariffs (OATT). Therefore, FE believes it is appropriate to reference the NAESB WEQ-006 within the BAL-004 standard.</p>
<p><b>Response:</b></p>	<p>These are all important topics that the OC believes can be more effectively explained and implemented in an OC procedure rather than in this standard.</p> <p>From a practical standpoint, the Committee's experience over the decades has shown that organizations are very willing to provide this service. AEP was the Eastern Interconnection time monitor for many years. Then MAPP volunteered once we required the monitors to be Reliability Coordinators. And now MISO performs the service. The OC has found the monitors to be serious about their responsibilities, forthcoming in bringing time correction problems to the OC and Reliability Coordinator Working Group, and in tune with the needs and concerns of the balancing authorities.</p> <p>The Committee will most likely expect Reliability Coordinators to be the time monitors and has every reason to believe the RCs will carry out these tasks responsibly. The OC will consult with the Reliability Coordinator Working Group on the merits of rotating the time monitor responsibilities.</p> <p>It would seem very appropriate to reference the NAESB WEQ-006 in such an OC procedure.</p>
<p><b>Organization:</b></p>	<p><b>Entergy Services, Inc.</b></p>
<p><b>Member:</b></p>	<p>William Franklin</p>
<p><b>Comment:</b></p>	<p>The proposed new version removes the responsibility for the NERC OC to designate the Interconnection Time Monitor without indicating how this responsibility will be assigned in the future. Additionally, this revision now removes the responsibility of who initiates or terminates TE corrections, thus leaving it vague as to who actually directs the RCs and BAs to perform TE corrections. If it is a matter of the ITM being a voluntary service and NERC determines that it is a service that is needed for reliability, then maybe it should be a contracted service, for which an entity receives payment as well as the</p>

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	<p>responsibility (liability). Reliability functions should have assigned entities who are responsible for those activities. If the activity is not a reliability function, then a more appropriate action would be to remove the activity entirely from the Reliability Standards.</p>
<p><b>Response:</b></p>	<p>The Operating Committee will make this clear.</p> <p>At its December 2007 meeting, the Operating Committee will consider developing a procedure for selecting and reviewing the performance of the time error correction monitors, and the details for how time corrections are initiated and terminated.</p> <p>Actually, the committee has been doing this all along – but it needs to be documented and added to the Operating Manual. The Operating Committee has approved the time monitor assignments in the Eastern Interconnection (AEP for many years, followed by MAPP, and now MISO). And the time monitors have always brought time correction issues to the OC or the Reliability Coordinator Working Group (now that the reliability coordinators perform this task) for resolution. The OC and RCWG have discussed time correction problems and reviewed correction orders that, for whatever reason, weren't effective. They have changed the start and end times, and readjusted the error boundaries as needed. We will continue doing these things, and will work with NAESB as needed.</p>
<p><b>Organization:</b></p>	<p><b>SERC Reliability Corporation</b></p>
<p><b>Member:</b></p>	<p>Gerry W. Cauley</p>
<p><b>Comment:</b></p>	<p>This action is incorrectly labeled as a "SAR" when in fact the action is to approve a proposed revision to the standard. The changes requested are unnecessary to improve reliability. The reason cited that no RC will volunteer to be the time error monitor presents a false logic. There is not a single requirement within the standard that could be violated by the volunteer RC. All the requirements place obligations BA's and NERC, not the volunteer RC. Finally, this request does not come close to being an urgent action. The very same arguments presented to justify the change - that time error correction is not essential to reliability also means that removing it from the standard would have even less benefit for reliability. This is a perfect example of a standard that should proceed through the regular process. If the EI time monitor needs a letter stating the RC performing the time monitor function has no liability under this standard, that would be the correct and appropriate approach, not modifying the standard so that no time monitor is required. The time monitor does perform a valuable and long-standing function for the benefit of the interconnection and its users. It should not be undone so cavalierly.</p>
<p><b>Response:</b></p>	<p>The Committee was quite worried that the RC's might no longer agree to voluntarily serve as time monitors if they were liable for compliance under this standard, and there is no obvious way NERC can compel an RC to take on this responsibility.</p> <p>Before considering a change in the standard, the OC inquired about a letter as Mr. Cauley suggests. However, such a letter absolving the time monitor from compliance is tantamount to a compliance waiver, which the Compliance Program cannot provide.</p> <p>This left the Committee with no choice but request a change in the standard.</p> <p>From a practical standpoint, the Committee's experience with time monitors over the past decades has shown the monitors to be serious about their responsibilities and in tune with the needs and concerns of the balancing authorities. The Operating Committee believes these requirements are better explained and implemented through an OC procedure.</p>