

Staff Proposed Changes to Previously Balloted Violation Severity Levels (Balancing Resources and Demand and Interchange)

In its June 19, 2008 VSL Order, FERC directed NERC to review all Violation Severity Level assignments, (with the exception of those for which the Commission directed specific modification), for compliance with Guidelines 2b, 3, and 4 and submit a compliance filing either validating the current Violation Severity Level assignments or proposing revision. Here are the relevant "Guidelines":

- Guideline 2b — VSLs should not use ambiguous terms such as "minor" or "significant" to describe noncompliant performance.
- Guideline 3 — VSLs should be consistent with the corresponding requirement (VSLs should not expand on what is in the requirement).
- Guideline 4 — VSLs should be based on a single violation, not on a cumulative number of violations (unless stated otherwise in the requirement).

FERC also directed NERC to modify some VSLs and identified these VSLs in Appendix A of its VSL Order. The VSLs have been reviewed, balloted, and reviewed again for consistency with the FERC Guidelines. The review subsequent to the last ballot identified some discrepancies and inconsistencies in the VSL assignments last balloted. The VSLs in this document focus solely on those proposed changes necessary to resolve those inconsistencies. Each change is accompanied by an explanation, which provides the rationale for the proposed change.

The following tables show the previously balloted language and the staff proposed VSLs, edited with conforming changes made based on stakeholder comments submitted during the formal comment period that ended September 16, 2010.

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BAL-001-0.1a - Real Power Balancing Control Performance					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R4. Any Balancing Authority receiving Overlap Regulation Service shall not have its control performance evaluated (i.e. from a control performance perspective, the Balancing Authority has shifted all control requirements to the Balancing Authority providing Overlap Regulation Service).	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority receiving Overlap Regulation Service failed to ensure that control performance was being evaluated in a manner consistent with the calculation methodology as described in BAL-001-01 R3.
R4	<i>Proposed Change</i>	N/A	N/A	N/A	N/A
Explanation – Original VSL was inconsistent with FERC Guideline 3. The VSLs were removed on the basis that R4 is not a Requirement, but is instead a clarifying exception.					

BAL-002-0- Disturbance Control Performance

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R2. Each Regional Reliability Organization, sub-Regional Reliability Organization or Reserve Sharing Group shall specify its Contingency Reserve policies, including:	<i>Balloted Language</i>	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify 1 of the following sub-requirements.	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify 2 or 3 of the following sub-requirements.	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify 4 or 5 of the following sub-requirements.	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify all 6 of the following sub-requirements.
R2.1. The minimum reserve requirement for the group.	<i>Balloted Language</i>	N/A	N/A	N/A	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify the minimum reserve requirement for the group.
R2.2. Its allocation among members.	<i>Balloted Language</i>	N/A	N/A	N/A	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify the allocation of reserves among members.
R2.3. The permissible mix of Operating Reserve – Spinning and Operating Reserve – Supplemental that may be included in Contingency Reserve.	<i>Balloted Language</i>	N/A	N/A	N/A	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify the permissible mix of Operating Reserve – Spinning and Operating Reserve – Supplemental that may be included in Contingency Reserve.

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BAL-002-0- Disturbance Control Performance

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R2.4. The procedure for applying Contingency Reserve in practice.	<i>Balloted Language</i>	N/A	N/A	N/A	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to provide the procedure for applying Contingency Reserve in practice.
R2.5. The limitations, if any, upon the amount of interruptible load that may be included.	<i>Balloted Language</i>	N/A	N/A	N/A	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has failed to specify the limitations, if any, upon the amount of interruptible load that may be included.
R2.6. The same portion of resource capacity (e.g., reserves from jointly owned generation) shall not be counted more than once as Contingency Reserve by multiple Balancing Authorities.	<i>Balloted Language</i>	N/A	N/A	N/A	The Regional Reliability Organization, sub-Regional Reliability Organization, or Reserve Sharing Group has allowed the same portion of resource capacity (e.g., reserves from jointly owned generation) to be counted more than once as Contingency Reserve by multiple Balancing Authorities.
R2	<i>Proposed Change</i>	The responsible entity has failed to specify one sub-requirement in its Contingency Reserve policies	The responsible entity has failed to specify two sub-requirements in its Contingency Reserve policies.	The responsible entity has failed to specify three sub-requirements in its Contingency Reserve policies.	The responsible entity has failed to specify four or more sub-requirements in its Contingency Reserve policies.

Explanation – Revised reference to specific entities to “responsible entities” for consistency with current standards. Consistent with NERC’s August 11, 2009 informational filing with FERC, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on the number of missing

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BAL-002-0- Disturbance Control Performance

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
sub-requirements.					
R4. A Balancing Authority or Reserve Sharing Group shall meet the Disturbance Recovery Criterion within the Disturbance Recovery Period for 100% of Reportable Disturbances. The Disturbance Recovery Criterion is:	<i>Balloted Language</i>	The Balancing Authority or Reserve Sharing Group met the Disturbance Recovery Criterion within the Disturbance Recovery Period for more than 90% and less than 100% of Reportable Disturbances.	The Balancing Authority or Reserve Sharing Group met the Disturbance Recovery Criterion within the Disturbance Recovery Period for more than 80% and less than or equal to 90% of Reportable Disturbances.	The Balancing Authority or Reserve Sharing Group met the Disturbance Recovery Criterion within the Disturbance Recovery Period for more than 70% and less than or equal to 80% of Reportable Disturbances.	The Balancing Authority or Reserve Sharing Group met the Disturbance Recovery Criterion within the Disturbance Recovery Period for more than 0% and less than or equal to 70% of Reportable Disturbances.
R4	<i>Proposed Change</i>	The Balancing Authority or Reserve Sharing Group failed to meet the DCS requirement for 5% or less of Reportable Disturbances.	The Balancing Authority or Reserve Sharing Group failed to meet the DCS requirements for more than 5% up to (and including) 10% of Reportable Disturbances.	The Balancing Authority or Reserve Sharing Group failed to meet the DCS requirements for more than 10% up to (and including) 15% of Reportable Disturbances.	The Balancing Authority or Reserve Sharing Group failed to meet the DCS requirements for more than 15% of Reportable Disturbances.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R5. Each Reserve Sharing Group shall comply with the DCS. A Reserve Sharing Group shall be considered in a Reportable Disturbance condition whenever a group member has experienced a Reportable Disturbance and calls for the activation of Contingency Reserves from one or more other group members. (If a group member has experienced a Reportable Disturbance but does not call for reserve activation from other members of the Reserve Sharing Group, then that member shall report as a single Balancing	<i>Balloted Language</i>	The Reserve Sharing Group met the DCS requirement for more than 90% and less than 100% of Reportable Disturbances.	The Reserve Sharing Group met the DCS requirements for more than 80% and less than or equal to 90% of Reportable Disturbances.	The Reserve Sharing Group met the DCS requirements for more than 70% and less than or equal to 80% of Reportable Disturbances.	The Reserve Sharing Group met the DCS requirements for more than 0% and less than or equal to 70% of Reportable Disturbances.

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BAL-002-0- Disturbance Control Performance

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
Authority.) Compliance may be demonstrated by either of the following two methods:					
R5	<i>Proposed Change</i>	The Reserve Sharing Group failed to meet the DCS requirement for 5% or less of Reportable Disturbances.	The Reserve Sharing Group failed to meet the DCS requirements for more than 5% up to (and including) 10% of Reportable Disturbances.	The Reserve Sharing Group failed to meet the DCS requirements for more than 10% up to (and including) 15% of Reportable Disturbances.	The Reserve Sharing Group failed to meet the DCS requirements for more than 15% of Reportable Disturbances.

Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.

BAL-003-0.1b – Frequency Response and Bias

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R2. Each Balancing Authority shall establish and maintain a Frequency Bias Setting that is as close as practical to, or greater than, the Balancing Authority's Frequency Response. Frequency Bias may be calculated several ways:	<i>Balloted Language</i>	The Balancing Authority established and maintained a Frequency Bias Setting that was less than, the Balancing Authority's Frequency Response.	The Balancing Authority's determination of the fixed Frequency Bias value was not based on observations and averaging the Frequency Response from Disturbances during on-peak hours. OR The Balancing Authority's variable frequency bias maintained was not based on an analysis of Frequency Response as it varied with factors such as load, generation, governor characteristics, and frequency.	N/A	N/A
R2.1. The Balancing Authority may use a fixed Frequency Bias value which is based on a fixed, straight-line function of Tie Line deviation versus Frequency Deviation. The Balancing Authority shall determine the fixed value by observing and averaging the Frequency Response for several Disturbances during on-peak hours.		The Balancing Authority determination of the fixed Frequency Bias value was not based on observations and averaging the Frequency Response from Disturbances during on-peak hours.	N/A	N/A	N/A
R2.2. The Balancing Authority may use a variable (linear or non-linear) bias value, which is based on a variable function of Tie Line deviation to Frequency Deviation. The Balancing Authority shall determine the variable frequency		The Balancing Authorities variable frequency bias maintained was not based on an analysis of Frequency Response as it varied with factors such as load, generation,	N/A	N/A	N/A

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BAL-003-0.1b – Frequency Response and Bias

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
bias value by analyzing Frequency Response as it varies with factors such as load, generation, governor characteristics, and frequency.		governor characteristics, and frequency.			
R2	<i>Proposed Change</i>	<p>The Balancing Authority's determination of the fixed Frequency Bias value was not based on observations and averaging the Frequency Response from Disturbances during on-peak hours.</p> <p>OR</p> <p>The Balancing Authority's variable frequency bias maintained was not based on an analysis of Frequency Response as it varied with factors such as load, generation, governor characteristics, and frequency.</p>	N/A	N/A	The Balancing Authority did not establish and maintain a Frequency Bias Setting that was as close as practical to, or greater than, the Balancing Authority's Frequency Response.
Explanation – The VSLs were modified to be consistent with FERC Guideline 3.					
R6. A Balancing Authority that is performing Overlap Regulation Service shall increase its Frequency Bias Setting to match the frequency response of the entire area being controlled. A Balancing Authority shall not change its Frequency Bias Setting when performing Supplemental Regulation Service.	<i>Balloted Language</i>	N/A	The Balancing Authority that was performing Overlap Regulation Service changed its Frequency Bias Setting while performing Supplemental Regulation Service.	The Balancing Authority that was performing Overlap Regulation Service failed to increase its Frequency Bias Setting to match the frequency response of the entire area being controlled.	N/A

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BAL-003-0.1b – Frequency Response and Bias

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R6	<i>Proposed Change</i>	N/A	N/A	The Balancing Authority providing Overlap Regulation Service increased its Frequency Bias Setting but not enough to match the response of the entire area being controlled.	The Balancing Authority providing Overlap Regulation Service failed to increase its Frequency Bias Setting at all, when required to match the frequency response of the entire area being controlled. OR The Balancing Authority providing Supplemental Regulation Service changed its Frequency Bias Setting, when performing Supplemental Regulation Service.

Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.

BAL-004-0 – Time Error Correction					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R3. Each Balancing Authority, when requested, shall participate in a Time Error Correction by one of the following methods:	<i>Balloted Language</i>	The Balancing Authority participated in more than 75% and less than 100% of requested Time Error Corrections for the calendar year.	The Balancing Authority participated in more than 50% and less than or equal to 75% of requested Time Error Corrections for the calendar year.	The Balancing Authority participated in more than 25% and less than or equal to 50% of requested Time Error Corrections for the calendar year.	The Balancing Authority participated in less than or equal to 25% of requested Time Error Corrections for the calendar year.
R3.1. The Balancing Authority shall offset its frequency schedule by 0.02 Hertz, leaving the Frequency Bias Setting normal; or	<i>Balloted Language</i>	The Balancing Authority failed to offset its frequency schedule by 0.02 Hertz and leave their Frequency Bias Setting normal for 0 to 25% of the time error corrections for the year.	The Balancing Authority failed to offset its frequency schedule by 0.02 Hertz and leave their Frequency Bias Setting normal for 25 to 50% of the time error corrections for the year.	The Balancing Authority failed to offset its frequency schedule by 0.02 Hertz and leave their Frequency Bias Setting normal for 50 to 75% of the time error corrections for the year.	The Balancing Authority failed to offset its frequency schedule by 0.02 Hertz and leave their Frequency Bias Setting normal for 75% or more of the time error corrections for the year.
R3.2. The Balancing Authority shall offset its Net Interchange Schedule (MW) by an amount equal to the computed bias contribution during a 0.02 Hertz Frequency Deviation (i.e. 20% of the Frequency Bias Setting).	<i>Balloted Language</i>	The Balancing Authority failed to offset its net interchange schedule frequency schedule by 20% of their frequency bias for 0 to 25% of the time error corrections.	The Balancing Authority failed to offset its net interchange schedule frequency schedule by 20% of their frequency bias for 25 to 50% of the time error corrections.	The Balancing Authority failed to offset its net interchange schedule frequency schedule by 20% of their frequency bias for 50 to 75% of the time error corrections.	The Balancing Authority failed to offset its net interchange schedule frequency schedule by 20% of their frequency bias for 75% or more of the time error corrections.
R3	<i>Proposed Change</i>	N/A	N/A	N/A	The Balancing Authority failed to participate in the Time Error Correction when requested. OR The Balancing Authority participated in the Time Error Correction when requested, but did not use one of the methods defined in R3.1 or R3.2.

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BAL-004-0 – Time Error Correction

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
Explanation – The VSLs were modified to be consistent with FERC Guideline 4. Consistent with Guidelines filed with FERC on August 11, 2009, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.					

BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1 All generation, transmission, and load operating within an Interconnection must be included within the metered boundaries of a Balancing Authority Area.	<i>Balloted Language</i>	N/A	N/A	N/A	N/A
R1.1. Each Generator Operator with generation facilities operating in an Interconnection shall ensure that those generation facilities are included within the metered boundaries of a Balancing Authority Area.	<i>Balloted Language</i>	N/A	N/A	N/A	The Generator Operator with generation facilities operating in an Interconnection failed to ensure that those generation facilities were included within metered boundaries of a Balancing Authority Area.
R1.2. Each Transmission Operator with transmission facilities operating in an Interconnection shall ensure that those transmission facilities are included within the metered boundaries of a Balancing Authority Area.	<i>Balloted Language</i>	N/A	N/A	N/A	The Transmission Operator with transmission facilities operating in an Interconnection failed to ensure that those transmission facilities were included within metered boundaries of a Balancing Authority Area.
R1.3. Each Load-Serving Entity with load operating in an Interconnection shall ensure that those loads are included within the metered boundaries of a Balancing Authority Area.	<i>Balloted Language</i>	N/A	N/A	N/A	The Load-Serving Entity with load operating in an Interconnection failed to ensure that those loads were included within metered boundaries of a Balancing Authority Area.
R1 All generation, transmission, and load operating within an Interconnection must be included within the metered boundaries of	<i>Proposed Change</i>	The Generator Operator with generation facilities operating in an Interconnection failed to ensure that 5% or less of	The Generator Operator with generation facilities operating in an Interconnection failed to ensure that more than 5%	The Generator Operator with generation facilities operating in an Interconnection failed to ensure that more than	The Generator Operator with generation facilities operating in an Interconnection failed to ensure that more than

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BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
a Balancing Authority Area.		<p>those generation facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Transmission Operator with transmission facilities operating in an Interconnection failed to ensure that 5% or less of those transmission facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Load-Serving Entity with load operating in an Interconnection failed to ensure that 5% or less of those loads were included within metered boundaries of a Balancing Authority Area.</p>	<p>up to (and including) 10% of those generation facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Transmission Operator with transmission facilities operating in an Interconnection failed to ensure that more than 5% up to (and including) 10% of those transmission facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Load-Serving Entity with load operating in an Interconnection failed to ensure that more than 5% up to (and including) 10% of those loads were included within metered boundaries of a Balancing Authority Area.</p>	<p>10% up to (and including) 15% of those generation facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Transmission Operator with transmission facilities operating in an Interconnection failed to ensure that more than 10% up to (and including) 15% of those transmission facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Load-Serving Entity with load operating in an Interconnection failed to ensure that more than 10% up to (and including) 15% of those loads were included within metered boundaries of a Balancing Authority Area.</p>	<p>15% of those generation facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Transmission Operator with transmission facilities operating in an Interconnection failed to ensure that more than 15% of those transmission facilities were included within metered boundaries of a Balancing Authority Area.</p> <p>OR</p> <p>The Load-Serving Entity with load operating in an Interconnection failed to ensure that more than 15% of those loads were included within metered boundaries of a Balancing Authority Area.</p>
R1.1	<i>Proposed Change</i>	N/A	N/A	N/A	N/A

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BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1.2	<i>Proposed Change</i>	N/A	N/A	N/A	N/A
R1.3	<i>Proposed Change</i>	N/A	N/A	N/A	N/A
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R3. A Balancing Authority providing Regulation Service shall ensure that adequate metering, communications and control equipment are employed to prevent such service from becoming a Burden on the Interconnection or other Balancing Authority Areas.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority providing Regulation Service failed to ensure adequate metering, communications, and control equipment was provided.
R3	<i>Proposed Change</i>	N/A	The Balancing Authority providing Regulation Service failed to ensure that one of the following: metering, communication, or control was provided.	The Balancing Authority providing Regulation Service failed to ensure that two of the following were provided: adequate metering, communications, or control equipment.	The Balancing Authority providing Regulation Service failed to ensure adequate metering, communications, and control equipment was provided.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R4. A Balancing Authority providing Regulation Service shall notify the Host Balancing Authority for whom it is controlling if it is unable to provide the service, as well as any Intermediate Balancing Authorities.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority providing Regulation Service failed to notify the Host Balancing Authority for whom it is controlling if it was unable to provide the service, as well as any Intermediate Balancing Authorities.
R4	<i>Proposed Change</i>	N/A	N/A	The Balancing Authority providing Regulation	The Balancing Authority providing Regulation

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BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
				Service failed to notify one or more of the Intermediate Balancing Authorities that it was unable to provide the service.	Service failed to notify the Host Balancing Authority for whom it was controlling that it was unable to provide the service.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R6. The Balancing Authority's AGC shall compare total Net Actual Interchange to total Net Scheduled Interchange plus Frequency Bias obligation to determine the Balancing Authority's ACE. Single Balancing Authorities operating asynchronously may employ alternative ACE calculations such as (but not limited to) flat frequency control. If a Balancing Authority is unable to calculate ACE for more than 30 minutes it shall notify its Reliability Coordinator.	<i>Balloted Language</i>	The Balancing Authority failed to notify the Reliability Coordinator within 30 minutes of its inability to calculate ACE.	The Balancing Authority failed to calculate ACE as specified in the requirement.	N/A	The Balancing Authority failed to notify the Reliability Coordinator within 30 minutes of its inability to calculate ACE and failed to use the ACE calculation specified in the requirement in its attempt to calculate ACE.
R6	<i>Proposed Change</i>	The Balancing Authority failed to notify the Reliability Coordinator that it was unable to calculate ACE for more than 30 minutes.	The Balancing Authority failed to calculate ACE in the manner specified in the requirement when performing its calculations.	N/A	The Balancing Authority failed to calculate ACE in the manner specified in the requirement when performing its calculations. AND The Balancing Authority failed to notify the Reliability Coordinator that it was unable to calculate ACE for more

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BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
					than 30 minutes.
Explanation – The VSLs were modified to be consistent with FERC Guideline 3.					
R8. The Balancing Authority shall ensure that data acquisition for and calculation of ACE occur at least every six seconds.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to ensure that data acquisition for and calculation of ACE occurred at least every six seconds.
R8.1. Each Balancing Authority shall provide redundant and independent frequency metering equipment that shall automatically activate upon detection of failure of the primary source. This overall installation shall provide a minimum availability of 99.95%.	<i>Balloted Language</i>	N/A	N/A	N/A	N/A
R8	<i>Proposed Change</i>	The Balancing Authority did not acquire data for and calculate ACE at least every 6 seconds, but did acquire data for and calculate ACE at least every 8 seconds. OR The Balancing Authority failed to provide redundant and independent frequency metering equipment that automatically activated upon detection of failure, such that the minimum availability was less than 99.95%, as specified in R8.1.	The Balancing Authority did not acquire data for and calculate ACE at least every 6 seconds, but did acquire data for and calculate ACE at least every 10 seconds.	The Balancing Authority did not acquire data for and calculate ACE at least every 6 seconds, but did acquire data for and calculate ACE at least every 12 seconds	The Balancing Authority did not acquire data for and calculate ACE at least every 12 seconds.

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BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
Explanation – The VSLs were modified to be consistent with FERC Guideline 3, and for clarity and consistency with other standards and VSLs.					
R11. Balancing Authorities shall include the effect of Ramp rates, which shall be identical and agreed to between affected Balancing Authorities, in the Scheduled Interchange values to calculate ACE.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to include the effect of Ramp rates in the Scheduled Interchange values to calculate ACE.
R11	<i>Proposed Change</i>	N/A	N/A	The Balancing Authority included the effects of Ramp rates in the Scheduled Interchange values but they were not identical and agreed to between affected Balancing Authorities	The Balancing Authority failed to include the effect of Ramp rates in the Scheduled Interchange values to calculate ACE.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R12. Each Balancing Authority shall include all Tie Line flows with Adjacent Balancing Authority Areas in the ACE calculation.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to include all Tie Line flows with Adjacent Balancing Authority Areas in the ACE calculation.
R12	<i>Proposed Change</i>	The Balancing Authority failed to include 5% or less of all its Tie Line flows in its ACE calculations.	The Balancing Authority failed to include more than 5% up to (and including) 10% of all its Tie Line flows in its ACE calculations.	The Balancing Authority failed to include more than 10% up to (and including) 15% of all its Tie Line flows in its ACE calculations.	The Balancing Authority failed to include more than 15% of all its Tie Line flows in its ACE calculations.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R13. Authority shall perform hourly error checks using Tie Line megawatt-hour meters with common time synchronization to determine the accuracy of its control equipment. The Balancing	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to perform hourly error checks using Tie Line megawatt-hour meters with common time synchronization to

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BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
Authority shall adjust the component (e.g., Tie Line meter) of ACE that is in error (if known) or use the interchange meter error (IME) term of the ACE equation to compensate for any equipment error until repairs can be made.					determine the accuracy of its control equipment OR the Balancing Authority failed to adjust the component (e.g., Tie Line meter) of ACE that is in error (if known) or use the interchange meter error (IME) term of the ACE equation to compensate for any equipment error until repairs can be made.
R13	<i>Proposed Change</i>	N/A	N/A	The Balancing Authority performed the hourly error checks using Tie Line megawatt-hour meters with common time synchronization to determine the accuracy of its control equipment but the Balancing Authority failed to adjust the component (e.g., Tie Line meter) of ACE that is in error (if known) or use the interchange meter error (IME) term of the ACE equation to compensate for any equipment error until repairs can be made.	The Balancing Authority failed to perform hourly error checks using Tie Line megawatt-hour meters with common time synchronization to determine the accuracy of its control equipment and the Balancing Authority failed to adjust the component (e.g., Tie Line meter) of ACE that is in error (if known) or use the interchange meter error (IME) term of the ACE equation to compensate for any equipment error until repairs can be made.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R14. The Balancing Authority shall provide its operating personnel with sufficient instrumentation and data recording equipment to facilitate monitoring of control	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to provide its operating personnel with sufficient instrumentation and data recording equipment to facilitate

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

BAL-005-0.1b – Automatic Generation Control

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
performance, generation response, and after-the-fact analysis of area performance. As a minimum, the Balancing Authority shall provide its operating personnel with real-time values for ACE, Interconnection frequency and Net Actual Interchange with each Adjacent Balancing Authority Area.					monitoring of control performance, generation response, and after-the-fact analysis of area performance.
R14	<i>Proposed Change</i>	N/A	The responsible entity did not provide its operating personnel with real-time values for one of the following: ACE, Interconnection frequency or Net Actual Interchange.	The responsible entity did not provide its operating personnel with real-time values for two of the following: ACE, Interconnection frequency or Net Actual Interchange.	The responsible entity did not provide its operating personnel with real-time values for ACE, Interconnection frequency and Net Actual Interchange.

Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.

BAL-006-1.1 – Inadvertent Interchange

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R2. Each Balancing Authority shall include all AC tie lines that connect to its Adjacent Balancing Authority Areas in its Inadvertent Interchange account. The Balancing Authority shall take into account interchange served by jointly owned generators.	<i>Balloted Language</i>	N/A	N/A	The Balancing Authority failed to include all AC tie lines that connect to its Adjacent Balancing Authority Areas in its Inadvertent Interchange account. OR Failed to take into account interchange served by jointly owned generators.	The Balancing Authority failed to include all AC tie lines that connect to its Adjacent Balancing Authority Areas in its Inadvertent Interchange account. AND Failed to take into account interchange served by jointly owned generators.
R2	<i>Proposed Change</i>	The Balancing Authority failed to include 5% or less than all AC tie lines, including the interchange served by jointly owned generators, in its Inadvertent Interchange account.	The Balancing Authority failed to include more than 5% up to (and including) 10% of all AC tie lines, including the interchange served by jointly owned generators, in its Inadvertent Interchange account	The Balancing Authority failed to include more than 10% up to (and including) 15% of all AC tie lines, including the interchange served by jointly owned generators, in its Inadvertent Interchange account.	The Balancing Authority failed to include more than 15% of all AC tie lines, including the interchange served by jointly owned generators, in its Inadvertent Interchange account
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs.					
R4. Adjacent Balancing Authority Areas shall operate to a common Net Interchange Schedule and Actual Net Interchange value and shall record these hourly quantities, with like values but opposite sign. Each Balancing Authority shall compute its Inadvertent Interchange based on the following:	<i>Balloted Language</i>	The Balancing Authority failed to record Actual Net Interchange values that are equal but opposite in sign to its Adjacent Balancing Authorities.	The Balancing Authority failed to compute Inadvertent Interchange.	The Balancing Authority failed to operate to a common Net Interchange Schedule that is equal but opposite to its Adjacent Balancing Authorities.	N/A
R4.1. Each Balancing Authority, by the end of the next business	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority, by the end of the next

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

BAL-006-1.1 – Inadvertent Interchange

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
day, shall agree with its Adjacent Balancing Authorities to:					business day, failed to agree with its Adjacent Balancing Authorities to the hourly values of Net Interchanged Schedule. AND The hourly integrated megawatt-hour values of Net Actual Interchange.
R4.1.1. The hourly values of Net Interchange Schedule.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority, by the end of the next business day, failed to agree with its Adjacent Balancing Authorities to the hourly values of Net Interchanged Schedule.
R4.1.2. The hourly integrated megawatt-hour values of Net Actual Interchange.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority, by the end of the next business day, failed to agree with its Adjacent Balancing Authorities to the hourly integrated megawatt-hour values of Net Actual Interchange.
R4.2. Each Balancing Authority shall use the agreed-to daily and monthly accounting data to compile its monthly accumulated Inadvertent Interchange for the On-Peak and Off-Peak hours of the month.	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to use the agreed-to daily and monthly accounting data to compile its monthly accumulated Inadvertent Interchange for the On-Peak and Off-Peak hours of the month.
R4.3. A Balancing Authority shall make after-the-fact corrections to	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to make after-the-

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

BAL-006-1.1 – Inadvertent Interchange

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
the agreed-to daily and monthly accounting data only as needed to reflect actual operating conditions (e.g. a meter being used for control was sending bad data). Changes or corrections based on non-reliability considerations shall not be reflected in the Balancing Authority's Inadvertent Interchange. After-the-fact corrections to scheduled or actual values will not be accepted without agreement of the Adjacent Balancing Authority(ies).					fact corrections to the agreed-to daily and monthly accounting data to reflect actual operating conditions or changes or corrections based on non-reliability considerations were reflected in the Balancing Authority's Inadvertent Interchange.
R4	<i>Proposed Change</i>	The Balancing Authority operated to a common Net Interchange Schedule and Actual Net Interchange value and recorded these hourly quantities, with like values but opposite sign but by the end of the next business day, failed to agree with its Adjacent Balancing Authorities on the values stipulated in either R4.1.1 or R4.1.2.	The Balancing Authority operated to a common Net Interchange Schedule and Actual Net Interchange value and recorded these hourly quantities, with like values but opposite sign but by the end of the next business day, failed to agree with its Adjacent Balancing Authorities on values stipulated in both R4.1.1 and R4.1.2.	The Balancing Authority operated to a common Net Interchange Schedule and Actual Net Interchange value but failed to compute Inadvertent Interchange.	The Balancing Authority failed to operate to a common Net Interchange Schedule that is equal but opposite to its Adjacent Balancing Authorities.
Explanation – The VSLs were modified for clarity and consistency with other standards and VSLs. Consistent with Guidelines filed with FERC on August 11, 2009, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.					
R5. Adjacent Balancing Authorities that cannot mutually agree upon their respective Net Actual Interchange or Net Scheduled Interchange quantities by the 15th calendar day of the	<i>Balloted Language</i>	Adjacent Balancing Authorities that could not mutually agree upon their respective Net Actual Interchange or Net Scheduled Interchange	Adjacent Balancing Authorities that could not mutually agree upon their respective Net Actual Interchange or Net Scheduled Interchange	N/A	N/A

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

BAL-006-1.1 – Inadvertent Interchange

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
following month shall, for the purposes of dispute resolution, submit a report to their respective Regional Reliability Organization Survey Contact. The report shall describe the nature and the cause of the dispute as well as a process for correcting the discrepancy.		quantities, submitted a report to their respective Regional Reliability Organizations Survey Contact describing the nature and the cause of the dispute but failed to provide a process for correcting the discrepancy.	quantities by the 15th calendar day of the following month, failed to submit a report to their respective Regional Reliability Organizations Survey Contact describing the nature and the cause of the dispute as well as a process for correcting the discrepancy.		
R5	<i>Proposed Change</i>	N/A	Adjacent Balancing Authorities that could not mutually agree upon their respective Net Actual Interchange or Net Scheduled Interchange quantities, by the 15th calendar day of the following month, submitted a report to their respective Regional Reliability Organizations Survey Contact describing the nature and the cause of the dispute but failed to provide a process for correcting the discrepancy.	N/A	Adjacent Balancing Authorities that could not mutually agree upon their respective Net Actual Interchange or Net Scheduled Interchange quantities by the 15th calendar day of the following month, failed to submit a report to their respective Regional Reliability Organizations Survey Contact describing the nature and the cause of the dispute as well as a process for correcting the discrepancy.
Explanation – The VSLs were modified to be consistent with FERC Guideline 3, as well as for clarity and consistency with other standards and VSLs.					

INT-001-3 – Interchange Information					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1. The Load-Serving, Purchasing-Selling Entity shall ensure that Arranged Interchange is submitted to the Interchange Authority for:	<i>Balloted Language</i>	The Load-Serving, Purchasing-Selling Entity experienced one instance of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for: (see below)	The Load-Serving, Purchasing-Selling Entity experienced two instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for: (see below)	The Load-Serving, Purchasing-Selling Entity experienced three instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for: (see below)	The Load-Serving, Purchasing-Selling Entity experienced four instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for: (see below)
R1.1. All Dynamic Schedules at the expected average MW profile for each hour.	<i>Balloted Language</i>	The Load-Serving, Purchasing-Selling Entity experienced one instance of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for all Dynamic Schedules at the expected average MW profile for each hour.	The Load-Serving, Purchasing-Selling Entity experienced two instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for all Dynamic Schedules at the expected average MW profile for each hour.	The Load-Serving, Purchasing-Selling Entity experienced three instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for all Dynamic Schedules at the expected average MW profile for each hour.	The Load-Serving, Purchasing-Selling Entity experienced four instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for all Dynamic Schedules at the expected average MW profile for each hour.
R1	<i>Proposed Change</i>	N/A	N/A	N/A	The Load-Serving, Purchasing-Selling Entity failed to ensure that a Dynamic Schedule at the expected average MW profile for an hour was submitted to the Interchange Authority; as required by R1.1.
Explanation – The VSLs were modified to be consistent with FERC Guidelines 3 and 4. Consistent with Guidelines filed with FERC on August 11, 2009, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.					
R2. The Sink Balancing Authority shall ensure that Arranged Interchange is	<i>Balloted Language</i>	The Sink Balancing Authority experienced one instance of failing to ensure that	The Sink Balancing Authority experienced two instances of failing	The Sink Balancing Authority experienced three instances of	The Sink Balancing Authority experienced four instances of failing to

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-001-3 – Interchange Information					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
submitted to the Interchange Authority:		Arranged Interchange was submitted to the Interchange Authority (see below)	to ensure that Arranged Interchange was submitted to the Interchange Authority (see below)	failing to ensure that Arranged Interchange was submitted to the Interchange Authority (see below)	ensure that Arranged Interchange was submitted to the Interchange Authority (see below)
R2.1. If a Purchasing-Selling Entity is not involved in the Interchange, such as delivery from a jointly owned generator.	<i>Balloted Language</i>	The Sink Balancing Authority experienced one instance of failing to ensure that Arranged Interchange was submitted to the Interchange Authority if a Purchasing-Selling Entity was not involved in the Interchange, such as delivery from a jointly owned generator.	The Sink Balancing Authority experienced two instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority if a Purchasing-Selling Entity was not involved in the Interchange, such as delivery from a jointly owned generator.	The Sink Balancing Authority experienced three instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority if a Purchasing-Selling Entity was not involved in the Interchange, such as delivery from a jointly owned generator.	The Sink Balancing Authority experienced four instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority if a Purchasing-Selling Entity was not involved in the Interchange, such as delivery from a jointly owned generator.
R2.2. For each bilateral Inadvertent Interchange payback.	<i>Balloted Language</i>	The Sink Balancing Authority experienced one instance of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for each bilateral Inadvertent Interchange payback.	The Sink Balancing Authority experienced two instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for each bilateral Inadvertent Interchange payback.	The Sink Balancing Authority experienced three instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for each bilateral Inadvertent Interchange payback.	The Sink Balancing Authority experienced four instances of failing to ensure that Arranged Interchange was submitted to the Interchange Authority for each bilateral Inadvertent Interchange payback.
R2	<i>Proposed Change</i>	N/A	N/A	N/A	The Sink Balancing Authority failed to ensure that Arranged Interchange was submitted to the Interchange Authority as required by R2.1 and R2.2.
Explanation – The VSLs were modified to be consistent with FERC Guideline 4, as well as for clarity and consistency with other standards and VSLs. Consistent with Guidelines filed with FERC on August 11, 2009 NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.					

INT-004-2 – Dynamic Interchange Transaction Modifications					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1. At such time as the reliability event allows for the reloading of the transaction, the entity that initiated the curtailment shall release the limit on the Interchange Transaction tag to allow reloading the transaction and shall communicate the release of the limit to the Sink Balancing Authority.	<i>Balloted Language</i>	The entity that initiated the curtailment failed to communicate the transaction reload to the Sink Balancing Authority	The entity that initiated the curtailment failed to reload the transaction and failed to communicate to the Sink Balancing Authority	N/A	N/A
R1	<i>Proposed Change</i>	The responsible entity that initiated a curtailment released the limit on the Interchange Transaction tag, at such time as the reliability event allowed for the reloading of the transaction, but failed to communicate the release of the limit to the Sink Balancing Authority.	N/A	N/A	The responsible entity that initiated a curtailment failed to release the limit on the Interchange Transaction tag, at such time as the reliability event allowed for the reloading of the transaction.
Explanation – The VSLs were modified to be consistent with FERC Guideline 3, as well as for clarity and consistency with other standards and VSLs					

INT-005-3 - Interchange Authority Distributes Arranged Interchange					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1. Prior to the expiration of the time period defined in the timing requirements tables in this standard, Column A, the Interchange Authority shall distribute the Arranged Interchange information for reliability assessment to all reliability entities involved in the Interchange.	<i>Balloted Language</i>	The Interchange Authority experienced one occurrence of not distributing information to all involved reliability entities.	The Interchange Authority experienced two occurrences of not distributing information to all involved reliability entities	The Interchange Authority experienced three occurrences of not distributing information to all involved reliability entities	The Interchange Authority experienced four occurrences of not distributing information to all involved reliability entities
R1	<i>Proposed Change</i>	The Interchange Authority distributed the Arranged Interchange information for reliability assessment, but did not distribute it to one of the reliability entities involved in the Interchange prior to the expiration of the time period defined in the Timing Table, Column A.	The Interchange Authority distributed the Arranged Interchange information for reliability assessment, but did not distribute it to two of the reliability entities involved in the Interchange prior to the expiration of the time period defined in the Timing Table, Column A.	The Interchange Authority distributed the Arranged Interchange information for reliability assessment, but did not distribute it to three of the reliability entities involved in the Interchange prior to the expiration of the time period defined in the Timing Table, Column A.	The Interchange Authority distributed the Arranged Interchange information for reliability assessment, but did not distribute it to four or more of the reliability entities involved in the Interchange prior to the expiration of the time period defined in the Timing Table, Column A.
Explanation – The VSLs were modified to be consistent with FERC Guideline 4.					

INT-006-3 - Response to Interchange Authority

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1. Prior to the expiration of the reliability assessment period defined in the timing requirements tables in this standard, Column B, the Balancing Authority and Transmission Service Provider shall respond to each On-time Request for Interchange (RFI), and to each Emergency RFI and Reliability Adjustment RFI from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange.	<i>Balloted Language</i>	The Responsible Entity failed on one occasion to respond to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange.	The Responsible Entity failed on two occasions to respond to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange.	The Responsible Entity failed on three occasions to respond to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange.	The Responsible Entity failed on four occasions to respond to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange.
R1.1. Each involved Balancing Authority shall evaluate the Arranged Interchange with respect to:	<i>Balloted Language</i>	The Balancing Authority failed to evaluate arranged interchange with respect to one of the requirements in the 3 sub-components.	N/A	The Balancing Authority failed to evaluate arranged interchange with respect to two of the requirements in the 3 sub-components.	The Balancing Authority failed to evaluate arranged interchange with respect to three of the requirements in the 3 sub-components.
R1.1.1. Energy profile (ability to support the magnitude of the Interchange).	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to evaluate Energy profile (ability to support the magnitude of the Interchange).
R1.1.2. Ramp (ability of generation maneuverability to accommodate).	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to evaluate Ramp (ability of generation maneuverability to accommodate).
R1.1.3. Scheduling path (proper connectivity of Adjacent Balancing Authorities).	<i>Balloted Language</i>	N/A	N/A	N/A	The Balancing Authority failed to evaluate Scheduling path (proper connectivity of Adjacent

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-006-3 - Response to Interchange Authority

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
					Balancing Authorities).
R1.2. Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.	<i>Balloted Language</i>	The Transmission Service Provider experienced one instance of failing to confirm that the transmission service arrangements associated with the Arranged Interchange had adjacent Transmission Service Provider connectivity, were valid and prevailing transmission system limits would not be violated.	The Transmission Service Provider experienced two instances of failing to confirm that the transmission service arrangements associated with the Arranged Interchange had adjacent Transmission Service Provider connectivity, were valid and prevailing transmission system limits would not be violated.	The Transmission Service Provider experienced three instances of failing to confirm that the transmission service arrangements associated with the Arranged Interchange had adjacent Transmission Service Provider connectivity, were valid and prevailing transmission system limits would not be violated.	The Transmission Service Provider experience four instances of failing to confirm that the transmission service arrangements associated with the Arranged Interchange had adjacent Transmission Service Provider connectivity, were valid and prevailing transmission system limits would not be violated.
R1	<i>Proposed Change</i>	N/A	The responsible entity responded to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange but it failed to evaluate one of the subrequirements R1.1.1, R1.1.2 or R1.1.3.	The responsible entity responded to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange but in evaluating the Arranged Interchange, it failed to evaluate two of the subrequirements R1.1.1, R1.1.2 or R1.1.3; OR The responsible entity confirmed that the transmission service arrangements associated with the Arranged Interchange, had adjacent	The responsible entity failed to respond to a request from an Interchange Authority to transition an Arranged Interchange to a Confirmed Interchange and was deficient in one of the following: The responsible entity failed to evaluate arranged interchange with respect to all of the subrequirements R1.1.1, R1.1.2 and R1.1.3. OR The responsible entity failed to confirm that the transmission service arrangements associated

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-006-3 - Response to Interchange Authority

	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
				Transmission Service Provider connectivity, and were valid but failed to confirm that the prevailing transmission system limits would not be violated. (R1.2)	with the Arranged Interchange had adjacent Transmission Service Provider connectivity, were valid and prevailing transmission system limits would not be violated (R1.2).

Explanation – The VSLs were modified to be consistent with FERC Guideline 4. Consistent with Guidelines filed with FERC on August 11, 2009, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.

INT-007-1 Interchange Confirmation					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1. The Interchange Authority shall verify that Arranged Interchange is balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange by verifying the following:	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, or R1.3.4 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, or R1.3.4 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify three times, as indicated in R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, or R1.3.4 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify four times, as indicated in R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, or R1.3.4 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.
R1.1. Source Balancing Authority megawatts equal sink Balancing Authority megawatts (adjusted for losses, if appropriate).	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.
R1.2. All reliability entities involved in the Arranged Interchange are currently in the NERC registry.	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.
R1.3. The following are defined:	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-007-1 Interchange Confirmation					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
		Confirmed Interchange.	Interchange to Confirmed Interchange.	Interchange to Confirmed Interchange.	Confirmed Interchange.
R1.3.1. Generation source and load sink.	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.
R1.3.2. Megawatt profile.	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.
R1.3.3. Ramp start and stop times.	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.
R1.3.4. Interchange duration.	<i>Balloted Language</i>	The Interchange Authority failed to verify one time, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.	The Interchange Authority failed to verify two times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to	The Interchange Authority failed to verify three times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to	The Interchange Authority failed to verify four times, as indicated in R1 that Arranged Interchange was balanced and valid prior to transitioning Arranged Interchange to Confirmed Interchange.

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-007-1 Interchange Confirmation					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
			Confirmed Interchange.	Confirmed Interchange.	
R1.4. Each Balancing Authority and Transmission Service Provider that received the Arranged Interchange information from the Interchange Authority for reliability assessment has provided approval.	<i>Balloted Language</i>	Each Balancing Authority and Transmission Service Provider that received the Arranged Interchange information from the Interchange Authority for reliability assessment has provided approval, with minor exception and is substantially compliant with the directives of the requirement.	Each Balancing Authority and Transmission Service Provider that received the Arranged Interchange information from the Interchange Authority for reliability assessment has provided approval, with some exception and is mostly compliant with the directives of the requirement.	Each Balancing Authority and Transmission Service Provider that received the Arranged Interchange information from the Interchange Authority for reliability assessment has provided approval but was substantially deficient in meeting the directives of the requirement.	Each Balancing Authority and Transmission Service Provider that received the Arranged Interchange information from the Interchange Authority for reliability assessment did not provided approval and failed to meet the requirement.
R1	<i>Proposed Change</i>	The Responsible Entity failed to verify one of the sub-requirements (R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, R1.3.4, or 1.4) prior to transitioning an Arranged Interchange to a Confirmed Interchange.	The Responsible Entity failed to verify two of the sub-requirements (R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, R1.3.4, or 1.4) prior to transitioning an Arranged Interchange to a Confirmed Interchange.	The Responsible Entity failed to verify three of the sub-requirements (R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, R1.3.4, or 1.4) prior to transitioning an Arranged Interchange to a Confirmed Interchange.	The Responsible Entity failed to verify four or more of the sub-requirements (R1.1, R1.2, R1.3, R1.3.1, R1.3.2, R1.3.3, R1.3.4, or 1.4) prior to transitioning an Arranged Interchange to a Confirmed Interchange.
Explanation – The VSLs were modified to be consistent with FERC Guidelines 3 and 4. Consistent with Guidelines filed with FERC on August 11, 2009, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.					

INT-008-3- Interchange Authority Distributes Status					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1. Prior to the expiration of the time period defined in the Timing Table, Column C, the Interchange Authority shall distribute to all Balancing Authorities (including Balancing Authorities on both sides of a direct current tie), Transmission Service Providers and Purchasing-Selling Entities involved in the Arranged Interchange whether or not the Arranged Interchange has transitioned to a Confirmed Interchange.	<i>Balloted Language</i>	The Interchange Authority experienced one occurrence of not distributing information to all involved reliability entities as deliniated in R1.1, R1.1.1 or R1.1.2.	The Interchange Authority experienced two occurrences of not distributing information to all involved reliability entities.	The Interchange Authority experienced three occurrences of not distributing information to all involved reliability entities.	The Interchange Authority experienced four occurrences of not distributing information to all involved reliability entities or no evidence provided.
R1.1. For Confirmed Interchange, the Interchange Authority shall also communicate:	<i>Balloted Language</i>	The Interchange Authority experienced one occurrence of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced two occurrences of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced three occurrences of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced four occurrences of not distributing information to all involved reliability entities as defined in R1 or no evidence provided.
R1.1.1. Start and stop times, ramps, and megawatt profile to Balancing Authorities.	<i>Balloted Language</i>	The Interchange Authority experienced one occurrence of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced two occurrences of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced three occurrences of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced four occurrences of not distributing information to all involved reliability entities as defined in R1 or no evidence provided.
R1.1.2. Necessary Interchange information to NERC-identified reliability analysis services.	<i>Balloted Language</i>	The Interchange Authority experienced one occurrence of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced two occurrences of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced three occurrences of not distributing information to all involved reliability entities as defined in R1.	The Interchange Authority experienced four occurrences of not distributing information to all involved reliability entities as defined in R1 or no evidence provided.

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-008-3- Interchange Authority Distributes Status					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
R1	<i>Proposed Change</i>	The Interchange Authority distributed to all Balancing Authorities (including Balancing Authorities on both sides of a direct current tie), Transmission Service Providers and Purchasing-Selling Entities involved in the Arranged Interchange whether or not the Arranged Interchange has transitioned to a Confirmed Interchange, but did not include one of the elements required in sub-requirements R.1.1.1 or R.1.1.2 for a Confirmed Interchange.	<p>The Interchange Authority distributed to all Balancing Authorities (including Balancing Authorities on both sides of a direct current tie), Transmission Service Providers and Purchasing-Selling Entities involved in the Arranged Interchange whether or not the Arranged Interchange has transitioned to a Confirmed Interchange, but did not include two of the elements required in sub-requirements R.1.1.1 or R.1.1.2 for a Confirmed Interchange.</p> <p>OR</p> <p>The Interchange Authority distributed whether or not the Arranged Interchange has transitioned to a Confirmed Interchange but did not distribute to one of the Balancing Authorities (including Balancing Authorities on both sides of a direct current tie), Transmission Service Providers, or Purchasing-Selling</p>	The Interchange Authority distributed whether or not the Arranged Interchange has transitioned to a Confirmed Interchange but did not distribute to two of the Balancing Authorities (including Balancing Authorities on both sides of a direct current tie), Transmission Service Providers, or Purchasing-Selling Entities involved in the Arranged Interchange prior to the expiration of the time period defined in the Timing Table, Column C.	<p>The Interchange Authority distributed whether or not the Arranged Interchange has transitioned to a Confirmed Interchange, but did not distribute to three or more of the Balancing Authorities (including Balancing Authorities on both sides of a direct current tie), Transmission Service Providers, or Purchasing-Selling Entities involved in the Arranged Interchange prior to the expiration of the time period defined in the Timing Table, Column C.</p> <p>OR</p> <p>The Interchange Authority did not distribute whether or not the Arranged Interchange has transitioned to a Confirmed Interchange</p>

Staff Proposed Changes to Previously Balloted Violation Severity Levels (BAL, INT)

INT-008-3- Interchange Authority Distributes Status					
	<i>VSL</i>	<i>Lower</i>	<i>Moderate</i>	<i>High</i>	<i>Severe</i>
			Entities involved in the Arranged Interchange, prior to the expiration of the time period defined in the Timing Table, Column C.		
Explanation –Modified to be consistent with FERC Guideline 4. Consistent with Guidelines filed with FERC on August 11, 2009, NERC incorporated the sub-requirements into the Main Requirement VSL so that compliance is based on meeting criteria specified in components.					