

### Standard Authorization Request Form

Name of Proposed Standard	Certification of the Reliability Authority Function
Request Date	October 7, 2002
Authorized for Posting	November 20, 2002
SAR ID#	RA_CERTIFICATION_01_01

<b>SAR Requestor Information</b>		<b>SAR Type</b>	
Name	Organization Certification Task Force	<input checked="" type="checkbox"/>	1. New Standard
Primary Contact	Gerry Burrows	<input type="checkbox"/>	2. Revision to existing Standard or
Telephone	816-654-1183	<input type="checkbox"/>	3. Withdrawal of existing Standard
e-mail	gerry.burrows@kcpl.com	<input type="checkbox"/>	4. Urgent Action

#### **Purpose/Industry Need of Standard**

To ensure that each entity that wants to be recognized as a Reliability Authority has the capability of performing the responsibilities assigned to the Reliability Authority function.

#### **Brief Description of New Standard or Revision to Existing Standard**

Each entity that wants to be recognized as a Reliability Authority shall demonstrate that it has the processes, procedures, tools and agreements in place to demonstrate that it has the capability of performing the responsibilities assigned to the Reliability Function.

## **Detailed Description of New Standard or Revision to Existing Standard Summary**

**The primary steps in the Reliability Authority Certification Process, and the entity responsible for each step, are as follows:**

- Initiation of Process – Entity seeking certification (the “Applicant”)
- Provision of criteria, process, documentation, etc. – Region
- Formation of Certification Review Team – Region
- Data collection – Region
- Data review – Region (Review Team)
- Site visit – Region (Review Team)
- Recommendation – Region (Review Team)
- Certification and Authority to operate – Region
- Notification of authority to operate – NERC

### **Reliability Authority Certification Process**

1. An entity seeking certification as a Reliability Authority (the “Applicant”) will initiate the certification process by making a formal request to the Regional Manager in the Region where the Applicant plans to operate a Reliability area. An Applicant that intends to operate a single Reliability area in multiple Regions shall notify all of the Regions of the request. A copy of the request will also be sent to the NERC Director-Compliance.
2. The NERC Region in which the Applicant plans to operate will be responsible for conducting the formal review process and awarding certification. In the case of an application to multiple regions for operating a single Reliability area, the Regions shall choose a lead Region that will be responsible for coordinating the formal review process and awarding certification.
3. A timeline, including specific milestones, shall be agreed to by the Applicant and the REGIONAL COUNCIL. The NERC Reliability Authority Certification Procedure and certification recommendation is expected to be completed within nine months of the date when the initial request was received by the Regional Manager.
4. The Region will notify all appropriate parties and provide each with the necessary information regarding the Reliability Authority’s request for certification, the certification process, and the duties expected from each entity.
5. The Applicant must register in the NERC Master Registry. Registration stays on hold until certification is granted.
6. NERC Staff will begin the process of making any necessary modeling changes for the IDC. The Applicant and Region will supply necessary modeling information, and the revised model will be placed on hold until final certification is obtained.
7. The Region will provide questionnaires and related documents that will be used by all entities involved in the certification process. These questionnaires and related documents will be used to

address the Applicant's capabilities and actions as they relate to established Reliability Authority requirements. The following list of entities will be recipients of the questionnaires and related documents as each is a source of certification information and data:

- Applicant (i.e. entity seeking Reliability Authority certification)
  - Balancing Authorities and Transmission Operators within the Applicant's Reliability Area
  - Reliability Authorities adjacent to the applicant
  - Other Regional Council(s), when applicable
- 8.** The Region will provide its expectations and standards regarding confidentiality and retention of all data reporting, completed questionnaires and forms, reports and recommendations associated with the documentation it provides and receives.
- 9.** The Region will assemble a Certification Review Team charged with the responsibility of determining if the Applicant meets NERC's Reliability Authority Criteria. The Region and the Applicant will agree on the Review Team members before the commencement of the review process. The Review Team will subject themselves to confidentiality agreements for any data or information that is made available to them through the certification review process.
- 10.** The Review Team will consist of a minimum of three individuals selected from at least three of the categories listed below:
- Interchange Authority
  - Balancing Authority
  - Reliability Authority
  - Transmission Operator
  - Regional Compliance Committee member
  - Regional Operating Committee member
  - Representative from NERC Staff
  - Representative from another NERC Region
  - Representative from an RTO, when applicable
- In the alternative, the Region may elect, with applicant agreement, to engage a completely independent review team.
- 11.** The Review Team will report its initial findings to the Applicant and to the Region based on the information obtained through the initial application and questionnaires. The review Team will request any additional information before making an on-site visit.
- 12.** The Review Team will conduct at least one on-site visit to the Applicant's control center facility. During the visit, the Review Team will:
- Review with the Applicant the data collected through the questionnaires,
  - Interview the Applicant's operations and management personnel,
  - Inspect the Applicant's facilities and equipment, and
  - Review all necessary documents and data.
- 13.** The Review Team will identify any deficiencies (to both the Applicant and to the Region) that must be resolved prior to the review team making their final recommendation. The Review Team

- will review any follow-up work required by the Applicant until a certification recommendation is made.
14. The Review Team will formulate a certification recommendation based on: data collected and validated from the questionnaires; and from observations and information collected during an on-site visit to the Applicant's facility. The Review Team will support its recommendation through the production of an evaluation review template and a formal report.
  15. The certification recommendation from the Review Team will be presented to the appropriate Regional committee(s).
  16. The Region will notify the Applicant and NERC of its certification decision. The Region may grant or deny the Applicant's certification as a Reliability Authority. As an alternative, the Region may, at its discretion, grant 'pending certification' to the applicant. The pending certification shall be granted for a period of time not longer than 180 days. Pending certification, does not grant operation as a Reliability Authority. If the Applicant fails to meet the conditions set by the Region, within the granted timeframe, the Applicant's certification will be deemed to be the same as denied. If the Applicant meets the conditions set by the Region, within the granted timeframe, the Region must respond to the Applicant's notification of completion of requirements within 30 days.
  17. After the Region has approved the Applicant as a Reliability Authority, NERC Staff will notify all of the necessary entities as to the date that the Applicant may begin its Reliability Authority operation. Reliability Authority operation shall not begin before the agreed upon date.
  18. If the Region denies certification, it shall provide the Applicant with a written report containing specific reasons for the denial. If the Applicant disagrees with the Region's decision, it can initiate the Regional ADR process within 60 days of the date of the written denial. If the Applicant fails to initiate the ADR process within the 60-day time limit as identified in the previous step, it may reapply for certification after 90 days from the date of written denial.

## Reliability Authority Certification Criteria

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### ***Introduction***

These Criteria establish the requirements for certification as a NERC RELIABILITY AUTHORITY. They are based on NERC Reliability Standards, NERC Operating Policies and Planning Standards, and the NERC Functional Model.

### ***Definition of the Reliability Authority Function***

Ensures the reliability of the bulk power transmission system within its Reliability Authority Area.

### **Certification Criteria**

1. **Confirmation by Regional Council.** To be recognized as a NERC-Certified RELIABILITY AUTHORITY, the entity must be reviewed and confirmed by the Regional Council(s) in which the entity operates.
2. **Agreements.** Agreements must be in place defining the responsibilities and authority of the RELIABILITY AUTHORITY with respect to all Balancing Authorities, Interchange Authorities, Transmission Operators, Transmission Service Provider and all other applicable functional entities within the reliability area and with other Reliability Authorities. Agreements shall address

both normal and emergency operations.

**3. Personnel**

**3.1.** Must have NERC-certified system operators performing the Reliability Authority responsibilities 24 hours a day, 7 days a week.

**4. Organization**

**4.1.** Documentation identifying that the organization has signed the NERC Confidentiality Agreement.

**4.2.** Documentation identifying that the Reliability Authority personnel are aware of their obligations and responsibilities under the NERC Confidentiality Agreement.

**4.3.** Documentation identifying the code of conduct for personnel performing the Reliability Authority responsibilities.

**4.4.** Documentation identifying that the Reliability Authority personnel are aware of their obligations and responsibilities under the code of conduct.

**5. Data Acquisition and System Analysis**

**5.1.** Must have the ability to monitor its reliability area with real-time data. (e.g., demand, volts, VArS, frequency, interchange tie flows, reserves, ACE, equipment status, transmission line flows, etc.)

**5.2.** Process/procedure in place to receive day-ahead hourly dispatch pattern from the Balancing Authority.

**5.3.** Process/procedure in place to receive interchange transaction information from the Interchange Authority.

**5.4.** Process/procedure in place for collecting transmission owners' equipment ratings.

**5.5.** Process/procedure in place to perform real-time and contingency reliability analyses.

**5.6.** Process/procedure in place to coordinate and approve transmission outages from a reliability perspective.

**5.7.** Process/procedure in place to collect and analyze generation outages from a reliability perspective.

**5.8.** Process/procedure in place with other Reliability Authorities to coordinate day-ahead analyses and to implement real-time actions.

**5.9.** Process/procedure and/or tools in place defining the analysis and approval process for interchange transactions into, out of, and through the reliability area.

**5.10.** Process/procedure in place to develop real-time operating reliability limits.

**5.11.** Process/procedure in place that define the actions to be taken for maintaining reliability.

**6. Emergency Operations**

**6.1.** Process/procedure in place that defines the coordination and implementation of emergency operations within or on an area-wide basis.

**6.2.** Process/procedure in place that defines the coordination and implementation of system restoration operations within or on an area-wide basis.

**7. Security**

<b>7.1.</b>	Process/procedure in place for collection and dissemination of information with regards to physical and cyber security related incidents.
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**Reliability Functions**

<b>The Standard will Apply to the Following Functions</b> (Check all that apply)		
<input checked="" type="checkbox"/>	Reliability Authority	Ensures the reliability of the bulk transmission system within its Security Authority Area. This is the highest reliability authority.
<input type="checkbox"/>	Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time
<input type="checkbox"/>	Interchange Authority	Authorizes valid and balanced Interchange Schedules
<input type="checkbox"/>	Planning Authority	Plans the bulk electric system
<input type="checkbox"/>	Transmission Service Provider	Provides transmission services to qualified market participants under applicable transmission service agreements
<input type="checkbox"/>	Transmission Owner	Owns transmission facilities
<input type="checkbox"/>	Transmission Operator	Operates and maintains the transmission facilities, and executes switching orders
<input type="checkbox"/>	Distribution Provider	Provides and operates the “wires” between the transmission system and the customer
<input type="checkbox"/>	Generator	Owns and operates generation unit(s) or runs a market for generation products that performs the functions of supplying energy and Interconnected Operations Services
<input type="checkbox"/>	Purchasing-Selling Entity	The function of purchasing or selling energy, capacity and all necessary Interconnected Operations Services as required.
<input type="checkbox"/>	Load-Serving Entity	Secures energy and transmission (and related generation services) to serve the end user

**Reliability and Market Interface Principles**

<b>Applicable Reliability and Market Interface Principles</b> (check all that apply)	
1. Interconnected bulk electric systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions.	<input checked="" type="checkbox"/>
2. The frequency of interconnected bulk electric systems shall be controlled within defined limits through the balancing of electric supply and demand	<input type="checkbox"/>
3. Information necessary for planning and operation of interconnected bulk electric systems shall be made available to those entities responsible for planning and operating the systems reliably	<input checked="" type="checkbox"/>
4. Plans for emergency operation and system restoration of interconnected bulk electric systems shall be developed, coordinated, maintained and implemented	<input checked="" type="checkbox"/>
5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk electric systems	<input checked="" type="checkbox"/>
6. Personnel responsible for planning and operating interconnected bulk electric systems shall be trained, qualified and have the responsibility and authority to implement actions	<input checked="" type="checkbox"/>
7. The security of the interconnected bulk electric systems shall be assessed, monitored and maintained on a wide area basis	<input checked="" type="checkbox"/>
The proposed Standard must comply with all of the following Market Interface Principles	<input checked="" type="checkbox"/>
Interconnected The planning and operation of bulk electric systems shall recognize that reliability is an essential requirement of a robust North American economy	
An Organization Standard shall not give any market participant an unfair competitive advantage	
An Organization Standard shall neither mandate nor prohibit any specific market structure	
An Organization Standard shall not preclude market solutions to achieving compliance with that Standard	
An Organization Standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards	

**Related Standards, Function Certification Requirements or Business Practices**

<b>Standard No.</b>	<b>Explanation</b>

**Related SARs**

<b>SAR ID</b>	<b>Explanation</b>

**Regional Differences**

<b>Region</b>	<b>Explanation</b>
ECAR	
ERCOT	
FRCC	
MAAC	
MAIN	
MAPP	
NPCC	
SERC	
SPP	
WSCC	