

# Compliance Application Notice – 0027

TOP-003 R2 Coordination of Scheduled Outages

Posted: December 21, 2011

## Primary Interest Groups

Compliance Enforcement Authority (CEA)<sup>1</sup>

NERC

Regional Entity

Balancing Authority (BA)

Generator Operator (GOP)

Transmission Operator (TOP)

Reliability Coordinator (RC)

## Issue: What is the responsibility of the BA under TOP-003 R2?

For the purpose of aiding a CEA, this CAN provides instruction for whether the BA fulfilled its responsibility to communicate and coordinate under TOP-003 R2.

## Background

TOP-003 R2 *Planned Outage Coordination* requires that each TOP, BA and GOP plan and coordinate scheduled outages of system voltage regulating equipment with affected BAs and TOPs as required.

The BA has knowledge of the generating unit commitment and planned dispatch, which defines the dynamic reactive support available. This information is necessary for TOPs, BAs, and GOPs to coordinate scheduled outages of other system voltage regulating equipment. This information enables the TOP to determine the need for any additional generating units that must be committed to provide additional dynamic reactive capability.

## Compliance Application

TOP-003 R2 provides:

*R2. Each Transmission Operator, Balancing Authority, and Generator Operator shall plan and coordinate scheduled outages of system voltage regulating equipment, such as automatic voltage regulators on generators, supplementary excitation control, synchronous condensers, shunt and series capacitors, reactors, etc., among affected Balancing Authorities and Transmission Operators as required.*

<sup>1</sup> Compliance Enforcement Authorities include ERO auditors, investigators, enforcement personnel or any person authorized to assess issues of concern, potential non-compliance, and possible, alleged or confirmed violations of NERC Reliability Standard requirements.

Coordination, as required by R2, involves two or more registered entities working together to achieve a desired result. Coordination among BAs, TOPs and GOPs is interwoven and is based on key information that each function provides. Some of the information used to coordinate is provided by the entities pursuant to requirements in other standards. Although not all-inclusive, a simplified example of how the three functions coordinate is as follows:

- The BA has knowledge of generation unit commitments and planned dispatch, which it must communicate to the TOP. Additionally, the BA provides dispatch orders for generation to the GOP based on requests for dispatch changes from the TOP.
- The GOP provides information on the availability, status,<sup>2</sup> real and reactive capability, and real and reactive de-ratings of generating units to both the BA and the TOP.
- The TOP is responsible for the system configuration, managing the required must-run units for voltage and reactive control, and determining needs for system support. It provides voltage and reactive schedules to the GOP and requests the BA to provide additional capacity for system support as necessary, including reactive support to replace capacity affected by planned outages or de-ratings.

A CEA is to verify that the BA coordinated with the GOP and the TOP pursuant to TOP-003 R2.

### **Effective Period for CAN**

This CAN is effective upon posting as final on the NERC Web site, and is to be used by CEAs to assess compliance from the posting date forward, regardless of the start date of any non-compliance or Possible Violation. It supersedes all prior communications and will remain in effect until such time that a future version of a FERC or other applicable government authority approved standard or interpretation becomes effective and addresses the specific issue contained in this CAN.

For any enforcement action in process and for audits that have been initiated,<sup>3</sup> a CEA will apply the appropriate discretion, including consideration of the specific facts and circumstances of the non-compliance, in determining whether to assess compliance pursuant to this CAN.

### **Evidence of Compliance**

A CEA is to verify that a BA provided planned generation unit commitment and dispatch to the TOP for the purpose of coordinating outages of system voltage regulating equipment, unless operating in a market that permits the GOP to perform unit commitment and dispatch. In the case where the GOP performs unit commitment and dispatch, this information would be provided to the TOP by the GOP rather than the BA.

Additionally, a CEA is to verify that the BA responded to any requests from the TOP to dispatch units for reactive capacity resulting from coordinating outages of system voltage regulating equipment.

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<sup>2</sup> Status can mean real-time, day-ahead, near-term, seasonal or long-term

<sup>3</sup> "Initiated" means that a registered entity has received notification of the upcoming audit.

The CEA is to verify these activities regardless of whether the BA operates under a traditional, vertically-integrated business model or through an unbundled market structure in which generation is operated separately from the transmission function.

Since the BA only has knowledge of generation related resources, and is not responsible for knowing the status of other reactive resources, the CEA is not to hold the BA accountable for the planning and coordination of scheduled outages for reactive resources such as static var compensators (SVCs), static synchronous compensators (STATCOMs), or shunt and series capacitors, and reactors.

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*This document is designed to convey compliance monitoring instruction to achieve a measure of consistency among auditors and Compliance Enforcement Authorities. It is not intended to establish new requirements under NERC's Reliability Standards or to modify the requirements in any existing NERC Reliability Standard. Compliance will continue to be assessed based on language in the currently enforceable NERC Reliability Standards. This document is not intended to define the exclusive method an entity must use to comply with a particular standard or requirement, or foreclose a registered entity's demonstration by alternative means that it has complied with the language and intent of the standard or requirement, taking into account the facts and circumstances of a particular registered entity. Implementation of information in this document is not a substitute for compliance with requirements in NERC's Reliability Standards.*