NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

BES Exception Request Evaluation Guideline

Guideline for Reviewing BES Exception Requests

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RELIABILITY | ACCOUNTABILITY




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Preface

The North American Electric Reliability Corporation's (NERC) mission is to ensure the reliability of the North American bulk power system (BPS). NERC is the electric reliability organization (ERO) certified by the Federal Energy Regulatory Commission (FERC) to establish and enforce Reliability Standards for the BPS. NERC develops and enforces Reliability Standards; assesses adequacy annually via a 10-year forecast and summer and winter forecasts; monitors the BPS; and educates, trains, and certifies industry personnel. ERO activities in Canada related to the reliability of the BPS are recognized and overseen by the appropriate governmental authorities in that country.[1]

NERC assesses and reports on the reliability and adequacy of the North American BPS, which is divided into eight Regional Entity areas, as shown on the map and table below. The users, owners, and operators of the BPS within these areas account for virtually all the electricity supplied in the United States, Canada, and a portion of Baja California Norte, Mexico.

	NERC Regional Entities
FRCC	Florida Reliability Coordinating Council
MRO	Midwest Reliability Organization
NPCC	Northeast Power Coordinating Council
RFC	ReliabilityFirst
SERC	SERC Reliability Corporation
SPP-RE	Southwest Power Pool Regional Entity
TRE	Texas Reliability Entity
WECC	Western Electricity Coordinating Council

NERC Regional Entities Map

[1] As of June 18, 2007, FERC granted NERC the legal authority to enforce Reliability Standards with all U.S. users, owners, and operators of the BPS and made compliance with those standards mandatory and enforceable. Equivalent relationships have been sought and for the most part realized in Canada and Mexico. Prior to adoption of §215 in the U.S., the provinces of Ontario (in 2002) and New Brunswick (in 2004) adopted all Reliability Standards that were approved by the NERC Board as mandatory and enforceable within their respective jurisdictions through market rules. Reliability legislation is in place or NERC has memoranda of understanding with provincial authorities in Ontario, New Brunswick, Nova Scotia, Québec, Manitoba, Saskatchewan, British Columbia and Alberta, and with the National Energy Board of Canada (NEB). NERC standards are mandatory and enforceable in Ontario and New Brunswick as a matter of provincial law. Manitoba has adopted legislation, and standards are mandatory there. In addition, NERC has been designated as the "electric reliability organization" under Alberta's Transportation Regulation, and certain Reliability Standards have been approved in that jurisdiction; others are pending. NERC standards are now mandatory in British Columbia and Nova Scotia. NERC and the Northeast Power Coordinating Council (NPCC) have been recognized as standards setting bodies by the Régie de l'énergie of Québec, and Québec has the framework in place for Reliability Standards to become mandatory. NEB has made Reliability Standards mandatory for international power lines. In Mexico, the Comisión Federal de Electricidad (CFE) has signed WECC's reliability management system agreement, which only applies to Baja California Norte.

Disclaimer

The Guidelines for the Bulk Electric System (BES) Exception Evaluation are for the Regional Entities and NERC to use in their review and approval of entities' submitted BES Exception Requests. Requests for Exceptions to the BES definition will be assessed on a consistent basis by the Regional Entities and NERC. Given the nature of the Exception Request process, it is not feasible to define "bright line" criteria that determine whether Elements should be included in, or excluded from, the BES through utilization of the Exception Request process.[2]

[2] Order No. 773 at P 253: ("We also find that NERC's explanation, that it was not feasible to develop a single set of technical criteria that would be applicable to all exception requests so it developed the Detailed Information Form (discussed in detail below) to ensure that a consistent baseline of technical information is provided for NERC to make a decision on all exception requests, is reasonable. We find that this information, coupled with the proposed exception process, allows NERC to provide consistent determinations on exception requests submitted from different regions involving the same or similar facts and circumstances, and allows NERC to take into account the aggregate impact on the bulk electric system of approving or denying all the exception requests. Thus, we find that NERC's proposal is clear, transparent, and uniformly applicable and is as equally efficient and effective as the Order No. 743 directive to establish an exception process for excluding facilities that are not necessary for the reliable operation of the interconnected transmission network.").

Introduction

Document Outline

This document is organized as follows:

- A summary of the BES definition is followed by a description of the application of the BES definition.
- Considerations for Evaluation of BES Exception Requests are presented as guidance for the Regional Entities and NERC.
- A detailed list of considerations identifies factors the Regional Entities and NERC will use to evaluate Exception Requests for inclusion and exclusion of Elements. The detailed list includes general considerations applicable to all Exception Requests as well as considerations applicable to specific Elements or groups of Elements. While these considerations do not provide a bright line criteria determination, they ensure that similar Exception Requests are evaluated consistently against documented principles.
- A BES Exception Process Review Checklist is provided to help document whether the application contains sufficient information to support the Exception Request, followed by a suggested format for the Regional Exception Recommendation.

Bulk Electric System (BES) Definition[3]

Bulk Electric System (BES): Unless modified by the lists shown below, all Transmission Elements operated at 100 kV or higher and Real Power and Reactive Power resources connected at 100 kV or higher. This does not include facilities used in the local distribution of electric energy.

Inclusions:

I1. Transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher unless excluded by application of Exclusion E1 or E3.

I2. Generating resource(s) including the generator terminals through the high side of the step- up transformer(s) connected at a voltage of 100 kV or above with:

a) Gross individual nameplate rating greater than 20 MVA. Or,

b) Gross plant/facility aggregate nameplate rating greater than 75 MVA.

I3. Blackstart Resources identified in the Transmission Operator's restoration plan.

I4. Dispersed power producing resources that aggregate to a total capacity greater than 75 MVA (gross nameplate rating), and that are connected through a system designed primarily for delivering such capacity to a common point of connection at a voltage of 100 kV or above. Thus, the facilities designated as BES are:

a) The individual resources, and

b) The system designed primarily for delivering capacity from the point where those resources aggregate to greater than 75 MVA to a common point of connection at a voltage of 100 kV or above.

I5. Static or dynamic devices (excluding generators) dedicated to supplying or absorbing Reactive Power that are connected at 100 kV or higher, or through a dedicated transformer with a high-side voltage of 100 kV or higher, or through a transformer that is designated in Inclusion I1 unless excluded by application of Exclusion E4.

Exclusions:

E1. E1 - Radial systems: A group of contiguous transmission Elements that emanates from a single point of connection of 100 kV or higher and:

[3] As filed in the *Petition of the North American Electric Reliability Corporation for Approval of Revisions to the Definition of "Bulk Electric System and Request for Expedited Action* (December 13, 2013), available at: http://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/Petition%20for%20Approval%20of%20Revised%20Definition%20of%20BES_FINAL.pdf.

a) Only serves Load; or

b) Only includes generation resources, not identified in Inclusions I2, I3, or I4, with an aggregate capacity less than or equal to 75 MVA (gross nameplate rating); or

c) Where the radial system serves Load and includes generation resources, not identified in Inclusions I2, I3 or I4, with an aggregate capacity of non-retail generation less than or equal to 75 MVA (gross nameplate rating).

Note 1 – A normally open switching device between radial systems, as depicted on prints or one-line diagrams for example, does not affect this exclusion.

Note 2 – The presence of a contiguous loop, operated at a voltage level of 50 kV or less, between configurations being considered as radial systems, does not affect this exclusion.

E2. A generating unit or multiple generating units on the customer's side of the retail meter that serve all or part of the retail Load with electric energy if: (i) the net capacity provided to the BES does not exceed 75 MVA, and (ii) standby, back-up, and maintenance power services are provided to the generating unit or multiple generating units or to the retail Load by a Balancing Authority, or provided pursuant to a binding obligation with a Generator Owner or Generator Operator, or under terms approved by the applicable regulatory authority.

E3. Local networks (LNs): A group of contiguous transmission Elements operated at less than 300 kV that distribute power to Load rather than transfer bulk power across the interconnected system. LNs emanate from multiple points of connection at 100 kV or higher to improve the level of service to retail customers and not to accommodate bulk power transfer across the interconnected system. The LN is characterized by all of the following:

a) Limits on connected generation: The LN and its underlying Elements do not include generation resources identified in Inclusions I2, I3, or I4 and do not have an aggregate capacity of non-retail generation greater than 75 MVA (gross nameplate rating);

b) Real Power flows only into the LN and the LN does not transfer energy originating outside the LN for delivery through the LN; and,

c) Not part of a Flowgate or transfer path: The LN does not contain any part of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, or a comparable monitored Facility in the ERCOT or Quebec Interconnections, and is not a monitored Facility included in an Interconnection Reliability Operating Limit (IROL).

E4. Reactive Power devices installed for the sole benefit of a retail customer(s).

Note – Elements may be included or excluded on a case-by-case basis through the Rules of Procedure exception process.

Application of the BES Definition

As described in the "Petition of the North American Electric Reliability Corporation for Approval of Revisions to the Definition of "Bulk Electric System and Request for Expedited Action" the proposed BES Definition is generally applied in three steps, as discussed below.

STEP 1: CORE DEFINITION: The core definition is used to establish the bright line of 100 kV, the overall demarcation point between BES and Non-BES Elements. The core BES Definition identifies the Real Power and Reactive Power resources connected at 100 kV or higher, as included in the BES. To fully appreciate the scope of the core definition, an understanding of the term "Element" is needed. "Element" is defined in the NERC Glossary as: "Any electrical device with terminals that may be connected to other electrical devices such as a generator, transformer, circuit breaker, bus section, or transmission line. An element may be comprised of one or more components."

STEP 2: INCLUSIONS: This step involves applying the specific Inclusions, provides additional clarification for the purposes of identifying specific Elements that are included in the BES. The Inclusions address Transmission Elements and Real Power and Reactive Power resources with specific criteria to provide for a consistent determination of whether an Element is classified as BES or non-BES. There are five Inclusions in the Definition. The facilities described in Inclusions I1, I2, I4 and I5 are each operated (if transformers – Inclusion I1) or connected (if generating resources, dispersed power producing resources or Reactive Power resources – Inclusions I2, I4 and I5) at or above the 100 kV threshold. Inclusion I3 encompasses Blackstart Resources identified in a Transmission Operator's restoration plan, which are necessary for the reliable operation of the interconnection transmission system and should be included in the BES regardless of their size (MVA) or the voltage at which they are connected.

STEP 3: EXCLUSIONS: This step evaluates specific situations for potential exclusion from the BES. The exclusion language is written to specifically identify Elements or groups of Elements for exclusion from the BES. Step three (3) should be applied in the following sequence:

Exclusion E2 (Behind the Meter Generation) provides for the specific exclusion of certain Real Power resources that reside behind-the-retail meter (on the customer's side) and supersedes the more general Inclusion I2 (Generating Resources). Behind-the-meter generation that meets these specific criteria do not affect reliability of the BES because the net capacity supplied to the BES is less than 75 MVA and the specific criteria impose obligations to support reliability when the resources are unavailable.

Exclusion E4 (Reactive Power Devices) provides for the specific exclusion of Reactive Power devices installed for the sole benefit of a retail customer(s) and supersedes the more general Inclusion I5 (Static or Dynamic Reactive Power Devices). Reactive Power devices installed for the sole benefit of a retail customer are, by definition, not required for operation of the interconnected transmission system.

Exclusion E3 (Local Networks) provides for the exclusion of local networks that meet the specific criteria identified in the exclusion language. Exclusion E3 does not allow for the

exclusion of Real Power and Reactive Power resources captured by Inclusions I2 through I5. In instances where a transformer (under Inclusion I1) is an Element of a local network (under Exclusion E3), the transformer would be excluded pursuant to Exclusion E3. Exclusion E3 may not be used to exclude transmission Elements (captured by the core definition and Inclusion I1) when Real Power resources are present that are captured by Inclusion I2, I3, or I4. This assures that interconnection facilities for BES generators are not excluded.

Exclusion E1 (Radial Systems) provides for the exclusion of 'transmission Elements' from radial systems that meet the specific criteria identified in the exclusion language. Exclusion E1 does not allow for the exclusion of Real Power and Reactive Power resources captured by Inclusions I2 through I5. In instances where a transformer (under Inclusion I1) is an Element of a radial system (under Exclusion E1), the transformer would be excluded pursuant to Exclusion E1. Exclusion E1 may not be used to exclude transmission Elements (captured by the core definition and Inclusion I1) when Real Power resources are present that are captured by Inclusion I2, I3, or I4. This assures that interconnection facilities for BES generators are not excluded.

Detailed Considerations for Evaluation

The Regional Entities and NERC will take into account several considerations, including those presented in this document, to evaluate Exception Requests. Evaluation of Exception Requests may require some level of system analysis by the Regional Entity in addition to the information provided through the BESnet application. These considerations provide specificity regarding the data and studies that the Regional Entities and NERC require to evaluate an Exception Request and provide submitting entities with additional information as to the level of analysis expected. As a general principle, studies should model actual control settings and configurations, model the Year One horizon, address a range of system conditions in terms of load level and generation dispatch, and include an explanation of why the system conditions and contingencies studied are sufficient to address the most limiting system conditions relevant to the requested Exception.

The Regional Entities may request additional information if the initial submittal does not include sufficient information to evaluate the request. Also, NERC may choose to ask the Regional Entity, Submitting Entity, and Owner (if different from the Submitting Entity) to meet at the NERC office or by alternate means for interviews or discussion regarding any questions. Evaluation of an Exception Request will include assessment of the system models (e.g., powerflow cases) necessary for analysis. The Regional Entities and NERC will determine whether the system representation in cases supplied by the submitting entity is sufficient, and may perform additional analysis utilizing the cases supplied by the Submitting Entity, regional cases, or interconnection-wide cases as necessary to complete an evaluation.

Considerations are grouped under two primary categories: general considerations applicable to all Exception Requests, and considerations applicable to specific Elements or groups of Elements. Under the second category, considerations are specified for each Element or group of Elements including generation and dispersed power-producing resources, substation shunt devices, transformers, transmission lines, radial systems, and networks. Considerations from multiple categories may be applied when an Exception Request includes aspects of more than one category.

General Considerations for Evaluation

When assessing the potential impact of an Exception on the Reliable Operation of the system, the following non-exclusive general considerations will be evaluated, as applicable:

- Whether Element(s) include a monitored Facility of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, a comparable monitored Facility in the ERCOT or Quebec Interconnections, or a monitored Facility included in an Interconnection Reliability Operating Limit (IROL)

- Whether the Element(s) include circuits that are part of a Nuclear Plant Off-Site Power Supply

- The effects of not requiring the Element(s) to comply with requirements assigned to BES Elements in the NERC Reliability Standards

- Whether the rationale is dependent on correct operation of a Special Protection System/Remedial Action Scheme
- The role of the Element(s) in the Reliable Operation of the system, based on operating experience during normal and emergency conditions as supported by data, studies, or event analyses
- The extent to which the Element(s) is necessary for the Reliable Operation of the system, such as transfer capability, system stability, or voltage control
- The impact of an outage of the Element(s)
- The extent to which loading on the Element(s) is affected by changes in generation dispatch or outages of other Elements
- The available short circuit current at the bus(es) to which the Element(s) are connected
- The potential effect of faults on the Element(s) or adjacent Element(s), including the impact of protection system failures
- The aggregate effect of excluding the Elements within a portion of the BES (e.g., where multiple resources considered individually are not necessary for the Reliable Operation of the system, but in aggregate the resources are necessary)
- The aggregate effect of excluding a type of Element across the BES (e.g., where all or many of a particular resource type would affect the Reliable Operation of the system during a wide-area disturbance due to a common design parameter or a common failure mode)
- Inter-regional transmission Elements will have a single BES status
- Any unique characteristics of the Element(s) in relation to the electrical characteristics of the system and its topology

Considerations Applicable to Specific Elements or Groups of Elements

When assessing the potential impact of Exception of specific Elements or groups of Elements on the Reliable Operation of the system, the following non-exclusive considerations will be evaluated, as applicable:

Generation and Dispersed Power-Producing Resources

The Regional Entities and NERC will consider relevant facts from the following list when analyzing requests related to generation and dispersed power-producing resources:

- The gross nameplate MVA rating and the interconnection voltage of the resource
- Whether the resource identified in a Transmission Operator's restoration plan as a Blackstart resource
- The extent to which the resource is relied on for, or has a commitment related to, capacity requirements
- Ancillary services provided by the resource
- Whether the resource is relied on to provide reactive support or to control BES voltage
- Susceptibility of the resource to large or sudden fluctuations in Real Power output and the associated effect
- The extent to which generation resource supports system inertia and frequency response

Substation Shunt Devices

The Regional Entities and NERC will consider relevant facts from the following list when analyzing requests related to static and dynamic Reactive Power resources:

- The nameplate Mvar rating and interconnection voltage of the Reactive Power resource
- Whether the device is installed for power quality reasons (e.g., power factor correction, flicker control, or harmonic filtering)
- Whether the device is operated under manual or automatic control, and in either case, the control parameters and objectives (e.g., voltage thresholds, time delays, voltage and/or Reactive Power flow objectives)

Circuit – Transformers

The Regional Entities and NERC will consider relevant facts from the following list when analyzing requests related to transformers:

- The nameplate MVA rating of the transformer
- Whether the transformer is connected to the BES at more than one terminal voltage (i.e., whether excluding a transformer would result in a discontinuity in the BES)
- Whether the transformer is used to control the flow of Real Power (e.g., phase-shifting or variable frequency transformers)

- Whether the transformer is part of an established inter-regional or intra-regional transmission interface with an associated System Operating Limit (SOL) or IROL and the basis for the limit (e.g., thermal, voltage, stability)
- Whether the transformer is part of a Blackstart cranking path

Circuit – Lines

The Regional Entities and NERC will consider relevant facts from the following list when analyzing requests related to transmission lines:

- The Facility Rating
- Whether the line is part of an established inter-regional or intra-regional transmission interface with an associated SOL or IROL and the basis for the limit (e.g., thermal, voltage, stability)
- A list of additional Elements that comprise the Facility, where applicable (e.g., series capacitors, series reactors, shunt reactors)
- Whether the line is part of a Blackstart cranking path

Radial Systems

A radial system consists of a contiguous group of Elements that interconnects to the BES at one point. In cases where a normally closed path operated above 50 kV exists between the group of Elements and a second point of interconnection to the BES, the Exception Request will be reviewed as a network. In this case, the Regional Entity or NERC may request additional information, or request the submitting entity to review its application and, if appropriate, submit a revised Exception Request that addresses relevant considerations for networks.

The Regional Entities and NERC will consider relevant facts from the following list when analyzing requests related to radial systems:

- The gross nameplate MVA rating and the interconnection voltage of any BES resources connected to the radial system
- The effect of disconnecting the radial system from the BES in whole, or in part
- Whether Elements in the radial system are used to control BES voltage
- The location of interrupting devices on the radial system and coordination of Protection Systems on the radial system with Protection Systems on the BES

Networks

The Regional Entities and NERC will consider relevant facts from the following list when analyzing requests related to networks:

- Whether a phase-shifting or variable frequency transformer, or other series device (e.g., a unified power flow controller) is used to limit powerflow through the network

- The maximum power that may flow through the network with all lines in service and for first contingency conditions, and the contingency and system conditions under which the flow may occur
- The gross nameplate MVA rating and the interconnection voltage of any BES resources connected to the network
- The amount of load connected to the network
- The effect of topology changes within the network
- The effect of disconnecting one or more connections to the BES causing the network to be operated radial to the BES
- Whether Elements in the network are used to control BES voltage
- The location of interrupting devices on the network and coordination of Protection Systems on the network with Protection Systems on the BES

Examples

Requests for Exceptions to the BES definition may include requests to either include or exclude Elements. In many cases the requests to exclude may be for Elements or groups of Elements that are similar to situations addressed by the numbered Exclusions, but which do not meet all of the criteria. Exception Requests also are expected for inclusion of Elements that are deemed necessary for Reliable Operation of the system that are not included by the core definition or the numbered Inclusions or Exclusions.

This section of the document provides examples of Exception Requests to exclude Elements from the BES and a high-level discussion of how the considerations apply. Exception Requests to include facilities in the BES would apply the considerations in a similar manner.

Generation and Dispersed Power-Producing Resources

1. A generating resource that meets the criteria in Inclusion I2 (i.e., generating resource(s) with gross individual nameplate rating greater than 20 MVA or gross plant/facility aggregate nameplate rating greater than 75 MVA including the generator terminals through the high side of the step-up transformer(s) connected at a voltage of 100 kV or above).

   A generating resource that meets the criteria in Inclusion I2 will be considered for exclusion based on the general considerations and the specific considerations for Real Power resources.

2. Dispersed power-producing resources that aggregate to a total capacity greater than 75 MVA (gross aggregate nameplate rating) that are connected through a system designed to deliver such capacity to a common point of connection at a voltage of 100 kV or above.

   A dispersed power-producing resource that meets the criteria in Inclusion I4 will be considered for exclusion based on the general and specific considerations for generation and dispersed power-producing resources. Requests to include all or additional portions of the system used for delivering power may be considered based on other considerations (e.g., Reactive Power resources) if equipment installed on the system is necessary for Reliable Operation of the system.

3. A generating unit or multiple generating units on the customer's side of the retail meter that serve all or part of the retail load with electric energy, and that provide net capacity to the BES that exceeds 75 MVA.

   A generating unit that meets some—but not all—criteria for Exclusion E2 will be considered for exclusion based on the general and specific considerations for generation and dispersed power-producing resources. Requests to include associated facilities may be considered based on other considerations (e.g., Reactive Power resources) if equipment installed on the system is necessary for Reliable Operation of the system.

Substation Shunt Devices

4. A static or dynamic device that meets the criteria in Inclusion I5 that is installed by a Transmission Owner or Distribution Provider for the general purpose of supporting load, but not for the benefit of or under contract with a specific retail customer.

   A static or dynamic device that is installed by a Transmission Owner or Distribution Provider for general system requirements will be considered for exclusion based on the general and specific considerations for Reactive Power resources.

Circuit – Transformers

5. Transformers that meet the criteria in Inclusion I1 (i.e., transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher).

   A transformer that meets the criteria in Inclusion I1 will be considered for exclusion based on the general and specific considerations for transformers. Requests to exclude transformers typically should be part of a request for a radial system or network, unless the transformer only connects to the BES at one terminal voltage.

Radial Systems

6. A radial system that supplies load and includes generation resources not identified in Inclusion I2, I3, or I4 with an aggregate capacity of non-retail generation greater than 75 MVA (gross nameplate rating).

   Any Elements of a radial system that would be included by application of the BES definition and that transmit power from a BES resource will not be excluded as part of an Exception Request. Other Elements of a radial system will be considered for exclusion based on the general and specific considerations for radial systems.

Networks

7. A network that does not include generation resources identified in Inclusion I2, I3, or I4 but does have an aggregate capacity of non-retail generation greater than 75 MVA (gross nameplate rating).

   Any Elements of a network that would be included by application of the BES definition and that transmit power from a BES generation resource will not be excluded as part of an Exception Request. Other Elements of a network will be considered for exclusion based on the general and specific considerations for networks.

8. A network that contains a monitored Facility of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, or a comparable monitored Facility in the ERCOT or Quebec Interconnections, that is not a monitored Facility included in an IROL.

A monitored Facility of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, a comparable monitored Facility in the ERCOT or Quebec Interconnections, or a monitored Facility included in an IROL, typically is critical to reliability of the interconnected transmission system. A network that includes these Elements will be considered for exclusion based on the general and specific considerations for networks.

9. A network that may transfer energy originating outside the local network for delivery through the local network under specific circumstances characterized by one or more of the following:
   - The amount of energy transferred is limited
   - The duration of the transfer is limited
   - The circumstances under which the transfer may occur is limited

   A network that does not meet the bright line threshold in Exclusion E3 because it may transfer power in parallel with the BES will be considered for exclusion based on the general and specific considerations for networks.

BES Exception Process Review Checklist

YES	NO	N/A	Requirements	Comments or Remarks
Application Form				
☐	☐	☐	Is the Exception Request from an eligible Submitting Entity, per section 4.1 of Appendix 5C of the NERC Rules of Procedure?	
☐	☐	☐	Does the Exception application contain the necessary information required by the Rules of Procedures (section 4.5 Appendix 5C of the NERC Rules of Procedure)?	
☐	☐	☐	Have any of these Element(s) been part of a previous Exception Request or self-determination? If yes, please explain.	
☐	☐	☐	Are there any other Exception Requests submitted in conjunction with the Exception Request? If so, explain.	
☐	☐	☐	Does the Exception Request include confidential information as defined in the NERC Rules of Procedure, Section 1500 and, if so, has it been clearly identified?	
☐	☐	☐	Have copies of the Exception Request been sent to each PA, RC, TOP, TP, and BA that has, or will have, the Elements within the scope of their respective authority?	
☐	☐	☐	Does the Exception Request cross Regional Entity boundaries? If so, explain.	
☐	☐	☐	Are all elements of the Exception Request completely located in the Region?	
☐	☐	☐	Has the entity filed a petition at FERC regarding whether or not the Element is considered Local Distribution? If, so, what is the status of that determination?	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
Application of BES Definition				
☐	☐	☐	Has the Phase 2 BES Definition Reference Document been correctly applied in determining the applicability of the BES definition for the Element?	
☐	☐	☐	I1 – Transformers	
☐	☐	☐	I2 – Generator Resources	
☐	☐	☐	I3 – Blackstart Resources	
☐	☐	☐	I4 – Dispersed power-producing resources	
☐	☐	☐	I5 – Static or dynamic devices	
☐	☐	☐	E1 – Radial systems	
☐	☐	☐	E2 – Generator serving retail Load	
☐	☐	☐	E3 – Local Network	
☐	☐	☐	E4 – Reactive Power Devices	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
Support Information				
☐	☐	☐	Is a current one-line diagram with sufficient breaker and protection detail provided?	
☐	☐	☐	Do the diagram(s) supplied show the Protection Systems at the interface points associated with the Elements?	
☐	☐	☐	Were the data and studies needed to support the submittal provided?	
☐	☐	☐	Were the supporting statements for the submitted Exception Request from other entities provided? If so, explain.	
☐	☐	☐	Is the Exception Request based on an acceptable interconnection-wide base case that is suitably complete and detailed to reflect the electrical characteristics and system topology?	
☐	☐	☐	Are all the assumptions used clearly documented?	
☐	☐	☐	Addresses key performance measures of BES reliability through steady-state power flow analysis as necessary to support the entity's request, consistent with the methodologies described in the Transmission Planning (TPL) standard and commensurate with the scope of the request?	
☐	☐	☐	Addresses key performance measures of BES reliability through transient stability analysis as necessary to support the entity's request, consistent with the methodologies described in the Transmission Planning (TPL) standard and commensurate with the scope of the request?	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
All Exception Requests				
☐	☐	☐	Are the Element(s) part of a monitored Facility of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, a comparable monitored Facility in the ERCOT or Quebec Interconnections, or a monitored Facility in an Interconnection Reliability Operating Limit (IROL)?	
☐	☐	☐	Is the element part of a Nuclear Plant Off-Site Power Supply?	
☐	☐	☐	Are there any effects on the Reliable Operation of the system of not requiring the Element(s) to comply with requirements assigned to BES Elements in the NERC Reliability Standards?	
☐	☐	☐	Is the rationale dependent on the correct operation of a Special Protection System/Remedial Action Scheme?	
☐	☐	☐	Does the Element(s) have a role in meeting the Reliable Operation of the system, based on operating experience during normal and emergency conditions, as supported by data, studies, or event analyses?	
☐	☐	☐	Is the Element(s) necessary for Reliable Operation of the system with respect to such considerations as transfer capability, system stability, or voltage control?	
☐	☐	☐	Is the loading on the Element(s) impacted by changes in generation dispatch or outages of other elements?	
☐	☐	☐	Is the available short circuit current provided for buses to which the Element(s) is connected? What are the short circuit values?	
☐	☐	☐	Are there potential effects of faults on the Element(s) or adjacent Element(s)?	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
All Exception Requests				
☐	☐	☐	Are there any aggregate effects of excluding Elements within a portion of the BES (e.g., where multiple resources considered individually are not necessary for the Reliable Operation of the system, but in aggregate the resources are necessary)?	
☐	☐	☐	Is there any aggregate effect of excluding this type of Element across the BES (e.g., where all or many of a particular resource type would affect the Reliable Operation of the system during a wide-area disturbance due to a common design parameter or a common failure mode)?	
☐	☐	☐	Is the Element an inter-regional transmission Element?	
☐	☐	☐	Does the Exception Request include consideration of technical justification, analysis, and recommendations supporting the request? If so, explain.	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
Substation Shunt Devices				
☐	☐	☐	Has the nameplate Mvar rating and interconnection voltage of the Reactive Power device been provided? What are they?	
☐	☐	☐	Is the device installed for power quality reasons (e.g., power factor correction, flicker control, harmonic filtering)?	
☐	☐	☐	Is the device operated under manual or automatic control, and in either case, what are the control parameters and objectives (e.g., voltage thresholds, time delays, voltage and/or Reactive Power flow objectives)	
Circuits – Transformers				
☐	☐	☐	Has the Transformer Rating been provided? What is it?	
☐	☐	☐	Is the transformer connected to the BES at one or more terminal voltages?	
☐	☐	☐	Is the transformer used to control the flow of Real Power (e.g., phase-shifting or variable frequency transformer)?	
☐	☐	☐	Is the transformer part of a Blackstart cranking path?	
Circuits – Lines				
☐	☐	☐	Has the Facility Rating been provided? What is it?	
☐	☐	☐	Is the Element part of an established inter-regional or intra-regional transmission interface with an associated System Operating Limit? What is the basis for the System Operating Limit (e.g., thermal, voltage, stability)?	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
Circuits – Lines (continued)				
☐	☐	☐	Has a list of additional Elements that comprise the Facility, where applicable (e.g., series capacitors, shunt reactors) been provided?	
☐	☐	☐	Is the line part of a Blackstart cranking path?	
Radial Systems				
☐	☐	☐	Are any BES resources connected to the Radial System?	
☐	☐	☐	Are there Elements in the radial system used to control BES voltage?	
☐	☐	☐	Are there interrupting devices on the radial system, and where? Are Protection Systems associated with the radial system coordinated with Protection Systems on the BES?	
☐	☐	☐	Does disconnecting the radial system from the BES in whole or in part affect the Reliable Operation of the system?	
Networks				
☐	☐	☐	Is a phase-shifting or variable frequency transformer, or other series device (e.g., a unified power flow controller) used to limit powerflow through the network?	
☐	☐	☐	Is the maximum power that may flow through the network provided, and the contingency and system conditions under which the flow may occur?	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
Networks (continued)				
☐	☐	☐	Are any BES resources connected to the network?	
☐	☐	☐	Are there any effects of topology changes within the network on the Reliable Operation of the system?	
☐	☐	☐	Are there interrupting devices on the network? If so, where are they located?	
☐	☐	☐	Are the Protection Systems associated with the network coordinated with Protection Systems on the BES?	
Generation and Other Resources				
☐	☐	☐	Is the generation a Blackstart resource identified in a Transmission Operator's system restoration plan?	
☐	☐	☐	Is the resource designated as a must-run unit to support the Reliable Operation of the system?	
☐	☐	☐	Were the MVA rating and interconnection voltage provided? What are they?	
☐	☐	☐	Is the resource relied on for, or have a commitment related to, capacity requirements? To what extent?	
☐	☐	☐	Is the resource susceptible to large or sudden fluctuations in Real Power output, and what is the associated effect on the Reliable Operation of the system?	

BES Exception Process Review Checklist				
YES	NO	N/A	Requirements	Comments or Remarks
Generation and Other Resources (continued)				
☐	☐	☐	Does an outage of the resource affect the Reliable Operation of the system?	
☐	☐	☐	Does the generation resource support system inertia and frequency response requirements?	
Regional Entity Exception Recommendation				
☐	☐	☐	The application contains sufficient information to support the Exception Request as described above under Support Information.	
☐	☐	☐	Technical Review Panel has reviewed the Exception Request and issued a decision.	

Regional Recommendation Format

Decision on Initial Review

The required comments for an Acceptance or Rejection take a form similar to:

"The Exception request was [Accepted/Rejected] based on a determination that the information submitted…

If Accepted:

- …was a valid Exception Request

If Rejected:

- …was not from an Eligible Submitter,
- …did not contain all Required Information, or
- …was not for an Exception to the definition of Bulk Electric System."

Recommendation for Approval or Disapproval

The required substantive review comments take a form similar to: "The Recommendation for [Approval/Disapproval] is based on consideration of the relevant facts and circumstances contained in the record."

Specifically, the following key facts and circumstances were considered:

- For a Recommendation for Approval, the Lead Regional Entity has listed the key facts and circumstances leading to the engineering conclusion that the Element(s) in the Exception Request is or is not (are or are not) necessary for the Reliable Operation of the interconnected transmission system.
- For a Recommendation for Disapproval, the Lead Regional Entity has:
    - Listed any key contra-indicating facts and circumstances leading to the engineering conclusion that the Element(s) in the Exception Request is or is not (are or are not) necessary for the Reliable Operation of the system.
    - Referenced the convening or findings of the Technical Review Panel, and stated that "the Submitting Entity failed to provide sufficient basis for an engineering conclusion that the Element(s) in the Exception Request is or is not (are or are not) necessary for the Reliable Operation of the interconnected transmission system."

Technical Review Panel (TRP)

- The Lead Region has arrived at a proposed decision and has recorded this in the "substantive review comments" field and associated Substantive Review document but not yet submitted its recommendation to NERC.
- Appropriate conflict of interest and confidentiality provisions have been validated if TRP roles are assigned to a specific ER.

- The Regional Entity has assigned a Technical Review Panel consisting of no fewer than three individuals appointed by the Regional Entity senior executive (CEO, President, General Manager, etc.), if applicable.
- The TRP has performed its review, attached documentation, and recorded its findings, listing the key facts and circumstances in the TRP comments field used to determine whether the Element(s) in the exception request is or is not (are or are not) necessary for the Reliable Operation of the interconnected transmission system.
- A minority opinion may be attached and referenced in the TRP comments field.