

Summary of Comments

Background:

The "Coordinate Interchange" SAR was posted for a 30-day public comment period from April 2 through May 3, 2002. On July 2, 2002 the Standards Authorization Committee (SAC) appointed a team to address the industry's comments submitted in response to the following questions asked about this SAR:

Look at SAR called: Coordinate Interchange
Is there a reliability-related need for an Organization Standard to be developed on this topic?
Yes No
The scope of the SAR is fine as it is
The scope of the SAR should be expanded to include:
The scope of the SAR should be reduced to eliminate:
Other comments:

There were many comments submitted on the scope of the SAR. These comments are addressed in this document. The comments can be viewed in their original format at:

<http://www.nerc.com/~filez/sar-comments.html>

In this document the comments have been cut and pasted and organized by central themes.

The SAR DTs consideration of each of the comments submitted follows that comment or suggestion. In cases where there were several comments submitted that made the same or a very similar suggestion, a single response has been provided. The comments submitted by industry participants served as the basis for revising this SAR.

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give EVERY comment serious consideration in this process! If you feel there has been an error or omission, you can contact Gordon Scott, the SAR Drafting Team's facilitator, in the NERC office. Gordon can be reached at 609-452-8060 or at gordon.scott@nerc.net. Or you can contact the Standards Process Manager, Maureen Long at 305-891-5497 or at spm@nerc.com.

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

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First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Original Title:	Coordinate Interchange
Revised Title:	Coordinate Interchange Transactions

Summary Consideration of Comments on Title:

Based on the comments received the drafting team believes the SAR should address Interchange Transactions as they affect Interchange Schedules. The SAR is not meant to address Net Actual Interchange i.e. what is being checked at the meters. The drafting team proposes to change the title of the SAR to "Coordinate Interchange Transactions" clarifying what the SAR intends to address.

Comment:

This SAR and its scope should be clarified as to the extent to which it addresses "Interchange." It appears that its purpose is to address SCHEDULED Interchange only, but it is simply not clear. We would like to have the title clarified to express the intent of the purpose of the SAR. The resulting scope of measures will be greatly affected by this clarification. (Dairyland)

Original Purpose/Industry Need:

To ensure that the implementation of TRANSACTIONS between BALANCING AUTHORITIES are coordinated to maintain system reliability.

Revised Purpose/Industry Need:

To ensure that the implementation of transactions between Balancing Authorities are coordinated by the Interchange Authority such that the following reliability objectives are met:

- Each Interchange Schedule is checked for reliability before it is implemented
- The Balancing Authorities implement the Interchange Schedule exactly as scheduled
- Schedule information is available for reliability assessments

Summary Consideration of Comments on Purpose/Industry Need:

The comments from Industry Participants indicated that the original Purpose/Industry Need was unclear, but the Industry's comments did not provide direction on what should be contained within this clarification. The SAR DT could not develop a more definitive Purpose/Industry Need for this SAR without additional input from the Requestor. The SAR DT asked the Requestor for clarification and he suggested the language shown in the revised Purpose/Industry Need.

This SAR addresses "What" performance should be achieved without necessarily addressing specifically "How" to achieve that performance. The details of "How" to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR.

Comment:

There is inadequate detail in the SAR to determine if the scope of the SAR is appropriate and adequate. What is the reliability objective of coordinating interchange? The description of this Standard presumes the HOW without clearly defining the WHAT. (Illinois Power Company)

Consideration:

The scope of the SAR has been more specifically defined and its reliability objectives have been clearly stated in the revised SAR.

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Comment:

Manitoba Hydro believes that the scope of this SAR as defined above, although required, is not a reliability requirement but a Business Standard one. The main concern here is inadvertent flows which is a Business Standards issue. We believe a SAR is required to address reliability requirements related to SCHEDULED Interchange; any monitoring and data requirements related to this function.

The Industry Need has not been defined for this SAR. (Manitoba Hydro)

Consideration:

The scope of the SAR has been more specifically defined to clarify that it is not intended to address business practices. The reliability objectives have been clearly stated in the revised SAR.

Comment:

Add specific measurable boundary conditions. The SAR lacks a description of the objective of this standard - only refers to "maintain system reliability". What are the aspects of reliability it is intended for? Real-time balance? Frequency? System stability? (Reliant Resources)

Consideration:

The objectives of the SAR are being revised based on the comments submitted by industry participants. Please review the revised objectives and the questions included in the special SAR Comment Form and respond to let us know what additional revisions are needed.

Comment:

A lack of coordination will not directly impact grid reliability. Reliability is only threatened when a grid operator reacts inappropriately when coordination is lacking. (E.g. Operating limits) (Calpine)

Consideration:

The SAR has been revised to clarify the reliability objectives. The intent of the SAR is to define the requirements placed on certain reliability functions through the coordination performed by the Interchange Authority to assure that the Reliability Authorities are provided with information necessary to perform security analysis on Interchange Transactions, and the Balancing Authorities are provided with the information necessary to calculate and operate to a valid Net Scheduled Interchange. Net Scheduled Interchange is a primary component of the Area Control Error (ACE) equation used to guide the real-time balancing of resources and load, and also used in the compliance calculations for the Control Performance Standard and Disturbance Control Standard.

Comment:

The purpose/industry need section should start with: The purpose of this standard is to ensure that a consistent, uniformly applied standard is developed for ... (Dynergy, Inc.)

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Consideration:

A standard template has been drafted to ensure that all new standards are written in a consistent format. Your suggestion that we follow a standard format for the SARs is a good one and has been forwarded to the Standards Process Manager.

The SAR has been revised to clarify the reliability objectives. The intent of the SAR is to define the requirements placed on certain reliability functions through the coordination performed by the Interchange Authority to assure that the Reliability Authorities are provided with information necessary to perform security analysis on Interchange Transactions, and the Balancing Authorities are provided with the information necessary to calculate and operate to a valid Net Scheduled Interchange. Net Scheduled Interchange is a primary component of the Area Control Error (ACE) equation used to guide the real-time balancing of resources and load, and also used in the compliance calculations for the Control Performance Standard and Disturbance Control Standard.

Original Brief Description:

Establish requirements for defining, assessing, confirming, and implementing INTERCHANGE TRANSACTIONS.

This shall include items such as data, communications, and timing requirements among Reliability Functions.

Revised Brief Description:

To ensure reliability related data pertaining to interchange transactions is verified and communicated to functional authorities. Reliability related data to be verified should include megawatt magnitude, ramp start and stop times, and the interchange transaction's duration. Reliability related data should be communicated by and between the Interchange Authority, Balancing Authority, Reliability Authority, Transmission Service Provider, and Purchasing-Selling Entity functions.

Verification of data should indicate that a mutual agreement exists between parties that intend to implement a proposed interchange transaction as well as approval by the appropriate functional authorities.

To provide a mechanism for transaction identification that could be used for congestion management and/or relieving operating limit violations.

Summary Consideration of Comments on Brief Description:

The Brief Description of this SAR has been revised based on the comments submitted by industry participants and additional information provided by the Requestor. The proposed standard would identify what types of data need to be exchanged between functions to ensure the Reliability Authority has the data needed to perform security analyses and to ensure the Balancing Authority has the data needed to develop the Net Scheduled Interchange.

This SAR addresses "What" performance should be achieved without necessarily addressing specifically "How" to achieve that performance. The details of "How" to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR. There may be some "How's" that relate to the operating side, rather than the market side, of this standard.

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Comment:

Clarify in description that this applies to tagging and scheduling in the real time environment. (Duke Power)

Consideration:

The brief description has been revised to clarify what will be included in the proposed SAR. Tagging is not addressed in the brief description because this SAR is confined to the "What" and does not go into the "How." This SAR addresses "What" performance should be achieved without necessarily addressing specifically "How" to achieve that performance. The details of "How" to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR. There may be some "How's" that relate to the operating side, rather than the market side, of this standard.

Comment:

The description assumes a solution to a problem that is not clearly defined. ".requirements for defining, assessing, confirming, and implementing interchange transactions.." are possible means to achieve some reliability objective. They are not the reliability objectives themselves and should not be presumed to be the only solutions to achieving an underlying reliability objective that is not clearly stated in this SAR. This standard as proposed will be difficult to measure and enforce. There are numerous procedures and requirements that may be required to facilitate the reliability needs, however, not all of them fall under the definition of a core Organization Standard that is measurable. NERC must distinguish these requirements from core Organization Standards and apply an appropriate standards development process for them. (Reliant Resources)

Consideration:

The SAR has been revised to more clearly identify its reliability objectives.

This SAR addresses "What" performance should be achieved without necessarily addressing specifically "How" to achieve that performance. The details of "How" to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR. There may be some "How's" that relate to the operating side, rather than the market side, of this standard.

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Comment:

The standard should only define the requirement to be met to maintain reliability. How the affected entities comply with the standard are business process issues that should be addressed by NAESB. (Mirant Americas Energy Marketing)

Consideration:

The SAR has been revised to more clearly identify its reliability objectives.

This SAR addresses “What” performance should be achieved without necessarily addressing specifically “How” to achieve that performance. The details of “How” to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which “How” should be included in the scope of this SAR. There may be some “How’s” that relate to the operating side, rather than the market side, of this standard.

Comment:

Specification of data, communications, data could go beyond principles and expected results. Avoid descriptions on "how to do it".

Caution should be taken to define the principles, but not describe the operation of the ESC system. (Nova Scotia Power Inc.)

Consideration:

The SAR has been revised to more clearly identify its reliability objectives. The revised brief description should clarify that the SAR will only address the reliability-related components of data that must be exchanged between functions to support security studies and for developing Net Scheduled Interchange. This SAR addresses “What” performance should be achieved without requiring the use of specific tools. The details of “How” to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which “How” should be included in the scope of this SAR. There may be some “How’s” that relate to the operating side, rather than the market side, of this standard.

Comment:

Reduce the scope: Items such as data, communications and timing requirements should be defined in this SAR. However, establishing requirements for defining, assessing, confirming and implementing interchange transactions standards be developed in a process which takes into account market and reliability interests. (Allegheny Energy Supply)

Consideration:

The SAR should not include “How” the standard is to be achieved or “How” it is to be implemented but “What” performance is expected. The SAR is not intended to address market interests. We expect that the market-related procedures used to support the coordination of interchange will be addressed through a NERC/NAESB coordination effort.

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Comment:

(Eliminate) all references to HOW this standard would be met such as data, communications, and timing. These tend to be issues as to HOW to achieve the standard not what the standard should be. (Illinois Power Company)

Consideration:

The brief description has been revised to clarify what will be included in the proposed SAR. This SAR addresses “What” performance should be achieved without necessarily addressing specifically “How” to achieve that performance. The details of “How” to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which “How” should be included in the scope of this SAR. There may be some “how’s” that relate to the operating side, rather than the market side, of this standard.

Comment:

Reduce the Scope: eliminate references to commercial/business processes (Mirant Americas Energy Marketing)

Consideration:

The brief description has been revised to clarify what will be included in the proposed SAR. The SAR is not intended to address business processes. If you feel that there is a specific business process that is being addressed by this SAR, please identify this in your written comments.

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Comment:

Re-write description to include "...and timing requirements among Reliability and Balancing Functions."
(California ISO)

Consideration:

Communication of timing is required between the Balancing Authority, Reliability Authority, Transmission Provider, generators, and loads; timing must be agreed to by all functional entities. This SAR addresses timing as an element of data to be exchanged between involved functions, but doesn't address specific time constraints for accomplishing the coordination of transactions.

This SAR addresses "What" performance should be achieved without necessarily addressing specifically "How" to achieve that performance. The details of "How" to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR. There may be some "How's" that relate to the operating side, rather than the market side, of this standard.

Comment:

The scope is too general. Interchange information should be coordinated at multiple levels including planning, scheduling, and balancing. (Ameren Services -Energy Delivery Technical Services)

Consideration:

The SAR has been revised to more clearly identify the scope. The planning and balancing components of this process are addressed in the following SARs.

- Operate Within Transmission System Limits - Monitor and Assess Short-term Reliability
- Balance Resources and Demand

Comment:

Add specific reliability-based rules governing tagging energy to exactly match energy flow (i.e. not allowing "gaming" the integrated MW-value for the hour). (NIPS (Northern Indiana Public Service Co.))

Consideration:

Matching energy is a function of the Balancing SAR and should be included as a comment to that SAR. This SAR addresses coordination of Interchange Schedules as communicated between two or more of the Functional Model functions.¹ This SAR does not address gaming. If gaming denotes a commercial activity then gaming should be addressed in the market monitoring process.

¹ The functions are identified in the Functional Model and include the RELIABILITY AUTHORITY, INTERCHANGE AUTHORITY, BALANCING AUTHORITY, PLANNING AUTHORITY, TRANSMISSION SERVICE PROVIDER, TRANSMISSION OWNER, TRANSMISSION OPERATOR, DISTRIBUTION PROVIDER, LOAD-SERVING ENTITY, and PURCHASING-SELLING ENTITY AND GENERATORS.

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Comment:

The creation of a standard for the effective coordination of the interconnection is needed to address the way transmission business is conducted in our industry. Currently NERC policy 3 defines the interchange protocol that most of the industry subscribes to. But this protocol is not followed, defined, and implemented uniformly throughout the interconnection. This leads to isolated areas of confusion when balancing the interconnection and conducting business. We need consistent criteria that can be applied to large geographical areas, such as the three basic interconnections. Standards that address the implementation of One-Stop-Shop business, common timing requirements, products, and operational time need to be reviewed. (FirstEnergy Corp)

Consideration:

The NERC Board of Trustees directed that we focus on developing reliability-related standards. Standards that involve business practices and communications protocols will be developed by NAESB, and standards that involve both reliability and commercial practices will most likely be developed through a combined NERC/NAESB standards development process. NERC's reliability standards are intended to address 'What' performance must be accomplished, but aren't necessarily intended to identify 'How' to achieve that level of performance. NERC's Policy 3 goes beyond identifying 'What' performance to achieve, and includes 'How' to achieve that performance and includes some requirements that have an impact on markets as well as reliability – for these reasons Policy 3 is not a role model for the format of NERC's new reliability standards.

Comment:

Emphasize developing coordinated methods for determining how to handle roll-over rights and partial path reservations in planning models. (American Transmission Company)

Consideration:

The underlying processes (such as how to determine roll-over rights) used to support the coordination of interchange contain elements that relate to both reliability and business practices and need to be addressed in a joint NERC/NAESB standards development effort.

Comment:

Coordinating interchange should consider Automatic Generation Control (AGC) and Generation Rejection Schemes and their impact on interconnected systems. This indicates that in the Reliability Functions matrix, this Standard should also apply to generators. (Independent Electricity Market Operator (IMO))

Consideration:

AGC and Generation Rejection Schemes are tools that can be used to achieve a performance objective. NERC's reliability standards are intended to identify 'What' performance should be achieved, without necessarily identifying 'How' to achieve that performance. In developing its new standards development process, industry participants clearly indicated that when NERC's Policies and Standards delved into "How" to achieve performance that sometimes had an unintended, adverse impact on markets.

The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR. There may be some "How's" that relate to the operating side, rather than the market side, of this standard.

Detailed Description

To address coordination of interchange transactions as they impact interchange schedules the SAR drafting team is providing this description of the data communications between the Interchange Authority and other functional authorities that are necessary for reliable operations.

The following are processes that need to take place but they are not necessarily sequential steps in the process. The drafting team is trying to address the reliability needs in the processes.

1. The desire to transfer energy between Balancing Authorities is conveyed to the Interchange Authority.
2. Reliability related transaction data is submitted to the Interchange Authority by the requesting party.
3. The Interchange Authority submits transaction data to the Transmission Service Providers that verifies and approves transmission availability.
4. The Interchange Authority communicates the transactions' status on transmission service approval to the requesting parties
5. The Interchange Authority communicates only *approved and verified* interchange schedule data to the Balancing Authority and the Reliability Authority.
6. The Balancing Authority receiving data from an Interchange Authority communicates the net scheduled interchange to the neighboring Balancing Authority receiving data from the Interchange Authority.
7. The Reliability Authority performs congestion management security studies and approves or denies the interchange schedule, and communicates approved interchange schedules to the Interchange Authority.
8. The Interchange Authority communicates the transactions' status regarding implementation to the requesting parties.

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Original Functions:		
X	Reliability Auth	Ensures the reliability of the bulk transmission system within its Security Authority Area. Highest reliability authority.
X	Balancing Auth	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time
X	Interchange Auth	Authorizes valid and balanced Interchange Schedules
	Planning Auth	Plans the bulk electric system
X	Transmission Service Provider	Provides trans services to qualified market participants under applicable transmission service agreements
	Trans Owner	Owens transmission facilities
	Transmission Operator	Operates and maintains the transmission facilities, and executes switching orders
	Distribution Provider	Provides and operates the "wires" between the transmission system and the customer
	Generator	Owens and operates generation unit(s) or runs a market for generation products that performs the functions of supplying energy and Interconnected Operations Services
X	Purchasing-Selling Entity	The function of purchasing or selling energy, capacity and all necessary Interconnected Operations Services as required.
	Load-Serving Entity	Secures energy and transmission (and related generation services) to serve the end user

Summary Consideration of Comments on Applicable Functions:

The functions checked are the functions that would have performance requirements and associated compliance elements in the proposed standard. At this point, the functions that would have performance measures as part of this proposed standard are the Reliability Authority, Balancing Authority, Interchange Authority, Transmission SERVICE Provider and Purchasing-Selling Entity. No performance requirements have been identified that are assigned to the Planning Authority, the Generator or the Load-Serving Entity.

Comment:

The PLANNING AUTHORITY has a role in that long-term transactions factor into the planning for the transmission system. (Michigan Electric Coordinated Systems (MECS))

Consideration:

See the Drafting Team's comment under Summary Consideration of Comments on Applicable Functions

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Comment:

This is a process that should be part of Coordinate Operation. Even if this is kept as a SAR, additional entities such as the Generator and LSE should be included. (SERC)

Consideration:

See the Drafting Team's comment under Summary Consideration of Comments on Applicable Functions

Comment:

This standard should also apply to the Generator and Load-Serving Entities functions since those functions are the ultimate source and sink on interchange transactions. (American Transmission Company)

Consideration:

See the Drafting Team's comment under Summary Consideration of Comments on Applicable Functions

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Original Reliability and Market Interface Principles	
Applicable Reliability Principles <i>(Put an 'x' in front of all that apply)</i>	
X	1. Interconnected bulk electric systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions.
X	2. The frequency of interconnected bulk electric systems shall be controlled within defined limits through the balancing of electric supply and demand
X	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
	4. Plans for emergency operation and system restoration of interconnected bulk electric systems shall be developed, coordinated, maintained and implemented
X	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk electric systems
	6. Personnel responsible for planning and operating interconnected bulk electric systems shall be trained, qualified and have the responsibility and authority to implement actions
X	7. The security of the interconnected bulk electric systems shall be assessed, monitored and maintained on a wide area basis
Does the proposed Standard comply with all of the following Market Interface Principles? <div style="float: right;">Yes</div> <i>(Enter 'yes' or 'no')</i>	
1. Interconnected The planning and operation of bulk electric systems shall recognize that reliability is an essential requirement of a robust North American economy	
2. An Organization Standard shall not give any market participant an unfair competitive advantage	
3. An Organization Standard shall neither mandate nor prohibit any specific market structure	
4. An Organization Standard shall not preclude market solutions to achieving compliance with that Standard	
5. 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	

Summary Consideration of Comments on Principles

Only one comment was submitted on the Principles. This comment will be referred to the Organization Certification Task Force for their consideration in developing the certification requirements for the RA, BA, IA and TOP functions. At this time, these are the only functions being considered for certification.

Comment:

Reliability Principle #6, "Personnel responsible for planning and operating interconnected bulk electric systems shall be trained, qualified and have the responsibility and authority to implement actions," should be applied to this standard. (American Transmission Company)

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Other Comments on Commercial Practices:

Summary Consideration of Comments on Commercial Practices:

The industry agrees that there are reliability issues in this SAR. The SAR is not intended to address business processes, and we have tried to clarify this with the revisions made to the SAR. If you feel that there are any business practices addressed within the revised SAR, please submit specific comments that identify these practices so the drafting team can make appropriate adjustments to the SAR.

Comment:

This is NOT a reliability standard. It is purely commercial and should be the subject of a NAESB action. NERC, in its participation in the NAESB process can manage the indirect reliability issues as a part of that process. (Calpine)

Comment:

The existing NERC standard, Policy 3, includes procedures for market participants to identify business transactions for reliability information. These procedures have profound impacts on market activity and should be developed with the NAESB process and filed at FERC for approval. (Reliant Resources)

Comment:

The establishment of this SAR is premature. All commercial implications of the SAR should be identified and mitigated prior to the drafting. (Electricity Consumers Resource Council (ELCON))

Comment:

The SAR needs to focus strictly on setting reliability measures related to coordinating interchange. The effort must be coordinated with any commercial standards which are developed. (Exelon Corporation)

Comment:

Many of the aspects discussed in SAR#7 seem to involve commercial business practices associated with scheduling transactions (or requesting transactions to be scheduled). We agree that there is a need to standardize the process by which interchange authorities implement interchange schedules. However, any attempt to standardize scheduling requirements to be imposed upon market participants would have significant commercial implications and should be vetted through the NAESB commercial business practice standards process. Hence, the standard should be modified to limit its scope to the purely reliability aspects of implementation of interchange schedules between interchange authorities. (Southern Company)

Comment:

The standard should only define the requirement to be met to maintain reliability. How the affected entities comply with the standard are business process issues that should be addressed by NAESB. (Mirant Americas Energy Marketing)

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Comments on FERC's Standard Market Design NOPR

Summary Consideration of Comments on FERC's Standard Market Design NOPR:

This SAR addresses "What" performance should be achieved without necessarily addressing specifically "How" to achieve that performance. The details of "How" to achieve the desired performance may include business elements and are left up to each entity. The SAR DT will ask the industry to provide specific feedback on the extent to which "How" should be included in the scope of this SAR. There may be some "How's" that relate to the operating side, rather than the market side, of this standard.

The FERC SMD NOPR has been issued and we are reviewing the document to ensure that this standard will be consistent with FERC's ruling. We don't expect any of the requirements of the proposed standard to conflict with FERC approved tariffs. If you are aware of any conflicts, please identify these in your comments so we can address them more specifically.

Comment:

To the extent that this SAR is transitioning an existing standard from the old world to the new world (Functional Model), then the standard should not go beyond the original scope. Consistent with our general comments, once the clarity is achieved on Standard Market Design and RTO formations, then this standard should be revisited and reevaluated. (American Electric Power)

Comment:

The promulgation for comment of these SARs is premature. The industry "standard making process" is in a transition phase and it is overly burdensome to devote resources at this time. Once legislation or FERC firmly determines which entity(ies) is responsible for standards it will make sense to move forward with said entity.

Even if NERC wants to cover reliability standards, almost all standards have a reliability and commercial impact; thereby, necessitating developing a single process that incorporates both commercial and reliability aspects of standards development. The current NERC process risks being changed soon, discounts commercial aspects, and is not part of a finalized overall industry process.

Waiting a short while to move forward on a new standards setting process is acceptable and prudent given that NERC standards are currently in place and the industry can continue to use these standards until the new process and standards setting organization(s) are firmly set. (Baltimore Gas & Electric)

Comment:

The requirements in this standard should not conflict with the timing requirements, etc, in the FERC approved tariffs. (American Transmission Company)

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Comment:

It is premature to continue development of this SAR until FERC has specified the organization to be responsible for the development of wholesale electric standards. (Public Service Electric & Gas)

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Comments Suggesting this SAR be Combined with Other SARs:

Summary Consideration of Comments on Combining this SAR with Others:

The Requestor has indicated a preference for revising this SAR and moving forward in parallel with the SAR addressing Coordinate Operations. At this point in the Standards Development Process, the decision on whether to move forward, or withdraw the SAR is left up to the Requestor.

The industry comments indicate that there is a need for a reliability-related standard that addresses coordinating interchange. The SAR has been revised and we don't believe it currently contains any "How" requirements.

Comment:

This SAR is to "ensure that the implementation of transactions are coordinated" by establishing requirements for defining, assessing, confirming and implementing interchange transactions. This shall include items such as data, communications, and timing requirements among Reliability Functions." This SAR is really the details for "how" to coordinate interchange and will define a "process" through business rules, E-Tag, data needs and timing requirements. This SAR is really part of "how" the industry will meet the SARs "Balance Resources and Demand" or "Coordinate Operations". However, we believe this is not a "core reliability" Organization Standard. (Entergy Services)

Comment:

This is a process that should be part of Coordinate Operation. Even if this is kept as a SAR, additional entities such as the Generator and LSE should be included. (Progress Energy - Carolina Power & Light Company and Florida Power Corp.)

Comment:

This is a process that should be part of Coordinate Operation. Even if this is kept as a separate SAR, additional entities such as the Generator and LSE should be included. (SERC Compliance Subcommittee)

Comment:

There is a need to coordinate 'basic' transaction information (magnitude, start/end times, ramping duration) and those can be handled as part of the standard to Coordinate Operations.

Leaving this as an ad hoc proposal will lead to the creation of Business procedures and tools that should be outside the scope of Organization Standards. (MAAC)

Comment:

This is a process that should be part of Coordinate Operation. Even if this is kept as a SAR, additional entities such as the Generator and LSE should be included. (Progress Energy - Carolina Power & Light Company and Florida Power Corp.)

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Comment:

This is a process that should be part of Coordinate Operation. Even if this is kept as a separate SAR, additional entities such as the Generator and LSE should be included. (SERC Compliance Subcommittee)

Comments Suggesting the Possibility of Regional Differences

Summary Consideration of Comments on Regional Differences:

Any regional differences that should be included in the scope of the proposed standard should be identified as early in the standard development process as possible.

The intent of the SAR DT is to draft a SAR that applies to each interconnection without having a constraint on its ability to meet the reliability requirement.

Comment:

This SAR and the other posted SARs provide an appropriate framework for transitioning existing NERC Operating Policies and Planning Standards into new, NERC Organization Standards. Multiple compliance measures may be defined and developed for each of the eleven proposed Organization Standards. The Organization Standards and related compliance measures should focus on what functions must be performed for reliability, on who is responsible for each compliance measure for each required function and not, on how the compliance measure is achieved. The compliance measure must be measurable or demonstrable to ensure compliance.

It is necessary that there be a standard addressing interchange between Source and Sink Balancing Authorities. Interchange must be controlled and coordinated so that unscheduled flows are minimized to facilitate balancing of resources and demand (ref. SAR ID# BAL_RES_&_DEMND_01_01).

The Standard developed should recognize the different characteristics of interchange over free flowing synchronous ties and those over controlled interfaces (i.e. DC ties) between Balancing Authorities. These differences may justify different requirements for interchange over these interfaces. (ERCOT)

Comment:

HL&P supports ERCOT's comments regarding the appropriate scope and characteristics of this standard, if a standard is developed. (Reliant Energy HL&P)

First Posting of Coordinate Interchange SAR - Summary of Comments and Considerations

Comments Suggesting Consideration of Electronic Scheduling Collaborative

Summary Consideration of Comments on Electronic Scheduling Collaborative:

The Drafting Team includes members from the Interchange Subcommittee who oversee Tagging and members of the Electronic Scheduling Collaborative. The Drafting Team is aware of the need to coordinate its efforts with NAESB and other groups.

Comment:

Eliminate elements that overlap with the ESC. (Powerex)

Comment:

This one needs a lot of work. Don't ignore the E-tag documentation nor the work of the ESC. Also must stay on top of the upcoming work of NAESB (Bonneville Power Administration - Power Business Line)
