

Template for Quality Review of NERC Reliability Standard BAL-003-1 – Frequency Response and Frequency Bias Setting

Basic Information:

Project number: 2007-12

Project title: Frequency Response

Standard number: BAL-003-1

Standard Title: Frequency Response and Frequency Bias Setting

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Requirements

Requirement R1:

- The reliability outcome for the requirements may be obvious to a subject matter expert, but the requirement, as written, does not contain a statement to indicate the desired reliability outcome.
- It isn't clear where or when the BA or RSG gets its FRO . . .
 - Detailed in Attachment A
- Not sure if R1 is a real-time requirement or not . . .
 - DWR provide response
- The phrase, "as detailed in Attachment A" sounds as though Attachment A includes something for the responsible entity to do – but this seems to be an attachment telling what the ERO will do. The sentence should be rephrased. If the responsible entity doesn't perform any of the actions on Attachment A, the reference to this attachment should be deleted.
 - Attachment A part of standard?
- Attachment A should be revised to remove passive language and insert additional language to identify the responsible entity for the various steps in the process.
 - Modified Attachment A
- Remove language referencing particular committees and subcommittees.
 - Modified Attachment A
- The requirement is very open-ended . . .
 - What is your meaning?

Requirement R2

- If the BA does not perform the calculation in Attachment A – then suggest removing this reference from the requirement . . .
 - modified
- The term, “coordinated secondary control” is not defined and may not be understood by all – suggest adding more words so the meaning is clear
 - modified
- The phrase, ‘shall implement . . . into’ is awkward – consider revising
 - modified
- Is the RSG – applicable to R2?
 - No

Requirement R3

- This requirement looks like a ‘real time’ requirement that may be better located in another standard . . .
 - Part of original
- If the BA can’t operate in tie line bias mode, there is no obligation to notify anyone – it isn’t clear who should be notified and isn’t clear if there are any adjustments to any of the calculations to adjust for this – making this requirement very open ended . . .
 - Look in other stds
- There is no timing component to this – is it the expectation that this is continuous?
 - Yes
- What is the reliability outcome?
 - modified
- Is the RSG – applicable to R3?
 - No

Requirement R4

- The reliability outcome for some of the requirements may be obvious to a subject matter expert, but the requirement, as written, does not contain a statement to indicate the desired reliability outcome.
 - modified
- The phrase, ‘to approximate the response’ is ambiguous – response to what? How close is close enough? This needs some boundaries.
 - modified
- There is no deadline for performing this action.
 - When performing
- Is the RSG – applicable to R4?

- No

Requirement R5

- There is no reliability outcome for this requirement.
- This requirement should be subdivided as it is too complex in its current format.
- The requirement needs to be re-phrased to start with , ‘Each BA shall . . .’
 - Modified
- Not sure what “have” means – is this a value that is calculated or one that is a measure of performance after the fact. . . suggest ‘with’ an absolute value, what is the action required? Should the BAs implement the monthly average FBS?
- It isn’t clear what the BA has to do with this Frequency Bias Setting . . .
- If the intention of this standard is to set some parameters for ACE calculations – then the requirements should be rephrased with that intent more clear.
- Is the intention to provide a number to the ERO?
- Is the RSG – applicable to R5?
 - No

Measures

Measure M1

- Should clearly state that the entity must have its Form 1. . . using the phrase, ‘such as’ is misleading.
- If a timing component is added to R1 it should also be added to M1.

Measure M3

- An operator interview, by itself, would not be sufficient to use as an attestation.

Measure M4

- Not familiar with overlap regulation service –but it seems like this is a contractual obligation and wouldn’t be reflected. If there is a formal agreement for this service, then the measure should include this agreement. Evidence should not focus on showing that the entity’s ACE calculation was adjusted as specified in the requirement . . .
- If a timing component is added to the requirement, it should also be added to the measure.

Measure M5

- Revise after revising the requirement.

Compliance Monitoring and Assessment Processes

- There is a situation where the BA works for the RE – to cover this situation, revise to include the following:

The Regional Entity is the Compliance Enforcement Authority except where the responsible entity works for the Regional Entity. Where the responsible entity works for the Regional Entity, the Regional Entity will establish an agreement with the ERO or another entity approved by the ERO and FERC (i.e. another Regional Entity), to be responsible for compliance enforcement.

“Additional Compliance Information” Section:

- Some information in this section of the standard belongs in the requirements . . . this is not intended to be a supplement to the requirements.
- R1 Supplemental Information – this should be rephrased – this is supplemental information for completion of the periodic data submittal – not for meeting R1.
- The explanatory information in the first sentence of the second paragraph is not needed. The activity in the second paragraph is not clear as to what functional entity is assigned responsibility for this task.
- Third paragraph – could overlap service involve more than 2 BA Areas? If yes, this should be updated so it doesn’t limit the scope to just two BAs.
- R2 Supplemental Information – remove this heading and the first paragraph. The first paragraph is either a repetition of what was already written in this section - or is explanatory information about what the ERO will do. The paragraph with details about filling out Form 1 seem appropriate.
- It is not clear how a BA or RSG is to use the following information – if it is to complete a specific section of Form 1, then adding that information to this sentence would be a help:
 - For Interconnections that are also Balancing Authorities, Tie Line Bias control and Flat Frequency control are equivalent and either is acceptable.
 - Note explanatory
- It is not clear how a BA or RSG is to use the following information – if the responsible entity should use this information when completing Form 1, then more details are needed. It isn’t clear what “should” means here – it sounds like this is a “must”. . . :
 - By definition, Balancing Authorities receiving Overlap Regulation Service have an ACE and Frequency Bias Setting equal to zero (0). See the R1 Supplemental Information for annual reporting on FRS Form 1.
 - Removed

Evidence Retention

- Missing any evidence retention identification for the RSG
 - Done
- Suggest current year plus previous three calendar years (Jan-Dec) for additional clarity
 - Modified plus question

Violation Risk Factors

- R1 – if this is a real-time requirement, this should be High
 - Not RT – medium appropriate
- R3 – consider if this should be High

- No – based on the description.....

Violation Severity Levels

General Observation: The increments between VSLs identifying different thresholds for noncompliant performance appear too large.

- VSLs for R1
 - VSLs violate FERC's guideline 3 as they add language not used in the requirement.
- VSLs for R2
 - Should include language specifying that they are for BAs not receiving Overlap Regulation Service
 - Should account for the situation where the BA did not do this at all
 - VSLs violate FERC's guideline 3 as they add language not used in the requirement.
- VSLs for R3
 - Should include language specifying that they are for BAs not receiving Overlap Regulation Service . . .
 - Should not reference Measure M3 – the VSLs identify noncompliant performance linked to the requirements, not linked to the measures.
 - Should not include reference to normal mode as this language is not in the requirement – violation of FERC guideline 3
 - Should not include language linked to providing evidence as this language is not in the requirement, it is in the measures - violation of FERC guideline 3
- VSLs for R3
 - These all need to be written without regard for the type of audit since the requirement does not reference the type of audit.
 - Should not be tied to events, since this language is not in the requirement
- VSLs for R4
 - Don't match the NERC guidelines of 5%, 10%, 15% thresholds.
- VSLs for R5
 - Need to be written in the past tense as they describe performance found.

Completeness

- Because the requirements and attachments aren't clear about who does what when, it isn't clear if there is information in the attachments that is linked to performance in R1 and R2.

FERC and Stakeholder Issues

- Before posting, provide an explanation to identify more specifically how the other team is addressing the other part of the directive and how the two teams are coordinating to ensure that the directive is fully met.

- If there were issues from stakeholders (in addition to the issues from FERC Orders) for the team to address, these were not provided for review.

Implementation Plan

- Need to identify when to retire the existing definition of Frequency Bias Setting
- Missing prerequisites associated with finalizing attachments and any change to the ROP
- Missing an explanation for phasing the implementation
- Mapping Document - However some of the information will need to be updated after the standard is revised.

Other Issues

- FRS Form 1
 - FRS Form 1 should have a clear set of instructions as a cover page . . .
- Attachment A
 - See comments embedded in the document
- Attachment B
 - See comments embedded in the document
- Background Document
 - Review and revise to have the language in the supporting document match the language in the standard.
- The observers could not tell if the purpose of the standard is supported by the requirements as written.