

Consideration of Comments on Initial Ballot of Interpretation of VAR-002-1 Requirements 1 and 2

Summary Consideration: While commenters made suggestions to improve the overall wording of the interpretation, most stakeholders agreed with the interpretation and the drafting team did not make any modifications to the interpretation. There is a project in Reliability Standards Development Plan 2007-2009 that includes the revision of VAR-002-1. The suggestions for improvements to the language of the interpretation can be used when the requirements in VAR-002-1 are revised.

Organization:	Baltimore Gas & Electric Company
Member:	John J. Moraski
Comment:	NERC needs to be more specific in their definition of Automatic Operation. Some generators may have non-standard AVR configurations or other operating limitations that require them to operate in a specific mode that NERC may not recognize as "Automatic" (since automatic can mean different things)
Response: Requirement R4 of Standard VAR-002-1 states "Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power output (within applicable Facility Ratings ¹) as directed by the Transmission Operator." The purpose of this requirement is to give the Transmission Operator the ability to direct the Generator Operator to use another mode of automatic control. This also gives the Transmission Operator the latitude to work with the Generator Operator who has a generating unit that lacks the voltage control mode for automatic operation.	
Organization:	Constellation Energy
Member:	Carolyn Ingersoll
Comment:	In response to question 1 [does AVR operation in the constant PF or constant Mvar modes comply with VAR-002-1, R1?] the interpretation state that only operation in constant voltage mode meets this requirement. The problem with the interpretation is that as indicated, the "answer is predicated on the assumption that the generator has the physical equipment that will allow such operation." The interpretation needs to clarify what is the appropriate mode of operation, which meets the VAR-002-1, R1, if this assumption is incorrect and the generator does not have the physical equipment that will allow such operation.
Response: Requirement R4 of Standard VAR-002-1 states "Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power output (within applicable Facility Ratings) as directed by the Transmission Operator." The purpose of this requirement is to give the Transmission Operator the ability to direct the Generator Operator to use another mode of automatic control. This also gives the Transmission Operator the latitude to work with the Generator Operator who has a generating unit that lacks the voltage control mode for automatic operation.	
Organization:	Constellation Generation Group
Member:	Michael F. Gildea
Comment:	NERC's Interpretation is not possible for all our generation.
Response: This comment does not provide a specific reason why the interpretation is not possible.	

Consideration of Comments on Initial Ballot of Interpretation of VAR-002-1 Requirements 1 and 2

Organization:	Tennessee Valley Authority
Member:	Mark Bowman
Comment:	The interpretation of question 1 is misleading since it uses the term "No", but in fact means "Maybe". The answer given equates to "No, except when it's allowed". This is equivalent to "sometimes", which is legally equivalent to "Yes", when considering how this will be enforced. A more appropriate answer would be "Yes, but you must always follow both requirements R1 and R2". So being in auto MVAR Control mode is allowed if the Transmission Operator has directed this.
Response: Although the wording of the interpretation could be improved, most entities agreed with the interpretation as presented and there is no consensus to modify the interpretation. Improvements to the wording of the requirements can be made when VAR-002 is modified as part of the Reliability Standards Development Plan 2007-2009.	
Organization:	California Energy Commission
Member:	William Mitchell Chamberlain
Comment:	The interpretation improves the standard by clarifying that generators may not unilaterally decide not to operate their AVRs in constant voltage mode by simply notifying their transmission operator. It still leaves to the discretion of transmission operators and generators the extent to which an entire Interconnection will be protected from voltage transients by having nearly all of the AVRs in this mode. WECC has a more protective standard that requires generators with AVR to operate in constant voltage mode with very limited exceptions that are clearly defined.
Response: Adopting the more restrictive language used within WECC may be appropriate when this standard is reviewed as part of the Reliability Standards Development Plan 2007-2009.	
Organization:	SERC Reliability Corporation
Member:	Gerry W Cauley
Comment:	Although agreeing with the intent of this interpretation, the response to Q1 may be confusing because of conflicting statements. The first statement "No, only operation in constant voltage mode meets this requirement." is stated in absolute terms, which contracticts the allowance for an exception that "the Transmission Operator has not directed the generator to run in a mode other than constant voltage." Suggest the statements be combined as: "No, the Generator Operator is required to operate in constant voltage mode unless the Transmission Operator has directed the generator to operate in another mode."
Response: Although the wording of the interpretation could be improved, most entities agreed with the interpretation as presented and there is no consensus to modify the interpretation. Improvements to the wording of the requirements can be made when VAR-002 is modified as part of the Reliability Standards Development Plan 2007-2009.	