

Compliance Operations

Draft Reliability Standard Compliance Guidance for MOD-032-1 and MOD-033-1

July 10, 2013

Introduction

The NERC Compliance department (Compliance) worked with the MOD B informal ad hoc group (MOD B Group) in a review of pro forma standards MOD-032-1 and MOD-033-1. The purpose of the review is to discuss the requirements of the pro forma standards to obtain an understanding of their intended purposes and necessary evidence to support compliance. The purpose of this document is to address specific questions posed by the MOD B Group and Compliance in order to aid the drafting of the requirements and provide a level of understanding regarding evidentiary support necessary to demonstrate compliance.

While all testing requires levels of auditor judgment, participating in these reviews allows Compliance to develop training and approaches to support a high level of consistency in audits conducted by the Regional Entities. However, this document makes no assessment as to the enforceability of the standard. The following questions should both assist the MOD B Group in further refining the standard and serve as a tool to develop auditor training.

MOD-032-1 Questions

Question 1

Per MOD-032-1 Requirement R3, will the auditor verify only that the data was delivered as specified, or will the auditor make a determination regarding whether the quality of the data is sufficient?

Compliance Response to Question 1

Based on the language in the requirement and the purpose of the standard, which is to facilitate the transfer of data for modeling purposes, the auditor will verify that the data was delivered as specified. This standard does not specify the criteria around quality, so auditors will not make any assessments in that regard.

Question 2

Per MOD-033-1 Requirement R1, is it clear what is meant by “unexplained” or “too large?”

Compliance Response to Question 2

Based on the language in the requirement and the purpose of the standard, which is to implement a process to validate data, the auditor will verify that the documented process includes a criteria discussion about how the entity will make a determination of “unexplained” or “too large.” Auditors will not assess the quality of the entity’s determination, just that the validation process has been implemented and followed.

Conclusion

In general, Compliance finds the pro forma standard provides a reasonable level of guidance for Compliance Auditors to conduct audits in a consistent manner. The standard establishes timelines, data requirements, and ownership of specific actions. Further, the standard provides reasonable guidance to develop training for Compliance Auditors to execute their reviews. However, Compliance does recommend the MOD B Group address the items noted in the response to the question, if applicable.

Following final approval of the Reliability Standard, Compliance will develop the final Reliability Standards Auditor Worksheet (RSAW) and associated training. Attachment A represents the versions of the pro forma standards requirements referenced in this document.

Attachment A

MOD-032-1 Requirements and Measures

- R1.** Each Planning Coordinator, in conjunction with each of its Transmission Planners, shall develop steady-state, dynamics, and short circuit modeling data requirements and reporting procedures for its planning area, including: *[Violation Risk Factor: Lower] [Time Horizon: Long-term Planning]*
- 1.1.** Specification of the required data that includes, at a minimum, the data listed in Attachment 1;
 - 1.2.** Specification of the data format;
 - 1.3.** Specification that the data must be shareable on an interconnection-basis to support use in the interconnection models;
 - 1.4.** Specification of the level of detail to which equipment shall be modeled;
 - 1.5.** Specification of the case types or scenarios to be modeled; and
 - 1.6.** A schedule for submission or confirmation of data at least once every 13 calendar months.
- M1.** Examples of evidence include, but are not limited to, dated documentation or records that the required modeling data requirements and reporting procedures meet the specifications in Requirement R1.
- R2.** Each Planning Coordinator shall provide its data requirements and reporting procedures developed under Requirement R1 to any Balancing Authority, Generator Owner, Load Serving Entity, Resource Planner, Transmission Owner, or Transmission Service Provider in its planning area within 30 calendar days of a written request. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M2.** Each Planning Coordinator shall provide evidence, such as email notices or postal receipts showing recipient and date, that it has distributed the requested data requirements and reporting procedures within 30 days of a written request in accordance with Requirement R2; or a statement by the Planning Coordinator that it has not received a request for its data requirements and reporting procedures.
- R3.** Each Balancing Authority, Generator Owner, Load Serving Entity, Resource Planner, Transmission Owner, and Transmission Service Provider shall provide steady-state, dynamics, and short circuit modeling data to its Transmission Planner(s) and Planning Coordinator(s) according to the data requirements and reporting procedures developed by its Planning Coordinator in Requirement R1. For data that has not changed since the last submission, a

written confirmation that the data has not changed is sufficient. *[Violation Risk Factor: Medium]*
[Time Horizon: Long-term Planning]

- M3.** Examples of evidence include, but are not limited to, dated documentation or records of submission by a registered entity of the required data to its Transmission Planner(s) and Planning Coordinator(s); or written confirmation that the data has not changed.
- R4.** Upon delivery of written notification from its Planning Coordinator or Transmission Planner regarding technical concerns with the data submitted under Requirement R3, including the technical basis or reason for the technical concerns, each notified Balancing Authority, Generator Owner, Load Serving Entity, Resource Planner, Transmission Owner, or Transmission Service Provider shall respond to the notifying Planning Coordinator or Transmission Planner as follows: *[Violation Risk Factor: Lower]* *[Time Horizon: Long-term Planning]*
- 4.1.** Provide either updated data or an explanation with a technical basis for maintaining the current data;
 - 4.2.** If requested by the notifying Planning Coordinator or Transmission Planner, provide additional dynamics data describing the characteristics of the model, including block diagrams, values and names for all model parameters, and a list of all state variables; and
 - 4.3.** Provide the response within 30 calendar days, unless a longer time period is agreed upon by the notifying Planning Coordinator or Transmission Planner.
- M4.** Examples of evidence include, but are not limited to: dated records of a written request from the Transmission Planner or Planning Coordinator notifying a Balancing Authority, Generator Owner, Load Serving Entity, Resource Planner, Transmission Owner, or Transmission Service Provider regarding technical concerns, and additional evidence demonstrating the response to the request meets the specifications of Requirement R4; or a statement by the Balancing Authority, Generator Owner, Load Serving Entity, Resource Planner, Transmission Owner, or Transmission Service Provider that it has not received notification regarding usability or technical concerns.
- R5.** Each Planning Coordinator must submit the data provided under Requirement R3 to the ERO or its designee to support creation of the interconnection model(s) that includes the Planning Coordinator's planning area as follows: *[Violation Risk Factor: Medium]* *[Time Horizon: Long-term Planning]*
- 5.1.** In the format and according to the schedule specified by the ERO or its designee; and
 - 5.2.** Include documentation and reasons for data modifications, if any.

- M5.** Examples of evidence may include, but are not limited to, dated documentation or records indicating data submission from the Planning Coordinator to the ERO or its designee according to Requirement R5.

MOD-033-1 Requirements and Measures

- R1.** Each Planning Coordinator must implement a documented process to validate the data used for steady state and dynamic analyses (the data submitted under MOD-TBD-01 (the single modeling data standard)) for its planning area against actual system responses that includes, at a minimum, the following items: *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- 1.1.** Validate its portion of the system in the power flow model by comparing it to actual system behavior, represented by a state estimator case or other Real-time data sources to check for discrepancies that the Planning Coordinator determines are large or unexplained at least once every 24 calendar months through simulation.
 - 1.2.** Validate its portion of the system in the dynamic models at least once every 24 calendar months through simulation of a dynamic local event, unless the time between dynamic local events exceeds 24 calendar months. If the time between dynamic local events exceeds 24 calendar months, validate its portion of the system in the dynamic models through simulation of the next dynamic local event. Complete the simulation within 12 calendar months of the local event.
 - 1.3.** Coordinate with the data owner(s) to confirm or correct the model for accuracy when the discrepancy between actual system response and expected system performance is too large, as determined by the Planning Coordinator.
- M1.** Examples of evidence may include, but are not limited to, a documented validation process and evidence that demonstrates the implementation of the required components of the process.
- M2.** Each Reliability Coordinator and Transmission Operator shall provide actual system behavior data (or a written response that it does not have the requested data) to any Planning Coordinator that the Planning Coordinator requests to perform validation under Requirement 1 within 30 calendar days of a written request, such as, but not limited to, state estimator case or other Real-time data (including disturbance data recordings) necessary for actual system response validation. *[Violation Risk Factor: Lower] [Time Horizon: Long-term Planning]*
- R2.** Each Reliability Coordinator and Transmission Operator shall provide evidence, such as email notices or postal receipts showing recipient and date that it has distributed the requested data or written response that it does not have the data, to any Planning Coordinator who has indicated a need for the data for validation purposes within 30 days of a written request in

accordance with Requirement R2; or a statement by the Reliability Coordinator that it has not received notification regarding data necessary for validation by any Planning Coordinator.