Unofficial Comment Form

Project 2010-14.1 Phase 1 of Balancing Authority Reliability-based Controls

BAL-012-1 − Operating Reserve Policy

Please **do not** use this form to submit comments on the proposed BAL-012-1 Operating Reserve Policy standard. Comments must be submitted on the [electronic comment form](https://www.nerc.net/nercsurvey/Survey.aspx?s=2ffd585e2a2d4aa893e782410775f928) by 8 p.m. ET **January 14, 2013**.If you have questions please contact [Darrel Richardson](mailto:darrel.richardson@nerc.net) (email) or by telephone at (609) 613-1848.

### Background Information:

### This Standard was developed to require a Balancing Authority (BA) to develop and document policy’s that will describe how an entity operates with regards to its reserve obligations. Each policy will describe the necessary amount of operating reserves based on the load characteristics and magnitude, topology, and mix of resources available in the region and to ensure adequate Regulating Reserve (RR), Contingency Reserve (CR) and Frequency Responsive Reserve (FRR) to maintain Balancing Authority load/resource balance in support of interconnection frequency.

### Formal reserve planning has been considered for a long time by the operating entities under NERC going back to Policy 1. NERC Policy 1 required “the minimum reserve requirement for the group, its allocation among members, the permissible mix of Operating Reserve – Spinning and Operating Reserve – Supplemental (Non-spinning) that may be included in Contingency Reserve, and the procedure for applying Contingency Reserve in practice, and the limitations, if any, upon the amount of interruptible load that may be included.” BAL-012-1 takes the planning for operating reserves and divides them into the individual components to provide visibility and accountability.

### Operating reserves are an absolute requirement to maintain a reliable interconnection. It is important that all BAs have long range policies for operating reserves to allow arrangements in terms of contracts, agreements, and testing to meet their long range forecasts. Requiring BAs to develop these operating reserve policies will identify gaps and will require the BAs to resolve these gaps.

**You do not have to answer all questions. Enter All Comments in Simple Text Format.**

*Insert a “check” mark in the appropriate boxes by double-clicking the gray areas.*

1. **The BARC SDT has modified the Requirements R1, R2 and R3 (now Requirements R1, R3 and R5) to provide for the following:**
   1. **Require the development of an operating policy rather than a detailed plan.**
   2. **Combining Requirements R4 and R5 into the policies as sub-requirements.**
   3. **Removed some of the sub-requirements from the policies.**

**Do you agree with the proposed modifications to these Requirements? If not, please explain in the comment area below.**

Yes

No

Comments:

1. **The BARC SDT developed Requirements R2, R4 and R6 to provide for the following:**
   1. **Require an entity to implement the policies.**
   2. **Require an entity to identify, assess and correct deficiencies in the policies.**

**The SDT is using the “Find, Fix and Track” methodology for assessing a successful implementation of the Requirements R1, R3 and R5. Do you agree that this is an equitable method for evaluating compliance? If not, please explain in the comment area below.**

Yes

No

Comments:

**3. The BARC SDT revised Requirement R7 (now Requirement R8) to provide additional clarity and flexibility for maintaining adequate reserves while operating in a real-time environment.**

**Do you agree that the Requirement as presently written accomplishes this? If not, please explain in the comment area below.**

Yes

No

Comments:

1. **The BARC SDT has opted to use a Time Horizon of “Operations Planning” for all of the Requirements.**

**Do you agree that this is the proper Time Horizon to use? If not, please explain in the comment area below.**

Yes

No

Comments:

1. **The BARC SDT has opted to use a VRF of “Lower” for all of the Requirements.**

**Do you agree that this is the proper VRF to use? If not, please explain in the comment area below.**

Yes

No

Comments:

1. **The BARC SDT has developed VSLs for all of the Requirements.**

**Do you agree with the VSLs the SDT has developed? If not, please explain in the comment area below.**

Yes

No

Comments:

1. **If you are not in support of this draft standard, what modifications do you believe need to be made in order for you to support the standard? Please list the issues and your proposed solution to the issue.**

Comments:

1. **Do you have any other comment on BAL-012-1, not expressed in the questions above, for the BARC SDT?**

Comments:

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