

Proposed Continent-wide Definition of Bulk Electric System:

Bulk Electric System (BES): All Transmission Elements operated at 100 kV or higher, Real Power resources as described below, and Reactive Power resources connected at 100 kV or higher unless such designation is modified by the list shown below.

Inclusions:

- I1 - Transformers, other than generator step-up (GSU) transformers, including phase angle regulators, with two windings of 100 kV or higher unless excluded under Exclusions E1 and E3.
- I2 - Individual generating units greater than 20 MVA (gross nameplate rating) including the generator terminals through the GSU which has a high side voltage of 100 kV or above.
- I3 - Multiple generating units located at a single site with aggregate capacity greater than 75 MVA (gross aggregate nameplate rating) including the generator terminals through the GSUs, connected through a common bus operated at a voltage of 100 kV or above.
- I4 - Blackstart Resources and the designated blackstart Cranking Paths identified in the Transmission Operator's restoration plan regardless of voltage.
- I5 - Dispersed power producing resources with aggregate capacity greater than 75 MVA (gross aggregate nameplate rating) utilizing a collector system through a common point of interconnection to a system Element at a voltage of 100 kV or above.

Exclusions:

- E1 - Any radial system which is described as connected from a single Transmission source originating with an automatic interruption device and:
 - a) Only serving Load. A normally open switching device between radial systems may operate in a 'make-before-break' fashion to allow for reliable system reconfiguration to maintain continuity of electrical service. Or,
 - b) Only including generation resources not identified in Inclusions I2, I3, I4 and I5. Or,
 - c) Is a combination of items (a.) and (b.) where the radial system serves Load and includes generation resources not identified in Inclusions I2, I3, I4 and I5.
- E2 - A generating unit or multiple generating units that serve all or part of retail Load with electric energy on the customer's side of the retail meter if: (i) the net capacity provided to the BES does not exceed the criteria identified in Inclusions I2 or I3, and (ii) standby, back-up, and maintenance power services are provided to the generating unit or multiple generating units or to the retail Load pursuant to a binding obligation with a Balancing Authority or another Generator Owner/Generator Operator, or under terms approved by the applicable regulatory authority.
- E3 - Local distribution networks (LDNs): Groups of Elements operated above 100 kV that distribute power to Load rather than transfer bulk power across the interconnected System. LDN's are connected to the Bulk Electric System (BES) at

more than one location solely to improve the level of service to retail customer Load. The LDN is characterized by all of the following:

- a) Separable by automatic fault interrupting devices: Wherever connected to the BES, the LDN must be connected through automatic fault-interrupting devices;
- b) Limits on connected generation: Neither the LDN, nor its underlying Elements (in aggregate), includes more than 75 MVA generation;
- c) Power flows only into the LDN: The generation within the LDN shall not exceed the electric Demand within the LDN;
- d) Not used to transfer bulk power: The LDN is not used to transfer energy originating outside the LDN for delivery through the LDN; and
- e) Not part of a Flowgate or transfer path: The LDN does not contain a monitored Facility of a permanent flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection as defined by the Regional Entity, or a comparable monitored Facility in the Quebec Interconnection, and is not a monitored Facility included in an Interconnection Reliability Operating Limit (IROL).