Proposed Resource Loss Protection Criteria

Background and Current Methodologies
The Resource Loss Protection Criteria (RLPC) is the respective Interconnection design resource loss in MW, which is used to determine the Interconnection Frequency Response Obligation (IFRO). An “N-2 Event” is defined as a single initiating event that leads to multiple (two or more) electrical facilities being removed from service. Examples of this are breaker failure events, bus faults, or double circuit tower outages.

Previously, the RLPC has been calculated from the largest N-2 events identified in each Interconnection, except for the Eastern Interconnection. In the Eastern Interconnection, the RLPC has been calculated using the largest single event in the previous ten years.

The RLPC value should be set for each Interconnection such that the underfrequency load shedding safety net is not activated for the largest N-2 Event. The previous BAL-003 IFRO methodology determined that the largest N-2 Event should not precipitate an underfrequency load shedding event. Ideally, the RLPC value should always equal or exceed the largest N-2 Event. If the RLPC is set to a larger value than the largest N-2 Event, the probability of an underfrequency load shedding event decreases. If the RLPC value is set to a value less than the largest N-2 Event, the probability of an underfrequency load shedding event increases.

A quantitative approach for selecting the RLPC can be implemented that minimizes the need for detailed system analysis to be performed annually.

Currently, each Balancing Authority (BA) or Reserve Sharing Group (RSG) determines its Most Severe Single Contingency (MSSC) with respect to resource loss as required by BAL-002-2(i), Requirement R2. The MSSC calculation is done in Real-time operations based on actual system configuration.

Relevant Definitions
For convenience, the definitions of the following terms defined in the Glossary of Terms used in NERC Reliability Standards are provided below. Where a conflict exists between the definition provided here and the definition in the Glossary, the definition in the Glossary shall control.

Most Severe Single Contingency:
The Balancing Contingency Event, due to a single contingency identified using system models maintained within the RSG or a BA’s area that is not part of a RSG, that would result in the greatest loss (measured in Megawatts (MWs) of resource output used by the RSG or a BA that is not participating as a member of a RSG at the time of the event to meet Firm Demand and export obligation (excluding export obligation for which Contingency Reserve obligations are being met by the Sink Balancing Authority).
Balancing Contingency Event:
Any single event described in Subsections (A), (B), or (C) below, or any series of such otherwise single
events, with each separated from the next by one minute or less.

A. Sudden loss of generation:
   a. Due to:
      i. unit tripping, or
      ii. loss of generator Facility resulting in isolation of the generator from the Bulk Electric System
         or from the responsible entity’s System, or
      iii. sudden unplanned outage of transmission Facility.
   b. And that causes an unexpected change to the responsible entity’s Area Control Error (ACE).

B. Sudden loss of an Import, due to forced outage of transmission equipment that causes an
   unexpected imbalance between generation and Demand on the Interconnection.

C. Sudden restoration of a Demand that was used as a resource that causes an unexpected change to
   the responsible entity’s ACE.

Interconnection:
A geographic area in which the operation of Bulk Power System components is synchronized such that the
failure of one or more of such components may adversely affect the ability of the operators of other
components within the system to maintain Reliable Operation of the Facilities within their control. When
capitalized, any one of the four major electric system networks in North America: Eastern, Western,
ERCOT and Quebec.

Proposal
The Interconnection RLPC is calculated based on a resource loss in accordance with the following process:

NERC will request BAs to provide their two largest resource loss values and largest resource loss due to an
N-1 or N-2 RAS event or largest resource as described above. This will facilitate comparison between the
existing Interconnection RLPC values and the RLPC values in use. This data submission will be needed to
complete the calculation of the RLPC and IFRO.

BAs determine the two largest resource losses for the next operating year based on a review of the
following items:

- The two largest Balancing Contingency Events due to a single contingency identified using system
  models in terms of loss measured by megawatt loss in a normal system configuration (N-0). (An
  abnormal system configuration is not used to determine the RLPC.)
- The two largest units in the BA Area, regardless of shared ownership/responsibility.
• The two largest Remedial Action Scheme (RAS) resource losses (if any) which are initiated by single (N-1) contingency events.

The BA provides these two numbers determined above as Resource Loss A and Resource Loss B in the FRS Form 1.

The BA should then provide the largest resource loss due to RAS operations (if any) which is initiated by a multiple contingency (N-2) event (RLPC cannot be lower than this value). If the RAS impacts more than a single BA, one BA is asked to take the lead and sum all resources lost due to the RAS event and provide that information.

The calculated RLPC should meet or exceed any credible N-2 resource loss event.

The host BA (or planned host BA) where jointly-owned resources are physically located, should be the only BA to report that resource. The full ratings of the resource, not the fractional shares, should be reported.

Direct-current (DC) ties to asynchronous resources (such as DC ties between Interconnections, or the Manitoba Hydro Dorsey bi-pole ties to their northern asynchronous generation). DC lines, such as the Pacific DC Intertie, which ties two sections of the same synchronous interconnection together, should not be reported. A single pole block with normal clearing in a monopole or bi-pole high-voltage direct current system is a single contingency.

For a hypothetical four-BA Interconnection, Plant 1, in BA1, has two generators rated at 1200 MW each. Plant 2, in BA2 has a generator rated at 1400 MW. BA2’s next largest contingency is 1000 MW. The two largest resource losses for BA3 and BA4 are listed below.

<table>
<thead>
<tr>
<th>BA</th>
<th>Resource Loss A</th>
<th>Resource Loss B</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA1</td>
<td>1200 MW</td>
<td>1200 MW</td>
<td>Both at Plant 1 (N-2)</td>
</tr>
<tr>
<td>BA2</td>
<td>1400 MW</td>
<td>1000 MW</td>
<td>Electrically separate</td>
</tr>
<tr>
<td>BA3</td>
<td>1000 MW</td>
<td>800 MW</td>
<td>Electrically separate</td>
</tr>
<tr>
<td>BA4</td>
<td>1500 MW (DC TIE)</td>
<td>500 MW</td>
<td>Electrically separate</td>
</tr>
</tbody>
</table>

The ERO would apply the RLPC selection methodology described above to determine the RLPC for the Interconnection. Using this methodology, results in the following:

- Largest Resource Loss = 1500 MW
- Second Largest Resource Loss = 1400 MW
- Summation of two largest resource losses = 2900 MW
- Interconnection RLPC = 2900 MW

If only the N-2 Event was applied, the RLPC for the Interconnection would be 2400 MW. The summation of the two largest Interconnection Resource Losses will equal or exceed, but never fall short of, the N-2 Event scenario.
In order to evaluate RAS resource loss, single (N-1) and multiple (N-2) contingency events should be evaluated.

Hypothetically, in an Interconnection:

- BA1 RAS = 2850 MW  
- BA1 Resource Loss A = 1150 MW  
- BA1 Resource Loss B = 800 MW  
- BA2 Resource Loss A = 1380 MW  
- BA2 Resource Loss B = 1380 MW  
- BA3 RAS = 1000 MW  
- BA3 Resource Loss A = 800 MW  
- BA3 Resource Loss B = 700 MW

In this case, the ERO would determine the RLPC as follows: the summation of the two largest resource losses is 2760 MW. Since the N-2 RAS event exceeds the summation of the two largest single contingency events, the RLPC is the N-2 RAS event, or 2850 MW.

**Interconnection RLPC Values**

Based on initial review, the numbers below would be representative of the RLPC for each Interconnection.

**Eastern Interconnection:**
- Present RLPC = 4500 MW  
- Load Credit = 0 MW  
- RESOURCE LOSS A = 1732 MW  
- RESOURCE LOSS B = 1477 MW  
- Proposed RLPC = 3209 MW

**Western Interconnection:**
- Present RLPC = 2626 MW  
- Load Credit = 120 MW  
- RESOURCE LOSS A = 1505 MW  
- RESOURCE LOSS B = 1344 MW  
- N-2 RAS = 2850 MW  
- Proposed RLPC = 2850 MW

**ERCOT:**
- Present RLPC = 2750 MW  
- Load Credit = 1209 MW  
- RESOURCE LOSS A = 1375 MW  
- RESOURCE LOSS B = 1375 MW  
- Proposed RLPC = 2750 MW

**Quebec Interconnection:**
- Present RLPC = 1700 MW  
- Load Credit = 0 MW  
- RESOURCE LOSS A = 1000 MW
RESOURCE LOSS B = 1000 MW
Proposed RLPC = 2000 MW