

Consideration of Comments

Project Name:	2017-06 Modifications to BAL-002-2 BAL-002-3
Comment Period Start Date:	3/22/2018
Comment Period End Date:	5/8/2018
Associated Ballot:	2017-06 Modifications to BAL-002-2 BAL-002-3 IN 1 ST

There were 30 sets of responses, including comments from approximately 115 different people from approximately 87 companies representing the 10 Industry Segments as shown in the table on the following pages.

The Standard Drafting Team (SDT) scope was to address FERC's (Commission) requirements as listed in Order No. 835. The Commission stated in Order No. 835 it was concerned with a Balancing Authority operating out-of-balance for an extended period of time and is "leaning on the system" by relying on external resources to meet its obligations. Therefore, the Commission directed NERC to develop modifications to BAL-002-2 Requirement 1 to require balancing authorities: (1) to notify the reliability coordinator of the conditions set forth in Requirement R1, Part 1.3.1 preventing it from complying with the 15-minute ACE recovery period; and (2) to provide the reliability coordinator with the ACE recovery plan, including a target recovery time. The SDT took careful consideration to assure that fulfillment of this requirement could occur during communications with its Reliability Coordinator in accordance with the Energy Emergency Alert procedures.

Requirement R1, Part 1.3 addresses qualifying for exemption from Requirement R1 Part 1.1 and all conditions listed in Requirement R1, Part 1.3.1 must be met in order to qualify for the exemption. One of the conditions, is the BA is experiencing a Reliability Coordinator declared Energy Emergency Alert (EEA) Level. When a BA is experiencing a declared Energy emergency Alert level, it is communicating with its RC the conditions and its expected time to recover, which is basically addressing when a BA is out-of-balance and is "leaning on the

system”. By requiring an ACE recovery plan, the BA is providing the RC its expected time to recover and would no longer experiencing an EEA.

The SDT did not believe providing an ACE recovery plan place an onerous requirement on the BA, since under an EEA it requires the BA to provide to the RC such information.

Finally, to restate Requirement R1, Part 1.3 addresses qualifying for exemption from Requirement R1 Part 1.1. Since all conditions of Requirement R1, Part 1.3.1 must be met in order to qualify for exemption, the SDT expects exemption to be very rare. However, for the Responsible Entity to qualify for exemption, it must meet all conditions:

the Responsible Entity: is (i) a Balancing Authority or (ii) a Reserve Sharing Group with at least one member that:

- is experiencing a Reliability Coordinator declared Energy Emergency Alert Level, and
- is utilizing its Contingency Reserve to mitigate an operating emergency in accordance with its emergency Operating Plan, and
- has depleted its Contingency Reserve to a level below its Most Severe Single Contingency, and
- has, during communications with its Reliability Coordinator in accordance with the Energy Emergency Alert procedures: (i) notified the Reliability Coordinator of the conditions described in the preceding two bullet points preventing the Responsible Entity from complying with Requirement R1 part 1.1 , and (ii) provided the Reliability Coordinator with an ACE recovery plan, including target recovery time.

All comments submitted can be reviewed in their original format on the [project page](#).

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process. If you feel there has been an error or omission, you can contact Senior Director, Standards and Education [Howard Gugel](#) (via email) or at (404) 446-9693.

Questions

1. [The SDT has modified Requirement R1 to address the Commission’s concerns identified in FERC Order 835. Do you agree that the proposed modifications clearly state the intentions of the SAR? If not, please state your concerns and provide specific language on the proposed revision.](#)
2. [Do you have any other comments for drafting team consideration?](#)

The Industry Segments are:

- 1 — Transmission Owners
- 2 — RTOs, ISOs
- 3 — Load-serving Entities
- 4 — Transmission-dependent Utilities
- 5 — Electric Generators
- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
- 8 — Small Electricity End Users
- 9 — Federal, State, Provincial Regulatory or other Government Entities
- 10 — Regional Reliability Organizations, Regional Entities

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
Brandon McCormick	Brandon McCormick		FRCC	FMPA	Tim Beyrle	City of New Smyrna Beach Utilities Commission	4	FRCC
					Jim Howard	Lakeland Electric	5	FRCC
					Lynne Mila	City of Clewiston	4	FRCC
					Javier Cisneros	Fort Pierce Utilities Authority	3	FRCC
					Randy Hahn	Ocala Utility Services	3	FRCC
					Don Cuevas	Beaches Energy Services	1	FRCC
					Jeffrey Partington	Keys Energy Services	4	FRCC
					Tom Reedy	Florida Municipal Power Pool	6	FRCC

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Steven Lancaster	Beaches Energy Services	3	FRCC
					Mike Blough	Kissimmee Utility Authority	5	FRCC
					Chris Adkins	City of Leesburg	3	FRCC
					Ginny Beigel	City of Vero Beach	3	FRCC
ACES Power Marketing	Brian Van Gheem	6	NA - Not Applicable	ACES Standards Collaborators	Greg Froehling	Rayburn Country Electric Cooperative, Inc.	3	SPP RE
					Bob Solomon	Hoosier Energy Rural Electric Cooperative, Inc.	1	RF
					Ginger Mercier	Prairie Power, Inc.	1,3	SERC
					John Shaver	Arizona Electric Power	1	WECC

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
						Cooperative, Inc.		
					Michael Brytowski	Great River Energy	1,3,5,6	MRO
					Bill Hutchison	Southern Illinois Power Cooperative	1	SERC
Duke Energy	Colby Bellville	1,3,5,6	FRCC,RF,SERC	Duke Energy	Doug Hils	Duke Energy	1	RF
					Lee Schuster	Duke Energy	3	FRCC
					Dale Goodwine	Duke Energy	5	SERC
					Greg Cecil	Duke Energy	6	RF
MRO	Cynthia Kneisl	1,2,3,4,5,6	MRO	MRO NSRF	Joseph DePoorter	Madison Gas & Electric	3,4,5,6	MRO
					Larry Heckert	Alliant Energy	4	MRO
					Amy Casucelli	Xcel Energy	1,3,5,6	MRO
					Michael Brytowski	Great River Energy	1,3,5,6	MRO
					Jodi Jensen	Western Area Power Administration	1,6	MRO
					Kayleigh Wilkerson	Lincoln Electric System	5	MRO

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Kayleigh Wilkerson	Lincoln Electric System	1,3,5,6	MRO
					Mahmood Safi	Omaha Public Power District	1,3,5,6	MRO
					Brad Parret	Minnesota Power	1,5	MRO
					Terry Harbour	MidAmerican Energy Corporation	1,3	MRO
					Tom Breene	Wisconsin Public Service	3,4,5	MRO
					Jeremy Voll	Basin Electric Power Cooperative	1	MRO
					Kevin Lyons	Central Iowa Power Cooperative	1	MRO
					Mike Morrow	Midcontinent Independent System Operator	2	MRO

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Andy Fuhrman	Minnkota Power Cooperative	1	MRO
Tennessee Valley Authority	Dennis Chastain	1,3,5,6	SERC	Tennessee Valley Authority	DeWayne Scott	Tennessee Valley Authority	1	SERC
					Ian Grant	Tennessee Valley Authority	3	SERC
					Brandy Spraker	Tennessee Valley Authority	5	SERC
					Marjorie Parsons	Tennessee Valley Authority	6	SERC
Southern Company - Southern Company Services, Inc.	Katherine Prewitt	1		Southern Company	Scott Moore	Alabama Power Company	3	SERC
					Bill Shultz	Southern Company Generation	5	SERC
					Jennifer Sykes	Southern Company Generation	6	SERC

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
						and Energy Marketing		
Tennessee Valley Authority	M Lee Thomas	5		Tennessee Valley Authority	Howell Scott	Tennessee Valley Authority	1	SERC
					Ian Grant	Tennessee Valley Authority	3	SERC
					M Lee Thomas	Tennessee Valley Authority	5	SERC
					Marjorie Parsons	Tennessee Valley Authority	6	SERC
Northeast Power Coordinating Council	Ruida Shu	1,2,3,4,5,6,7,8,9,10	NPCC	RSC no Dominion and NYISO	Guy V. Zito	Northeast Power Coordinating Council	10	NPCC
					Randy MacDonald	New Brunswick Power	2	NPCC
					Wayne Sipperly	New York Power Authority	4	NPCC

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Glen Smith	Entergy Services	4	NPCC
					Brian Robinson	Utility Services	5	NPCC
					Alan Adamson	New York State Reliability Council	7	NPCC
					Edward Bedder	Orange & Rockland Utilities	1	NPCC
					David Burke	Orange & Rockland Utilities	3	NPCC
					Michele Tondalo	UI	1	NPCC
					Laura Mcleod	NB Power	1	NPCC
					David Ramkalawan	Ontario Power Generation Inc.	5	NPCC
					Helen Lainis	IESO	2	NPCC
					Michael Schiavone	National Grid	1	NPCC
					Michael Jones	National Grid	3	NPCC

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Michael Forte	Con Ed - Consolidated Edison	1	NPCC
					Peter Yost	Con Ed - Consolidated Edison Co. of New York	3	NPCC
					Sean Cavote	PSEG	4	NPCC
					Kathleen Goodman	ISO-NE	2	NPCC
					Paul Malozewski	Hydro One Networks, Inc.	3	NPCC
					Quintin Lee	Eversource Energy	1	NPCC
					Dermot Smyth	Con Ed - Consolidated Edison Co. of New York	1,5	NPCC
					Dermot Smyth	Con Ed - Consolidated Edison Co. of New York	1,5	NPCC

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Salvatore Spagnolo	New York Power Authority	1	NPCC
					Shivaz Chopra	New York Power Authority	6	NPCC
					David Kiguel	Independent	NA - Not Applicable	NPCC
					Silvia Mitchell	NextEra Energy - Florida Power and Light Co.	6	NPCC
					Caroline Dupuis	Hydro Quebec	1	NPCC
					Chantal Mazza	Hydro Quebec	2	NPCC
Dominion - Dominion Resources, Inc.	Sean Bodkin	6		Dominion	Connie Lowe	Dominion - Dominion Resources, Inc.	3	NA - Not Applicable
					Lou Oberski	Dominion - Dominion Resources, Inc.	5	NA - Not Applicable

Organization Name	Name	Segment(s)	Region	Group Name	Group Member Name	Group Member Organization	Group Member Segment(s)	Group Member Region
					Larry Nash	Dominion - Dominion Virginia Power	1	NA - Not Applicable
Southwest Power Pool, Inc. (RTO)	Shannon Mickens	2	SPP RE	SPP Standards Review Group	Shannon Mickens	Southwest Power Pool Inc.	2	SPP RE
					Don Schmit	Nebraska Public Power District	5	SPP RE
					Robert Hirschak	Cleco Corporation	6	SPP RE
PPL - Louisville Gas and Electric Co.	Shelby Wade	1,3,5,6	RF,SERC	PPL NERC Registered Affiliates	Charlie Freibert	LG&E and KU Energy, LLC	3	SERC
					Brenda Truhe	PPL Electric Utilities Corporation	1	RF
					Dan Wilson	LG&E and KU Energy, LLC	5	SERC
					Linn Oelker	LG&E and KU Energy, LLC	6	SERC

1. The SDT has modified Requirement R1 to address the Commission’s concerns identified in FERC Order 835. Do you agree that the proposed modifications clearly state the intentions of the SAR? If not, please state your concerns and provide specific language on the proposed revision.

Cynthia Kneisl - MRO - 1,2,3,4,5,6 - MRO, Group Name MRO NSRF

Answer No

Document Name

Comment

While the SAR and the proposed changes address the stated FERC directive from one perspective, NERC is authorized to propose an equally effective alternative to achieve the reliability objective. We believe the approach in the draft standard could negatively impact reliability.

Our comments below outline issues with the standard and the direction it is taking. The change will distract operators from their primary tasks in order to develop and discuss a plan following a contingency during an Energy Emergency Alert (EEA).

The provisions being changed deal with exclusions to compliance. We believe the better path is for the drafting team to work with NERC (with input from the NERC OC) to create Implementation Guidance and a companion CMEP Practice Guide that outlines approaches for multi-contingent events, events > Most Severe Single Contingencies, and for ERO Compliance Staff to handle Reportable Balancing Contingency Events (RBCEs) during EEAs.

We also believe there is more to gain from a reliability perspective to pass these rare events through the Events Analysis process to create lessons-learned.

Finally, if the drafting team rejects our comments, we believe the change should be limited to: “Notified the RC that they have experienced a Reportable Balancing Contingency Event (RBCE) in cases where the BA expects recovery to take > 30 minutes and provided proposed actions and an expected recovery time.”

Likes 0

Dislikes 0

Response

Thank you for your comment. Since we are dealing with an exemption to the standard, provisions associated with the exemption must be included within the standard. Therefore the SDT modified the standard in accordance with the FERC direction including FERC provisions.

With regards to your comment concerning event analysis the SDT agrees and believes that all EEA declarations are reported and analyzed by the event analysis group.

An entity must meet all of the specific conditions to qualify for the exemption, and the ACE recovery plan is only required for the exemption.

Leonard Kula - Independent Electricity System Operator - 2

Answer

No

Document Name

Comment

While the proposed changes appear to clearly state the intention of the SAR, certain parts appear to be redundant with some of the existing requirements while other parts seem unnecessary if an alternative means, such as an exception to compliance, is developed.

Firstly, Point (i) in the forth bullet under Part 1.3.1 is unnecessary:

1. **The first bullet under Part 1.3.1 implies that a BA's RC is already aware of the EEA declaration (since it makes that declaration itself!)**
2. **The RC is already notified of its BA's emergency condition via EOP-011, Requirement R2 (Part 2.2.1).**

Secondly, regarding Point (ii) in Part 1.3.1, a BA's priority under either an EEA or a capacity or energy emergency is to mitigate the emergency condition to return the BA Area to normal state. Developing and notifying its RC a plan to recover ACE under either condition should not be a priority as such a task may actually jeopardize reliability. A BA should be allowed time to manage its EEA

and/or emergency. Only when such issues are duly addressed and the BA is out of EEA and/or emergency should it be required to notify its RC of an ACE recovery plan, including target recovery time, or the actions being undertaken to recover ACE.

We therefore urge the SDT to seek an alternative means (such as an exception to compliance) to meet the FERC directive on providing an ACE recovery plan, or to create a Part 1.4 that will require a BA to notify its RC of an ACE recovery plan, including target recovery time or its actions being undertaken to recover ACE, after it has recovered from an EEA or a capacity or energy emergency.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It's up to the BA to provide the ACE recovery plan to qualify for the exemption.

Brandon McCormick - Brandon McCormick On Behalf of: Carol Chinn, Florida Municipal Power Agency, 6, 4, 3, 5; Chris Gowder, Florida Municipal Power Agency, 6, 4, 3, 5; David Owens, Gainesville Regional Utilities, 3, 1, 5; Ginny Beigel, City of Vero Beach, 3; Joe McKinney, Florida Municipal Power Agency, 6, 4, 3, 5; Ken Simmons, Gainesville Regional Utilities, 3, 1, 5; Mike Blough, Kissimmee Utility Authority, 5, 3; Richard Montgomery, Florida Municipal Power Agency, 6, 4, 3, 5; Tom Reedy, Florida Municipal Power Pool, 6; - Brandon McCormick, Group Name FMPPA

Answer

No

Document Name

Comment

: FMPPA is concerned that the proposed modifications could potentially be a distraction for operators and negatively impact reliability. We agree with the following comments submitted by MRO:

While the SAR and the proposed changes address the stated FERC directive from one perspective, NERC is authorized to propose an equally effective alternative to achieve the reliability objective. We believe the approach in the draft standard could negatively impact reliability.

Our comments below outline issues with the standard and the direction it is taking. The change will distract operators from their primary tasks in order to develop and discuss a plan following a contingency during an Energy Emergency Alert (EEA).

The provisions being changed deal with exclusions to compliance. We believe the better path is for the drafting team to work with NERC (with input from the NERC OC) to create Implementation Guidance and a companion CMEP Practice Guide that outlines approaches for multi-contingent events, events > Most Severe Single Contingencies, and for ERO Compliance Staff to handle Reportable Balancing Contingency Events (RBCEs) during EEAs.

We also believe there is more to gain from a reliability perspective to pass these rare events through the Events Analysis process to create lessons-learned.

Finally, if the drafting team rejects our comments, we believe the change should be limited to: “Notified the RC that they have experienced a Reportable Balancing Contingency Event (RBCE) in cases where the BA expects recovery to take > 30 minutes and provided proposed actions and an expected recovery time.”

Likes	0
Dislikes	0

Response

Thank you for your comment. Since we are dealing with an exemption to the standard, provisions associated with the exemption must be included within the standard. Therefore the SDT modified the standard in accordance with the FERC direction including FERC provisions.

With regards to your comment concerning event analysis, the SDT agrees and believes that all EEA declarations are reported and analyzed by the event analysis group.

An entity must meet all of the specific conditions to qualify for the exemption, and the ACE recovery plan is only required for the exemption.

Richard Kinias - Orlando Utilities Commission - 5

Answer	No
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Document Name	
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Comment

OUC is concerned that the proposed modifications could potentially be a distraction for operators and negatively impact reliability. We agree with the following comments submitted by MRO:

While the SAR and the proposed changes address the stated FERC directive from one perspective, NERC is authorized to propose an equally effective alternative to achieve the reliability objective. We believe the approach in the draft standard could negatively impact reliability.

Our comments below outline issues with the standard and the direction it is taking. The change will distract operators from their primary tasks in order to develop and discuss a plan following a contingency during an Energy Emergency Alert (EEA).

The provisions being changed deal with exclusions to compliance. We believe the better path is for the drafting team to work with NERC (with input from the NERC OC) to create Implementation Guidance and a companion CMEP Practice Guide that outlines approaches for multi-contingent events, events > Most Severe Single Contingencies, and for ERO Compliance Staff to handle Reportable Balancing Contingency Events (RBCEs) during EEAs.

We also believe there is more to gain from a reliability perspective to pass these rare events through the Events Analysis process to create lessons-learned.

Finally, if the drafting team rejects our comments, we believe the change should be limited to: “Notified the RC that they have experienced a Reportable Balancing Contingency Event (RBCE) in cases where the BA expects recovery to take > 30 minutes and provided proposed actions and an expected recovery time.”

Likes 0

Dislikes 0

Response

Thank you for your comment. Since we are dealing with an exemption to the standard, provisions associated with the exemption must be included within the standard. Therefore the SDT modified the standard in accordance with the FERC direction including FERC provisions.

With regards to your comment concerning event analysis, the SDT agrees and believes that all EEA declarations are reported and analyzed by the event analysis group.

An entity must meet all of the specific conditions to qualify for the exemption, and the ACE recovery plan is only required for the exemption.

Richard Vine - California ISO - 2

Answer No

Document Name

Comment

While the SAR and the proposed changes address the stated FERC directive from one perspective, NERC is authorized to propose an equally effective alternative. We believe the approach in the draft standard could negatively impact reliability.

Our comments below outline issues with the standard and the direction it is taking. The change will distract operators from their primary tasks in order to develop and discuss a plan following a contingency during an EEA.

The provisions being changed deal with exclusions to compliance. We believe the better path is for the drafting team to work with NERC (with input from the NERC OC) to create a CMEP Practice Guide that outlines an approach for ERO Compliance Staff to handle RBCEs during these situations.

We also believe there is more to gain from a reliability perspective to pass these rare events through the Events Analysis process to create lessons-learned.

Finally, if the drafting team rejects our comments, we believe the change should be limited to: “Notified the RC that they have experienced a Reportable Balancing Contingency Event (RBCE) and provided an expected recovery time”.

Likes 0

Dislikes 0

Response

Thank you for your comment. Since we are dealing with an exemption to the standard, provisions associated with the exemption must be included within the standard. Therefore the SDT modified the standard in accordance with the FERC direction including FERC provisions.

With regards to your comment concerning event analysis, the SDT agrees and believes that all EEA declarations are reported and analyzed by the event analysis group.

An entity must meet all of the specific conditions to qualify for the exemption, and the ACE recovery plan is only required for the exemption.

Dennis Chastain - Tennessee Valley Authority - 1,3,5,6 - SERC, Group Name Tennessee Valley Authority

Answer

No

Document Name

Comment

We believe that the conditions set forth in the first requirement of the FERC order are already accomplished through the requirements in EOP-011 for declaring an EEA 3 and should not be restated here in BAL-002. A BA experiencing the conditions set forth in the first three bullets in R1.3.1 is by definition experiencing EEA 3 conditions and the required communication to the RC is satisfied through the request to declare an EEA 3. Restating them in this standard could lead to conflicts between the standards as they evolve over time. We are also concerned that the current language in the draft could cause a delay in recovery from an event as the contingent BA's time is occupied creating a detailed level of audit evidence documenting the official recovery plan and recovery time estimate during the Recovery Period of the event and then communicating those to the RC. This would only serve to prolong the threat to the BES caused by the supply shortage which occurred as a result of the contingency.

Likes 0

Dislikes 0

Response

Thank you for your comment. FERC directed the SDT to include this provision as one of the conditions for exemption. The SDT took extreme care to assure we referenced the provisions within the Energy Emergency Alert procedures.

David Jendras - Ameren - Ameren Services - 3	
Answer	No
Document Name	
Comment	
<p>Ameren believes that any Requirement for actions an entity is required to take when experiencing an RC declared EEA level belongs in EOP-011, Emergency Operations.</p> <p>In lieu thereof, Ameren believes the following BAL-002-3 language would be an acceptable alternative to meet the intent and spirit of the FERC directive, until a revision of EOP-011-1 occurs as described below:</p> <p>In addition to the redline changes for R1.3 and R1.3.1, Ameren suggests adding the additional bullets as stated below:</p> <ul style="list-style-type: none"> &bull;provide updates to the ACE recovery plan, including target recovery time, to its Reliability Coordinator, during its communications with the RC as required in "Attachment 1-EOP-011-1 Energy Emergency Alerts" &bull;and implements the ACE recovery plan when given an Operating Instruction to do so by its RC. 	
Likes	0
Dislikes	0
Response	
<p>Thank you for your comment. The SDT scope was associated with only the FERC Order associated with BAL-002. This SDT is not able to change the EEA procedure which would require a new or revised SAR.</p> <p>ACE recovery plans are just one provision associated with exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It's up to the BA to provide the ACE recovery plan to qualify for the exemption.</p>	
M Lee Thomas - Tennessee Valley Authority - 5, Group Name Tennessee Valley Authority	
Answer	No

Document Name	
Comment	
<p>TVA believes that the conditions set forth in the 1st requirement of the FERC order are already accomplished through the requirements in EOP-011 for declaring an EEA 3 and should not be restated here in BAL-002. A BA experiencing the conditions set forth in the first three bullets in R1.3.1 is by definition experiencing EEA 3 conditions and the required communication to the RC is satisfied through the request to declare an EEA 3. Restating them in this standard could lead to conflicts between the standards as they evolve over time. We are also concerned that the current language in the draft could cause a delay in recovery from an event as the contingent BA's time is occupied creating a detailed level of audit evidence documenting the official recovery plan and recovery time estimate during the Recovery Period of the event and then communicating those to the RC. This would only serve to prolong the threat to the BES caused by the supply shortage which occurred as a result of the contingency.</p>	
Likes	0
Dislikes	0
Response	
<p>Thank you for your comment. FERC directed the SDT to include this provision as one of the conditions for exemption. The SDT took extreme care to assure we referenced the provisions within the Energy Emergency Alert procedures.</p>	
<p>Ruida Shu - Northeast Power Coordinating Council - 1,2,3,4,5,6,7,8,9,10 - NPCC, Group Name RSC no Dominion and NYISO</p>	
Answer	No
Document Name	
Comment	
<p>While the proposed changes appear to clearly state the intention of the SAR, certain parts appear to be redundant with some of the existing requirements while other parts seem unnecessary if an alternative means, such as an exception to compliance, is developed.</p> <p>Firstly, Point (i) in the forth bullet under Part 1.3.1 is unnecessary:</p>	

1. The first bullet under Part 1.3.1 implies that a BA’s RC is already aware of the EEA declaration (since it makes that declaration itself!)
2. The RC is already notified of its BA’s emergency condition via EOP-011, Requirement R2 (Part 2.2.1).

Secondly, regarding Point (ii) in Part 1.3.1, a BA’s priority under either an EEA or a capacity or energy emergency is to mitigate the emergency condition to return the BA Area to normal state. Developing and notifying its RC a plan to recover ACE under either condition should not be a priority as such a task may actually jeopardize reliability. A BA should be allowed time to manage its EEA and/or emergency. Only when such issues are duly addressed and the BA is out of EEA and/or emergency should it be required to notify its RC of an ACE recovery plan, including target recovery time, or the actions being undertaken to recover ACE.

We therefore urge the SDT to seek an alternative means (such as an exception to compliance) to meet the FERC directive on providing an ACE recovery plan, or to create a Part 1.4 that will require a BA to notify its RC of an ACE recovery plan, including target recovery time or its actions being undertaken to recover ACE, after it has recovered from an EEA or a capacity or energy emergency.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It’s up to the BA to provide the ACE recovery plan to qualify for the exemption.

FERC directed the SDT to include this provision as one of the conditions for exemption. The SDT took extreme care to assure we referenced the provisions within the Energy Emergency Alert procedures.

Brian Van Gheem - ACES Power Marketing - 6, Group Name ACES Standards Collaborators

Answer

No

Document Name

Comment

1. We believe the proposed reference to “preceding two bullet points” should be clarified, as compliance with this requirement can be confusing. Very few NERC Reliability Requirements identify an action and then follow that with an exemption to the action based on a specific condition. The proposed changes are made to the exemption portion of the requirement, which already implies that compliance with Requirement R1 part 1.1 is unnecessary. The embedded dual condition within the proposed bullet should be split to provide clarity. One bullet should identify the inhibitive reasoning provided to the RC from the distressed BA or RSG that is unable to restore its ACE to the appropriate Pre-Reporting Contingency Event ACE Value within the Contingency Event Recovery Period. The second bullet should also identify that the ACE recovery plan was provided to the RC.
2. The reference to “recovery time” should be replaced with the appropriate NERC Glossary Term, Contingency Event Recovery Period.

Likes 0

Dislikes 0

Response

Thank you for your comment. An entity must meet all of the specified conditions to qualify for the exemption, and the ACE recovery plan is only required for the exemption.

With respect to your suggestion to split the fourth bullet, the SDT believes the condition as written must be a single bullet to maintain continuity within the bullet.

Recovery time is an undefined term when dealing with the exemption and is variable when dealing with individual ACE recovery plans.

Maryanne Darling-Reich - Black Hills Corporation - 1,3,5,6 - WECC

Answer

Yes

Document Name

Comment

N/A to BHC

Likes	0
Dislikes	0
Response	
Aaron Cavanaugh - Bonneville Power Administration - 1,3,5,6 - WECC	
Answer	Yes
Document Name	
Comment	
BPA suggests rewording of “an ACE recovery plan” to “actions it will take to recover its ACE”. BPA believes this rewording will help R1 sound less like a defined term which will depend on or require additional documentation. BPA’s concern is that “an ACE recovery plan” will be assumed to be an additional document such as the Emergency Operating Plan.	
Likes	0
Dislikes	0
Response	
Thank you for your affirmative response and clarifying comment. The SDT took the wording directly from the FERC order.	
Neil Swearingen - Salt River Project - 1,3,5,6 - WECC	
Answer	Yes
Document Name	
Comment	
SRP supports the proposed revisions.	
Likes	0

Dislikes	0
Response	
Thank you for your affirmative response and clarifying comment.	
Yvonne McMackin - Public Utility District No. 2 of Grant County, Washington - 4	
Answer	Yes
Document Name	
Comment	
Likes	0
Dislikes	0
Response	
Glen Farmer - Avista - Avista Corporation - 5	
Answer	Yes
Document Name	
Comment	
Likes	0
Dislikes	0
Response	
Kevin Salsbury - Berkshire Hathaway - NV Energy - 5	
Answer	Yes

Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Scott Langston - Tallahassee Electric (City of Tallahassee, FL) - 1	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Michelle Amarantos - APS - Arizona Public Service Co. - 1	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	

Response	
Ozan Ferrin - Tacoma Public Utilities (Tacoma, WA) - 5	
Answer	Yes
Document Name	
Comment	
Likes	0
Dislikes	0
Response	
Shelby Wade - PPL - Louisville Gas and Electric Co. - 1,3,5,6 - SERC,RF, Group Name PPL NERC Registered Affiliates	
Answer	Yes
Document Name	
Comment	
Likes	0
Dislikes	0
Response	
Laura Nelson - IDACORP - Idaho Power Company - 1	
Answer	Yes
Document Name	

Comment	
Likes 0	
Dislikes 0	
Response	
Colby Bellville - Duke Energy - 1,3,5,6 - FRCC,SERC,RF, Group Name Duke Energy	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Sean Bodkin - Dominion - Dominion Resources, Inc. - 6, Group Name Dominion	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	

Richard Jackson - U.S. Bureau of Reclamation - 1	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Wendy Center - U.S. Bureau of Reclamation - 5	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Selene Willis - Edison International - Southern California Edison Company - 1,3,5,6	
Answer	Yes
Document Name	
Comment	

Likes 0	
Dislikes 0	
Response	
Shannon Mickens - Southwest Power Pool, Inc. (RTO) - 2 - SPP RE, Group Name SPP Standards Review Group	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Katherine Prewitt - Southern Company - Southern Company Services, Inc. - 1, Group Name Southern Company	
Answer	Yes
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	

Kristine Ward - Seminole Electric Cooperative, Inc. - 1,3,4,5 - FRCC

Answer

Document Name

Comment

N/a

Likes 0

Dislikes 0

Response

Rachel Coyne - Texas Reliability Entity, Inc. - 10

Answer

Document Name

Comment

The SDT may wish to clarify when the ACE recovery plan must be submitted for a BA to qualify for the exemption. The proposed BAL-002-3 R 1.3 now specifies that a BA may be exempt from BAL-002-3 R1.1 if it has “during communications with its Reliability Coordinator in accordance with the Energy Emergency Alert procedure” notified the RC of conditions preventing it from responding and “provided the Reliability Coordinator with an ACE recovery plan, including target recovery time.”

Likes 0

Dislikes 0

Response

Thank you for your comment. The SDT believes that the entire recovery time frame is the period in which the BA is to notify the RC of its ACE recovery plan. During your discussions with the RC to declare an EEA the BA must provide all information associated with the

emergency including the estimated period of the potential EEA and must update the RC hourly or upon a change of EEA status until the EEA is terminated. Part of the discussion with the RC to qualify for the exemption under BAL-002 will include your ACE recovery plan and the target recovery time. An entity must meet all of the specified conditions to qualify for the exemption, and the ACE recovery plan is only required for the exemption.

2. Do you have any other comments for drafting team consideration?	
Brian Van Gheem - ACES Power Marketing - 6, Group Name ACES Standards Collaborators	
Answer	No
Document Name	
Comment	
We thank you for this opportunity to comment.	
Likes 0	
Dislikes 0	
Response	
Neil Swearingen - Salt River Project - 1,3,5,6 - WECC	
Answer	No
Document Name	
Comment	
No additional comments.	
Likes 0	
Dislikes 0	
Response	

Katherine Prewitt - Southern Company - Southern Company Services, Inc. - 1, Group Name Southern Company	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Ruida Shu - Northeast Power Coordinating Council - 1,2,3,4,5,6,7,8,9,10 - NPCC, Group Name RSC no Dominion and NYISO	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Selene Willis - Edison International - Southern California Edison Company - 1,3,5,6	
Answer	No
Document Name	
Comment	

Likes 0	
Dislikes 0	
Response	
David Jendras - Ameren - Ameren Services - 3	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Wendy Center - U.S. Bureau of Reclamation - 5	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Richard Jackson - U.S. Bureau of Reclamation - 1	

Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Colby Bellville - Duke Energy - 1,3,5,6 - FRCC,SERC,RF, Group Name Duke Energy	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Laura Nelson - IDACORP - Idaho Power Company - 1	
Answer	No
Document Name	
Comment	
Likes 0	

Dislikes 0	
Response	
Ozan Ferrin - Tacoma Public Utilities (Tacoma, WA) - 5	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Scott Langston - Tallahassee Electric (City of Tallahassee, FL) - 1	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Aaron Cavanaugh - Bonneville Power Administration - 1,3,5,6 - WECC	
Answer	No

Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Glen Farmer - Avista - Avista Corporation - 5	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	
Response	
Kristine Ward - Seminole Electric Cooperative, Inc. - 1,3,4,5 - FRCC	
Answer	No
Document Name	
Comment	
Likes 0	
Dislikes 0	

Response	
Yvonne McMackin - Public Utility District No. 2 of Grant County, Washington - 4	
Answer	No
Document Name	
Comment	
Likes	0
Dislikes	0
Response	
Maryanne Darling-Reich - Black Hills Corporation - 1,3,5,6 - WECC	
Answer	No
Document Name	
Comment	
Likes	0
Dislikes	0
Response	
M Lee Thomas - Tennessee Valley Authority - 5, Group Name Tennessee Valley Authority	
Answer	Yes
Document Name	

Comment

TVA believes that given the amount of actions BA’s are required to make during a Reportable Disturbance, and the very short window of time allowed in the standard to successfully complete those actions, that the Standards should not put additional regulatory burden on the operators to create documentation and notifications during this window. This small amount of time should be dedicated to restoring the BES to a stable condition. It is also important to note that the contingent BA is still subject to the BAAL limit during a contingency any time the BES is threatened with a negative supply balance; therefore, the BA still has a compliance obligation to restore its balance anytime the interconnection is threatened even if the BA is not subject to compliance under BAL-002. Given the small amount of Contingency Reserves available to the BA in this situation and the degree of time urgency, the BA should make every effort to recover its imbalance and deploy all remaining Contingency Reserves in order to recover as much imbalance as possible. Only once those actions are completed should the BA focus on communicating the recovery plan and target recovery time to the RC, and this should not be required to be within the Recovery Period in order to be granted a waiver from compliance under BAL-002.

The proposed revision should be based on BAL-002-2(i), which is the last approved and currently effective version.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It’s up to the BA to provide the ACE recovery plan to qualify for the exemption.

Shannon Mickens - Southwest Power Pool, Inc. (RTO) - 2 - SPP RE, Group Name SPP Standards Review Group

Answer

Yes

Document Name

Comment

The SPP Standards Review Group suggests that the drafting team provide clarity on the intent of the proposed language pertaining to Requirement R1 Part 1.3.1. The proposed language in BAL-002 (Part 1.3.1) is addressing entities that would be in an EEA 3 knowing that

they wouldn't return to an acceptable status in the required 15 minutes. Looking at EOP-011, any entity that is in an EEA 3 per Attachment 1, that entity would have to report their status to the Reliability Coordinator (RC) every hour. To our understanding, the entity being identified in BAL-002 (Part 1.3.1-which would be in an EEA 3 situation and would not be in compliance) could make their report in that same hour until they return to an acceptable status. We ask the drafting team to clarify whether there is connection between the required actions of these two standards. If the drafting team agrees with our understanding, we would suggest that the drafting team include some language discussing the connection of both standards in BAL-002-3. This would provide clarity on the expectations of entities that don't recover in the required 15 minutes as well as being in an EEA 3 condition.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It's up to the BA to provide the ACE recovery plan to qualify for the exemption.

The SDT took extreme care to assure we referenced the provisions within the Energy Emergency Alert procedures.

Dennis Chastain - Tennessee Valley Authority - 1,3,5,6 - SERC, Group Name Tennessee Valley Authority

Answer

Yes

Document Name

Comment

We believe that given the amount of actions BA's are required to make during a Reportable Disturbance, and the very short window of time allowed in the standard to successfully complete those actions, that the Standards should not put additional regulatory burden on the operators to create documentation and notifications during this window. This small amount of time should be dedicated to restoring the BES to a stable condition. It is also important to note that the contingent BA is still subject to the BAAL limit during a contingency any time the BES is threatened with a negative supply balance; therefore, the BA still has a compliance obligation to restore its balance anytime the interconnection is threatened even if the BA is not subject to compliance under BAL-002. Given the small amount of Contingency Reserves available to the BA in this situation and the degree of time urgency, the BA should make every effort to recover its

imbalance and deploy all remaining Contingency Reserves in order to recover as much imbalance as possible. Only once those actions are completed should the BA focus on communicating the recovery plan and target recovery time to the RC, and this should not be required to be within the Recovery Period in order to be granted a waiver from compliance under BAL-002.

The proposed revision should be based on BAL-002-2(i), which is the last approved and currently effective version.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It's up to the BA to provide the ACE recovery plan to qualify for the exemption.

The SDT took extreme care to assure we referenced the provisions within the Energy Emergency Alert procedures.

Sean Bodkin - Dominion - Dominion Resources, Inc. - 6, Group Name Dominion

Answer

Yes

Document Name

Comment

Dominion Energy has a concern regarding the Technical Rationale document. It appears that SDT has transitioned the existing GTB document to a Technical Rationale document without completely addressing all of the compliance language contained in the document.

"Requirement R1 does not apply when an entity experiences a Balancing Contingency Event that exceeds its MSSC (which includes multiple Balancing Contingency Events as described in R1 part 1.3.2 below) because a fundamental goal of the SDT is to assure the Responsible Entity has enough flexibility to maintain service to Demand while managing reliability."

This first example states when an entity does not have to comply and the standard is not applicable. It is not intent, it is a statement that directly impacts compliance. While the latter section of the section does state what the intent of the SDT was when developing the

language and, in isolation would be appropriate for the TR document, the former part of the statement is not appropriate for the TR document. Just because a statement is not a specific example of how to comply does not render it appropriate for the TR document.

"In addition, the drafting team has added language to R 1.3.1 clarifying that if a BA is experiencing an EEA event under which its contingency reserve has been activated, the RSG in which it resides would also be considered to be exempt from R1 compliance."

The second quotation also makes a specific compliance statement, exempting a specific entity from compliance of the Requirement. While not an 'example' that could be directly ported to an IG document, it is compliance language that is not appropriate for a TR document. As stated before, just because compliance language does not fit the definition of IG does not render it appropriate for TR.

"Under the Energy Emergency Alert procedures, the BA must inform the RC of the conditions and necessary requirements to meet reliability and the RC must approve of the information being provided before issuing an Energy Emergency Alert."

The third quotation is a statement that clearly states how to comply with the EEA process. Once again, while not specific IG that statement is not appropriate for a TR document.

Likes	0
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Dislikes	0
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Response

Thank you for your comment. The SDT will consider your comments and make associated modifications, if necessary.

Richard Vine - California ISO - 2

Answer	Yes
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Document Name	
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Comment

We have concerns related to the unintended reliability consequences associated with the proposed changes in BAL-002-3 regarding the development and discussion of plans with the Reliability Coordinator in real time to restore ACE following a contingency during capacity shortages.

One thing that seems to be overlooked is that both the BA and RC have obligations in other standards to take action if a BA's ACE is negatively impacting frequency or transmission limits.

The exclusion provisions in the current BAL-002-2 deal with situations where the BA has multiple problems (capacity emergency, previous contingencies or multiple contingencies). Under these situations the BA may likely need to perform dozens of tasks in a 15 minute period.

The role of the Reliability Coordinator is not to manage or approve the local actions taken by the Balancing Authority. The proposed changes would put two sets of hands on the wheel and delay action. This is the equivalent of asking the pilot upon the loss of an engine to map out actions and reach out to the air traffic controller to discuss the pilot's proposal.

The original Disturbance Control Standard (DCS) in Policy 1 had basically two requirements:

- Recover from large events less than or equal to MSSC in 15 minutes.
- Replenish your reserves in 90 minutes such that you can recover from subsequent events.

There was an expectation that the BA made best efforts to recover from larger events as demonstrated by the reporting form that included events > MSSC and which NERC has tracked over the years. The remainder of the original DCS just explained how the two requirements above were accomplished in the context of a Reserve Sharing Group as well as provided administrative information to support the standard.

We are layering complexity in this standard at the same time NERC has a major project to streamline and focus the standards. Reliability would be better served if the standard were simplified under the Standards Efficiency Review process to the following requirements:

- Recover from Reportable Balancing Contingency Events in 15 minutes.
- Replenish reserves within 90 minutes as demonstrated by successful recovery from subsequent Reportable Balancing Contingency Events.
- Make best efforts and report recovery performance for events > MSSC or when reserves are diminished due to other contingencies.

The redline change to the standard has the BA telling the RC something they both already know and also expects the BA during an emergency to specifically mention two bullets in the standard. It should also be noted that the requirement is basically duplicative of EOP-011 R2.

As mentioned earlier, BAs are still held to the Balancing Authority ACE Limit as well as IROL requirements no matter what the size of the event. NERC collects DCS performance data for its State of Reliability Report, to include events > MSSC. NERC’s report shows that BA performance has been stellar. If problems develop in the future, new requirements can be implemented.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with an exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It’s up to the BA to provide the ACE recovery plan to qualify for the exemption.

All other standards are still applicable such as BAL-001, IROLs, etc. and it is up to the BA to address these other standards with the RC.

Richard Kinas - Orlando Utilities Commission - 5

Answer

Yes

Document Name

Comment

OUC is concerned that proposed modifications could negatively impact reliability by causing additional actions for the sake of compliance. Additionally, there seems to be some redundancy with EOP-011-1 2.2.1 which states “Notification to its Reliability Coordinator, to include current and projected conditions when experiencing a Capacity Emergency or Energy Emergency;”. Having redundancy and overlap in the standards goes against the current Standards Efficiency Review effort that is underway. OUC agrees with the following comments submitted by MRO:

We have concerns related to the unintended reliability consequences associated with the proposed changes in BAL-002-3 regarding the development and discussion of plans with the Reliability Coordinator in real time to restore ACE following a contingency during capacity shortages.

One thing that seems to be overlooked is that both the BA and RC have obligations in other standards to take action if a BA's ACE is negatively impacting frequency or transmission limits.

The exclusion provisions in the current BAL-002-2 deal with situations where the BA has multiple problems (capacity emergency, previous contingencies or multiple contingencies). The priorities of a Balancing Authority following multiple contingencies are to:

Assess the incoming alarms and determine the extent of the problem.

Prioritize actions depending on the location of the event, whether there is a frequency issue or what transmission is being negatively impacted.

Direct generators to load to correct ACE or to adjust (in coordination with the Transmission Operator) to manage flows.

Coordinate with its TOP, adjacent BAs, and request assistance from the RC as needed.

There can be dozens of actions taking place in a matter of 10-15 minutes.

The role of the Reliability Coordinator is not to manage or approve the local actions taken by the Balancing Authority. The proposed changes would put two sets of hands on the wheel and delay action. This is the equivalent of asking the pilot upon the loss of an engine to map out actions and reach out to the air traffic controller to discuss the pilot's proposal.

The role of the RC is to assist the BA as needed and point out external issues the Balancing Authority might not see. Only if a BA is not taking action and there are likely adverse reliability impacts should the RC intervene.

The original Disturbance Control Standard (DCS) prior to 2007 had basically two requirements:

Recover from large events less than or equal to MSSC in 15 minutes.

Replenish your reserves in 90 minutes such that you can recover from subsequent events.

There was an expectation that the BA made best efforts to recover from larger events as demonstrated by the reporting form that included events > MSSC and which NERC has tracked over the years. The remainder of the original DCS just explained how the two requirements above were accomplished in the context of a Reserve Sharing Group as well as provided administrative information to support the standard.

While BAL-002-0 made the original DCS more complex, any operator could understand the objectives and explain how performance is demonstrated. The currently enforceable BAL-002-2 is so complex that we believe no two operators asked to explain compliance would come up with the same answer. Version 3 not only layers complexity in the compliance evaluation; it will distract operators from their primary tasks.

We are layering complexity in this standard at the same time NERC has a major project to streamline and focus the standards. Reliability would be better served if the standard were simplified under the Standards Efficiency Review process to the following requirements:

Recover from Reportable Balancing Contingency Events in 15 minutes.

Replenish reserves within 90 minutes as demonstrated by successful recovery from subsequent Reportable Balancing Contingency Events.

Make best efforts and report recovery performance for events > MSSC or when reserves are diminished due to other contingencies.

As mentioned earlier, BAs are still held to the Balancing Authority ACE Limit as well as IROL requirements no matter what the size of the event. NERC collects DCS performance data for its State of Reliability Report, to include events > MSSC. NERC's report shows that BA performance has been stellar. If problems develop in the future, new requirements can be implemented.

Likes	0
Dislikes	0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with an exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It's up to the BA to provide the ACE recovery plan to qualify for the exemption.

All other standards are still applicable such as BAL-001, IROLs, etc. and it is up to the BA to address these other standards with the RC.

Brandon McCormick - Brandon McCormick On Behalf of: Carol Chinn, Florida Municipal Power Agency, 6, 4, 3, 5; Chris Gowder, Florida Municipal Power Agency, 6, 4, 3, 5; David Owens, Gainesville Regional Utilities, 3, 1, 5; Ginny Beigel, City of Vero Beach, 3; Joe McKinney, Florida Municipal Power Agency, 6, 4, 3, 5; Ken Simmons, Gainesville Regional Utilities, 3, 1, 5; Mike Blough, Kissimmee Utility Authority, 5, 3; Richard Montgomery, Florida Municipal Power Agency, 6, 4, 3, 5; Tom Reedy, Florida Municipal Power Pool, 6; - Brandon McCormick, Group Name FMPA

Answer	Yes
Document Name	

Comment

FMPA is concerned that proposed modifications could negatively impact reliability by causing additional actions for the sake of compliance. Additionally, there seems to be some redundancy with EOP-011-1 2.2.1 which states “Notification to its Reliability Coordinator, to include current and projected conditions when experiencing a Capacity Emergency or Energy Emergency;”. Having redundancy and overlap in the standards goes against the current Standards Efficiency Review effort that is underway. FMPA agrees with the following comments submitted by MRO:

We have concerns related to the unintended reliability consequences associated with the proposed changes in BAL-002-3 regarding the development and discussion of plans with the Reliability Coordinator in real time to restore ACE following a contingency during capacity shortages.

One thing that seems to be overlooked is that both the BA and RC have obligations in other standards to take action if a BA’s ACE is negatively impacting frequency or transmission limits.

The exclusion provisions in the current BAL-002-2 deal with situations where the BA has multiple problems (capacity emergency, previous contingencies or multiple contingencies). The priorities of a Balancing Authority following multiple contingencies are to:

Assess the incoming alarms and determine the extent of the problem.

Prioritize actions depending on the location of the event, whether there is a frequency issue or what transmission is being negatively impacted.

Direct generators to load to correct ACE or to adjust (in coordination with the Transmission Operator) to manage flows.

Coordinate with its TOP, adjacent BAs, and request assistance from the RC as needed.

There can be dozens of actions taking place in a matter of 10-15 minutes.

The role of the Reliability Coordinator is not to manage or approve the local actions taken by the Balancing Authority. The proposed changes would put two sets of hands on the wheel and delay action. This is the equivalent of asking the pilot upon the loss of an engine to map out actions and reach out to the air traffic controller to discuss the pilot's proposal.

The role of the RC is to assist the BA as needed and point out external issues the Balancing Authority might not see. Only if a BA is not taking action and there are likely adverse reliability impacts should the RC intervene.

The original Disturbance Control Standard (DCS) prior to 2007 had basically two requirements:

{C} Recover from large events less than or equal to MSSC in 15 minutes.

{C} Replenish your reserves in 90 minutes such that you can recover from subsequent events.

There was an expectation that the BA made best efforts to recover from larger events as demonstrated by the reporting form that included events > MSSC and which NERC has tracked over the years. The remainder of the original DCS just explained how the two requirements above were accomplished in the context of a Reserve Sharing Group as well as provided administrative information to support the standard.

While BAL-002-0 made the original DCS more complex, any operator could understand the objectives and explain how performance is demonstrated. The currently enforceable BAL-002-2 is so complex that we believe no two operators asked to explain compliance would come up with the same answer. Version 3 not only layers complexity in the compliance evaluation; it will distract operators from their primary tasks.

We are layering complexity in this standard at the same time NERC has a major project to streamline and focus the standards. Reliability would be better served if the standard were simplified under the Standards Efficiency Review process to the following requirements:

Recover from Reportable Balancing Contingency Events in 15 minutes.

Replenish reserves within 90 minutes as demonstrated by successful recovery from subsequent Reportable Balancing Contingency Events.

Make best efforts and report recovery performance for events > MSSC or when reserves are diminished due to other contingencies.

As mentioned earlier, BAs are still held to the Balancing Authority ACE Limit as well as IROL requirements no matter what the size of the event. NERC collects DCS performance data for its State of Reliability Report, to include events > MSSC. NERC’s report shows that BA performance has been stellar. If problems develop in the future, new requirements can be implemented.

Likes	0
Dislikes	0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with an exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It’s up to the BA to provide the ACE recovery plan to qualify for the exemption.

All other standards are still applicable such as BAL-001, IROLs, etc. and it is up to the BA to address these other standards with the RC.

Shelby Wade - PPL - Louisville Gas and Electric Co. - 1,3,5,6 - SERC,RF, Group Name PPL NERC Registered Affiliates

Answer	Yes
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Document Name	
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Comment

PPL NERC Registered Affiliates suggests that NERC post a complete redline of Proposed Reliability Standard BAL-002-3 to ensure the industry is fully aware of the transition of the Supplemental Material to a Technical Rationale document. The Redline to Last Approved Version of Proposed Reliability Standard BAL-002-3 posted to the NERC project page on March 22, 2018 is not a complete redline as it does not show the removal of the “Supplemental Material” (also known as Technical Rationale), which is currently included in the effective version BAL-002-2(i).

Furthermore, the document entitled “Rationales for BAL-002-3” should be entitled “Technical Rationale for BAL-002-3” in accordance with the NERC Technical Rationale for Reliability Standards Policy, and a redline to the last version of this document approved by industry should also be posted.

Additionally, the document entitled “Rationales for BAL-002-3” seems to include implementation guidance as it states “Requirement R1 does not apply when...”.

Likes 0

Dislikes 0

Response

Thank you for your comment. The SDT will pass your comment on to the appropriate NERC staff.

Cynthia Kneisl - MRO - 1,2,3,4,5,6 - MRO, Group Name MRO NSRF

Answer

Yes

Document Name

Comment

We have concerns related to the unintended reliability consequences associated with the proposed changes in BAL-002-3 regarding the development and discussion of plans with the Reliability Coordinator in real time to restore ACE following a contingency during capacity shortages.

One thing that seems to be overlooked is that both the BA and RC have obligations in other standards to take action if a BA’s ACE is negatively impacting frequency or transmission limits.

The exclusion provisions in the current BAL-002-2 deal with situations where the BA has multiple problems (capacity emergency, previous contingencies or multiple contingencies). The priorities of a Balancing Authority following multiple contingencies are to:

- Assess the incoming alarms and determine the extent of the problem.
- Prioritize actions depending on the location of the event, whether there is a frequency issue or what transmission is being negatively impacted.

- Direct generators to load to correct ACE or to adjust (in coordination with the Transmission Operator) to manage flows.
- Coordinate with its TOP, adjacent BAs, and request assistance from the RC as needed.

There can be dozens of actions taking place in a matter of 10-15 minutes.

The role of the Reliability Coordinator is not to manage or approve the local actions taken by the Balancing Authority. The proposed changes would put two sets of hands on the wheel and delay action. This is the equivalent of asking the pilot upon the loss of an engine to map out actions and reach out to the air traffic controller to discuss the pilot's proposal.

The role of the RC is to assist the BA as needed and point out external issues the Balancing Authority might not see. Only if a BA is not taking action and there are likely adverse reliability impacts should the RC intervene.

The original Disturbance Control Standard (DCS) prior to 2007 had basically two requirements:

- Recover from large events less than or equal to MSSC in 15 minutes.
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There was an expectation that the BA made best efforts to recover from larger events as demonstrated by the reporting form that included events > MSSC and which NERC has tracked over the years. The remainder of the original DCS just explained how the two requirements above were accomplished in the context of a Reserve Sharing Group as well as provided administrative information to support the standard.

While BAL-002-0 made the original DCS more complex, any operator could understand the objectives and explain how performance is demonstrated. The currently enforceable BAL-002-2 is so complex that we believe no two operators asked to explain compliance would come up with the same answer. Version 3 not only layers complexity in the compliance evaluation; it will distract operators from their primary tasks.

We are layering complexity in this standard at the same time NERC has a major project to streamline and focus the standards. Reliability would be better served if the standard were simplified under the Standards Efficiency Review process to the following requirements:

- Recover from Reportable Balancing Contingency Events in 15 minutes.
- Replenish reserves within 90 minutes as demonstrated by successful recovery from subsequent Reportable Balancing Contingency Events.

- Make best efforts and report recovery performance for events > MSSC or when reserves are diminished due to other contingencies.

As mentioned earlier, BAs are still held to the Balancing Authority ACE Limit as well as IROL requirements no matter what the size of the event. NERC collects DCS performance data for its State of Reliability Report, to include events > MSSC. NERC’s report shows that BA performance has been stellar. If problems develop in the future, new requirements can be implemented.

Likes 0

Dislikes 0

Response

Thank you for your comment. ACE recovery plans are just one provision associated with an exemption. Since FERC directed us to include this provision in the standard, the BA must meet all provisions to obtain exemption to Requirement R1. It’s up to the BA to provide the ACE recovery plan to qualify for the exemption.

All other standards are still applicable such as BAL-001, IROLs, etc. and it is up to the BA to address these other standards with the RC.

Michelle Amarantos - APS - Arizona Public Service Co. - 1

Answer

Yes

Document Name

Comment

Since it is necessary for a Balancing Authority to be in the conditions described in the first three bullets and have communicated those conditions to their Reliability Coordinator in order to be declared in an EEA, it is not necessary to repeat those steps in the proposed language in the fourth bullet of 1.3.1. The resulting fourth bullet would then read “has provided the Reliability Coordinator with an ACE recovery plan, including target recovery time

Likes 0

Dislikes 0

Response

Thank you for your comment. FERC directed the SDT to include this provision as one of the conditions for exemption. The SDT took extreme care to assure we referenced the provisions within the Energy Emergency Alert procedures.

Kevin Salsbury - Berkshire Hathaway - NV Energy - 5

Answer Yes

Document Name

Comment

Likes 0

Dislikes 0

Response

Rachel Coyne - Texas Reliability Entity, Inc. - 10

Answer

Document Name

Comment

It appears that this version needs some clean-up prior to the final version. Texas RE noticed the following:

- The grammatical structure of Requirement 1 Part 1.3 is unclear as to whether the bullets are just for the RSG or the BA as well.
- In the “Rationales” document there is a reference to changes in definition of Contingency Reserve “in the posting” but it does not specify which posting.
- Texas RE requests to see a draft updated CR Form 1 since it is an associated document in Section F of the standard. Will this form be housed with the related documents?

Likes 0	
Dislikes 0	
Response	
Thank you for your comment. The SDT believes that the current language provides sufficient clarity.	

End of Report