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Individual
Keira Kazmerski
Xcel Energy
Yes
No
The proposed standard addresses the shortcomings of the existing standard as it relates to commercial impacts and reliability issues while maintaining a reserve requirement comparable to the existing requirement. The existing standard pits Balancing Authority operators against non-Balancing Authority owned generation and raises questions as to what is and is not allowed when it comes to selling "firm" power from these generators. The proposed standard removes this issue from the standard and allows the Balancing Authority operator to determine the reserve quantity without having to know each transaction's impact to the reserve requirement.
No
Yes
Group
Bonneville Power Administration
Chris Higgins
Yes
No
No
No
Yes
Group
Salt River Project
Chris Chavez
Yes

No
No
No
Yes
Individual
Claire Lloyd
Tacoma Power
Yes
Tacoma Power acknowledges that the proposed new WECC standard was developed and routed through the WECC and subsequently through the NERC process. Tacoma Power has not supported this proposed new WECC standard due to the fact that it will produce approximately the same amount of total contingency operating reserves, yet it will make a significant shifting of the contingency reserve obligation between the entities, including new entities. This shifting of the contingency reserve obligation has not been shown to be a benefit to the interconnection and is unnecessary.
No
Tacoma Power does not know of any adverse impact to any neighboring region or interconnection.
No
Tacoma Power notes that the contingency reserve obligation will be shifted between the entities under the proposed new WECC standard. We do not have the expertise to determine if there is any serious or substantial threat to public health, safety, welfare, or national security due to the shifting of contingency reserve obligation between the entities.
Yes
As Tacoma Power has stated above, this proposed new WECC standard shifts the contingency reserve obligation between the entities in WECC. Due to this shift, new or different relationships will have to be created. Cost causation principles will create new issues for the entities such that the entities that are responsible for providing the new contingency reserve obligations are truly held responsible. New contracts will have to be executed between these new entities and the balancing authorities, and there is no guarantee of agreement.
Yes
Tacoma Power believes that at least one of the criteria is met. However, that does not mean it is the right thing to do. We believe that this proposed new WECC standard has a significant shift in the contingency reserve obligation without any demonstrated benefits and no increased reliability. We urge you to not approve the proposed new WECC standard. Thank you for consideration of our comments.
Group
PacifiCorp
Sandra Shaffer
Yes
No
No
No
While PacifiCorp does not believe the proposed standard would pose a serious and substantial burden on existing competitive markets, we do believe that it may lead to the creation of a new market product.

Yes
Individual
Mark B Thompson
Alberta Electric System Operator
Yes
No
The AESO does not agree with the FERC assessment that an EEA3 level is the appropriate level for a supply shortfall situation when using firm load as reserves. An EEA3 is defined as – firm load curtailment is imminent or in progress. The AESO does not believe that using firm load as reserves, in this situation, is an “imminent” firm load curtailment (R 1.2 last bullet). NERC EOP-002-3 Attachment 1 supports this position.
No
No
Yes
Individual
Mike Goodenough
Powerex
Yes
Yes
The elimination of the requirement to carry additional reserves for interruptible imports may be a step backward in reliability until such time that the issue of reserve requirements associated with interruptible imports is addressed in some way, either through another standard development process or a regional criteria that specifically identifies the operating reserves required for interruptible imports.
No
No
Yes
Individual
Richard Vine
California ISO
Yes
No
No
No
Though the proposed standard may not pose a "serious and substantial" burden on competitive markets, the ISO feels that (1)the proposed recovery period is more burdensome than necessary and (2) more clarity should be provided as to allowed technology to meet operating reserve requirements as follows: 1. The ISO believes the last sentence in Measurements M1.1, M2 and M3 should be

modified to indicate that the 60-minute recovery period begins when the DCS event is over, at the end of the allowed 15-minute recovery period. This would be consistent with what is allowed by the NERC BAL-002-0 Standards which specifically states that "The Contingency Reserve Restoration Period begins at the end of the Disturbance Recovery Period." The current wording "within 60 minutes of the event" is too vague and has been interpreted by the drafting team to mean "from the start of the event." This interpretation would mean that WECC entities have only 45 minutes after the recovery period to restore reserves which is only half of the 90 minutes Eastern entities would have. This seems overly burdensome and will continue to be an ever greater challenge as we increase the levels of intermittent renewables going forward. 2. The proposed Requirement R2 in BAL-002-WECC-1 requires that at least half of the Contingency Reserve obligation be "Operating Reserve - Spinning", which is in the NERC Glossary of Terms. The problem is that the NERC definition of "Operating Reserve - Spinning" focuses on generation and demand response, which raises doubt as to whether a battery or other form of energy storage could be used. In keeping with the spirit that FERC has made clear that Reliability Standards should not dictate the type of technology used to meet a reserve requirement NERC should consider revising the definition of "Operating Reserve - Spinning" to ensure this is understood.

Yes

Individual

Tina Gary

Portland General Electric Company

Yes

Although the process has been open, WECC disregarded some major concerns voiced by the industry. Portland General Electric Company (PGE) is concerned that the consequences of the proposed standard were not fully considered and worry that the standard will have a negative impact on the reliability of the BES in the Western region. The reliability concerns with the standard must be addressed before it is approved for use by the industry. Under WECC rules, a proposed standard is submitted to NERC with only a simple majority, potentially telephonic, vote of the WECC standing committee membership. This process differs from that used by NERC, which will not pass a standards revision without a 70% weighted majority of members approving the proposed standard. During the 2011 balloting of subject matter experts and the standing committee, the proposal failed and the WECC Board sent the proposal back to the drafting committee to address issues presented in the "No" vote statements. However, the proposal is now up for comment simultaneously within both WECC and NERC without adequately addressing the concerns of the voting members.

Yes

PGE is concerned that the proposed standard puts the responsibility to provide reserves in part on the Sink Balancing Authorities (BAs)/Load Serving Entities (LSEs), which are subject to an immature bilateral market for acquisition of said reserves. If Sink BAs / LSEs are not able to acquire the proposed reserve level, they could be forced to shed load to remain compliant with the proposed standard. There is a fundamental difference between the acquisition of reserves in an organized market compared to a bilateral market such as that prominent in the WECC region. In a bilaterally based market, because generators are not subject to must-run requirements and are not required to offer their generation into the market, Sink BAs /LSEs do not have assured access to spinning and non-spinning capacity. Therefore, reserve requirements are currently maintained by the generators in the majority of the WECC region. Generators are the only entities that have the assured ability, without shedding load, to respond to contingency events. The transfer of reserve obligation from generators to load is an unnecessary cost shift from the parties physically able to perform, to parties that must contract. Moreover, even if a contracting party is able to secure reserves, there would be no assurance that they could secure transmission on a system encumbered due to the requirements of the proposed standard. Simply put, the proposed BAL-002-WECC-01 shifts costs with no associated increase in reliability, and would potentially reduce reliability and increase transmission constraints in the WECC region.

No

Yes

• PGE is concerned with the movement toward unnecessary changes to an approved reliability standard as proposed in BAL-002-WECC-1 that will not result in increased reliability. The changes made through BAL-002-WECC-1 go beyond the language clarity and consistency required by FERC in the 2007 Order (RR07-11) and seem to be driven more by the economic interests to shift contingency reserve responsibility (i.e. costs) from the generators to the loads rather than improving reliability. Changes to reliability standards should be driven by technical merit weighed against overall costs. The standards process should not be used as a lever to shift costs among members. • The current "Tier One" BAL-STD-002-0 reflects the longstanding WECC Minimum Operating Reliability Criteria (MORC) by breaking down required operating reserve into four components: regulating reserve, contingency reserve, reserve for on-demand obligations, and reserves for interruptible imports. However, the proposed BAL-002-WECC-1 narrows the scope to only contingency reserve, which raises the question of what happens to the other components. In the time since the initial comment period on BAL-002-WECC-1, WECC has retired the WECC MORC with some parts preserved as new "criteria". However, the reserve requirements for interruptible schedules and on-demand rights/obligations were not preserved. The passage of the proposed BAL-002-WECC-1 and the retirement of the WECC MORC would remove any explicit reserve requirements for interruptible schedules and on-demand rights/obligations. The effect of this can only be a step down in the reliability of the interconnected system. • The clarification of "load responsibility" and e-tag 1.8 helped characterize the nature of the transactions. For the "sink" BA, it identified those imports that were "firm for the hour". The simplified calculation of contingency reserve in BAL-002-WECC-1 does NOT consider the responsibility of the BA to anticipate which imports might be interrupted in-hour, and therefore the quantity of additional reserves that need to be available. Under BAL-002-WECC-1 everyone will be forced to parse the energy codes to infer what energy is "firm for the hour". BAL-002-WECC-1 should require continued use of the "load responsibility" feature in e-tag 1.8 to clearly identify those transactions that are not "firm for the hour". • Despite industry-voiced concerns over the difficulty of interpreting "load responsibility", BAL-002-WECC-1 is saddled with the term "interruptible load". Such poorly defined terms put the BA in a position to judge whether or not loads offered up by an LSE meet the contract requirements of being "interruptible". • BAL-002-WECC-1 is assuming a robust reserves market in the West. The West does not have a mature reserves market. This new standard will put additional burden on the load serving entities by forcing them to procure reserves, if available, from third parties in order to meet the new standard. PGE is concerned this requirement will increase demand for capacity across constrained transmission without any beneficial increase in reliability. • PGE is concerned that the proposed standard puts the responsibility to provide reserves in part on the Sink Balancing Authorities (BAs)/Load Serving Entities (LSEs), which are subject to an immature bilateral market for acquisition of said reserves. If Sink BAs / LSEs are not able to acquire the proposed reserve level, they could be forced to shed load to remain compliant with the proposed standard. There is a fundamental difference between the acquisition of reserves in an organized market compared to a bilateral market such as that prominent in the WECC region. In a bilaterally based market, because generators are not subject to must-run requirements and are not required to offer their generation into the market, Sink BAs /LSEs do not have assured access to spinning and non-spinning capacity. Therefore, reserve requirements are currently maintained by the generators in the majority of the WECC region. Generators are the only entities that have the assured ability, without shedding load, to respond to contingency events. The transfer of reserve obligation from generators to load is an unnecessary cost shift from the parties physically able to perform, to parties that must contract. Moreover, even if a contracting party is able to secure reserves, there would be no assurance that they could secure transmission on a system encumbered due to the requirements of the proposed standard. Simply put, the proposed BAL-002-WECC-01 shifts costs with no associated increase in reliability, and would potentially reduce reliability and increase transmission constraints in the WECC region.

Yes

a. While the proposed standard has more specificity than the continent-wide standard, the proposed standard's increased specificity has not been proven to provide additional reliability or clarity than the existing regional reliability standard. b. The proposed standard does not include requirements that are not included in the corresponding continent-wide reliability standard that are not already contained within the existing regional reliability standard. c. The proposed standard does not consider the differences between the bulk of WECC's operational model (i.e., a bilateral path based model), and a centrally managed flow based model. Ignoring the differences between the two models and implementing the proposed standard would impose cost shifting with the potential for a reduced level

of reliability. The reduced liability would be due to reserve requirements being placed on entities that have no assured ability to respond to contingency events without shedding load.

Group

NorthWestern Corporation

John Canavan

Yes

No

No

No

Yes