

NERC Compliance Process Bulletin #2011-004 Rated System Path Methodology – Compliance Extension Request

July 18, 2011 | Public Process Announcement

Background

On February 24, 2011, a number of registered entities within the Western Interconnection (the “WestConnect Utilities”) submitted to the North American Electric Reliability Corporation (NERC) and to the Western Electricity Coordinating Council (WECC) a request for extension of time to comply with Reliability Standard MOD-029-1a. NERC granted an extension of time for all entities subject to MOD-029-1a Requirement (R) 2.1, as that requirement is applied to flow limited paths. Flow limited describes those transmission paths for which power flow simulations is unable to encounter a loading scenario that results in a operating limit.

Specific information concerning compliance audits is contained below and can be found at the following link: <http://www.nerc.com/docs/compliance/MOD-029%20letter-AJR%202011MAR03.pdf>

NERC Reliability Standard *MOD-029-1a: Rated System Path Methodology*

The purpose of this communication is to ensure registered entities and Regional Entities are aware of recent developments concerning [MOD-029-1a](#) and the subsequent impact on compliance audits. The Standard provides, in pertinent part:

R2. *The Transmission Operator shall use the following process to determine TTC:
[Violation Risk Factor: Lower] [Time Horizon: Operations Planning]*

R2.1. *Except where otherwise specified within MOD-029-1, adjust base case generation and Load levels within the updated power flow model to determine the TTC (maximum flow or reliability limit) that can be simulated on the ATC Path while at the same time satisfying all planning criteria contingencies as follows:*

R2.1.1. *When modeling normal conditions, all Transmission Elements will be modeled at or below 100% of their continuous rating.*

R2.1.2. *When modeling contingencies the system shall demonstrate transient, dynamic and voltage stability, with no Transmission Element modeled above its Emergency Rating.*

R2.1.3. *Uncontrolled separation shall not occur.*

Communication

MOD-029-1a became effective on April 1, 2011. The Federal Energy Regulatory Commission's (FERC) Order No. 729¹ has mandated that the MOD Reliability Standards are to be audited by the Electric Reliability Organization (ERO) compliance enforcement authority². The MOD Reliability Standards have been incorporated into the ERO's current Compliance Monitoring and Enforcement Program's (CMEP) Implementation Plan as of June 1, 2011.³

NERC advises all Transmission Operators and Transmission Service Providers that have selected the MOD-029-1a methodology that NERC will delay the implementation of requirement MOD-029-1a R2.1 for flow limited paths only, until such time that a modification to the Reliability Standard can be developed to mitigate the identified technical concern. Transmission Operators and Transmission Service Providers must comply with all other requirements of the Reliability Standard effective April 1, 2011. While this request for extension arose within the Western Interconnection, the delay in implementation of requirement MOD-029-1a R2.1 for flow limited paths will be available to any Transmission Owner or Transmission Service Provider that chose the MOD-029-1a methodology.

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This document is designed to convey compliance guidance from NERC's various activities. It is not intended to establish new requirements under NERC's Reliability Standards or to modify the requirements in any existing NERC Reliability Standards. Compliance will continue to be determined based on language in the NERC Reliability Standards as they may be amended from time to time.

¹ See *Mandatory Reliability Standards for the Calculation of Available Transfer Capability, Capacity Benefit Margins, Transmission Reliability Margins, Total Transfer Capability, and Existing Transmission Commitments and Mandatory Reliability Standards for the Bulk-Power System*, 129 FERC ¶ 61,155 at P 106 (2009) (Order No. 729) (The Commission hereby adopts the NOPR proposal to direct the ERO to conduct an audit of the various implementation documents developed by transmission service providers to confirm that the complete available transfer capability methodologies reflected therein are sufficiently transparent to allow the Commission and others to replicate and verify those calculations.).

² *Id.* at P 131 (Upon further consideration, the Commission hereby directs the ERO to conduct these audits in the course of its periodic, three-year audits of users, owners and operators of the Bulk-Power System. The ERO shall begin this audit process 60 days after the implementation of these Reliability Standards.).

³ The other MOD Reliability Standards, MOD-001-1a, MOD-004-1, MOD-008-1, MOD-028-1, and MOD-030-2 also became effective on April 1, 2011.