

## Implementation Plan — Set Two of Phase III & IV Reliability Standards

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### Prerequisite Approvals and Activities

There are no other reliability standards or Standard Authorization Requests (SARs), in progress or approved, that must be implemented before VAR-001 (Voltage and Reactive Control) and VAR-002 (Generator Operation for Maintaining Network Voltage Schedules) can be implemented.

### Effective Date

The following table shows the proposed effective dates for VAR-001 and VAR-002 from the second of two sets of Phase III & IV standards. Each of these standards has a unique effective date, based on the amount of preparation needed to comply with the requirements. The effective date is contingent on a vote of the ballot pool in June 2006. The effective date is also contingent on adoption of these standards by the NERC Board of Trustees. The board will approve the final effective date when it adopts the standards for implementation. This subset of the Phase III & IV standards is tentatively scheduled for consideration by the board on August 2, 2006.

Standard	Proposed Effective Date	Reason for Delay in Implementation
<b>VAR-001</b> Voltage and Reactive Control	Six months beyond BOT adoption	Time needed for TOP to update its documentation and, if needed, develop new procedures.
<b>VAR-002</b> Generator Operation for Maintaining Network Voltage Schedules	Six months beyond VAR-001	Delay allows responsible entities time to conform to associated requirements in VAR-001 — this may involve developing new procedures.

### Compliance with Phase III & IV Reliability Standards

Once the Phase III & IV reliability standards are effective, the responsible entities identified in each of the standards must comply with the requirements in that standard. The table in Appendix A maps all the Phase III & IV requirements to each applicable function in the Functional Model. Note that some Phase III & IV reliability standards are modifications of existing Version 0 standards. Entities must continue to comply with all requirements in approved Version 0 standards until the requirements in the approved Version 0 standards are replaced or retired.

### Functions That Must Comply with the Proposed Standards

The following table shows the functions that must comply with the requirements in VAR-001 and VAR-002.

**Balloting**

VAR-001 and VAR-002 are closely aligned and will be balloted with a single ballot.

Standard	Functions That Must Comply With the Requirements
VAR-001 Voltage and Reactive Control	Transmission Operator for Requirements 1 through 4, and Requirements 6 through 12 Purchasing-Selling Entity for Requirement 5
VAR-002 Generator Operation for Maintaining Network Voltage Schedules	Generator Operator Requirements 1 through 3; Requirement 5.1 Requirements 4 and 5; Generator Owner for Requirements 4 and 5

**Modification to Version 0 TOP-002 based on adoption of VAR-002**

The drafting team recommends that the following requirement be modified when VAR-002 becomes effective:

Version 0 TOP-002	Proposed VAR-002
<p><b>R14.</b> Generator Operators shall, without any intentional time delay, notify their Balancing Authority and Transmission Operator of changes in capabilities and characteristics including but not limited to:</p> <p><b>R14.1.</b> Changes in real <del>and reactive</del> output capabilities.</p> <p><del><b>R14.2.</b> Automatic Voltage Regulator status and mode setting.</del></p>	<p><b>R3.</b> Each Generator Operator shall notify its associated Transmission Operator as soon as practical but within 30 minutes of any of the following:</p> <p><b>R3.1.</b> A status or capability change on any generator Reactive Power resource, including the status of each automatic voltage regulator and power system stabilizer and the expected duration of the change in status or capability.</p> <p><b>R3.2.</b> A status or capability change on any other Reactive Power resources under the Generator Operator’s control and the expected duration of the change in status or capability.</p>