Unofficial Comment Form

Project 2017-01 Modifications to BAL-003-1.1

**Do not** use this form for submitting comments. Use the [electronic form](https://sbs.nerc.net/) to submit informal comments on the **Project 2017-01 Modifications to BAL-003-1.1** project. The electronic form must be submitted by **8 p.m. Eastern, Thursday, January 17, 2019**.

Documents and information about this project are available on the [project page](http://www.nerc.com/pa/Stand/Pages/Project201701ModificationstoBAL00311.aspx). If you have questions, contact Standards Developer, [Laura Anderson](mailto:Laura.anderson@nerc.net) (via email) or at (404) 446-9671.

# Background

**Project 2017-01 Modifications to BAL-003-1.1**  
The purpose of this project is to review the issues identified in Phase I of the SAR and make corresponding modifications to BAL-003-1.1, as necessary.

**Standard affected: BAL-003-1.1**

The supporting documents for BAL-003-1.1 were developed using engineering judgment on the data collection and process needed to determine the Interconnection Frequency Response Obligation (IFRO), as well as the processing of raw data to determine compliance. Now that the Reliability Standard is in place and the data is available for analyses, minor errors in assumptions, as well as process inefficiencies have been identified. It was anticipated that as Frequency Response improves, the approaches embedded in the Reliability Standard for annual samples might need to be modified. In addition to fixing the inconsistencies identified in the Frequency Response Annual Analysis Report (FRAA), the drafting team is separating the administrative and procedural items and reassigning them to the Procedure for *ERO Support of Frequency Response and Frequency Bias Settings Standard*, subject to Electric Reliability Organization (ERO) and North American Electric Reliability Corporation (NERC) Operating Committee approval.

This formal comment period is seeking inputs into the standard drafting team’s (SDT) proposed Phase I modifications to BAL-003-1.1:

* Replacing resource contingency criteria (RCC) by proposing a new methodology for determining the Resource Loss Protection Criteria (RLPC) that is consistent across all Interconnections, and is designed to maintain reliability for the respective Interconnections. The SDT recommends a process whereby the magnitude of the events to be protected against would be equal to the sum of two largest potential resource losses in that Interconnection;
* An IFRO methodology that makes changes only when technically justified and significant;
* To reduce risk to reliable operation due to a significant change in the Eastern Interconnection’s (EI’s) RLPC, structuring the reduction of the EI IFRO to decrease by no more than 10 percent annually until the full reduction (currently calculated to be 28 percent) is completed. This annual reduction is dependent upon the annual evaluation of the Interconnection Frequency Response. If the annual evaluation determines a significant reduction in the Interconnection Frequency Response, then the IFRO will not be reduced until the factors leading to the degradation of the Interconnection Frequency Response are addressed or determined to not be a reliability concern; and
* Move items not related to entity compliance from BAL-003-1.1, Attachment A to the *Procedure for ERO Support of Frequency Response and Frequency Bias Setting Standard* document. This allows for issues not directly related to compliance to be addressed through an open NERC process that includes presentation for approval to the NERC Board of Trustees and informational filing with the Federal Energy Regulatory Commission (FERC), instead of the NERC Standards Development Process.

Please provide your responses to the questions listed below, along with any detailed comments.

## Questions

1. The SDT proposes to replace Resource Contingency Criteria (RCC) with the Resource Loss Protection Criteria (RLPC). This criterion will be applied consistently across all Interconnections, and is designed to produce adequate reliability for each Interconnection. The RLPC determination methodology is detailed for this posting in the *Resource Loss Protection Criteria* Section of the *Procedure for ERO Support of Frequency Response and Frequency Bias Setting Standard* document and further in the *Resource Loss Protection Criteria* document. Is this methodology appropriate for determining the magnitude of the resource loss events that each Interconnection should protect against to assure an adequate level of reliability? If not, please provide an alternative proposal and any comments to the *Resource Loss Protection Criteria* document, which has been revised based on industry comment.

Yes

No

Comments:

1. The SDT proposes fixing IFROs for a period that will continue until Phase 2 of the Project 2017-01 is completed. Do you agree with keeping IFROs as scheduled in Attachment A during the remainder of Project 2017-01? If you do not agree, please provide an alternative. Or, if you agree but have comments or suggestions on the SDT’s recommendation, please provide your explanation and suggested language.

Yes

No

Comments:

1. The SDT is proposing to move items not related to entity compliance from BAL-003-1.1, Attachment A to the *Procedure for ERO Support of Frequency Response and Frequency Bias Setting Standard* document. Changes to this document will be subject to approval by the NERC Board of Trustees and informational filing to FERC. Do you agree that the SDT’s proposed changes are appropriate? If not, please provide an alternative. Or, if you agree but have comments or suggestions on the SDT’s recommendation, please provide your explanation and suggested language.

Yes

No

Comments:

1. Please provide any additional comments for the SDT to consider that have not already been provided in the questions above.

Comments: