

## Consideration of Comments Regional Reliability Standard BAL-001-TRE-01

NERC thanks all commenters who submitted comments on regional reliability standard BAL-001-TRE-01 Primary Frequency Response in the ERCOT Region. The standard was posted for a 45-day comment period from May 31, 2013 through July 15, 2013. Stakeholders were asked to provide feedback on the standard and associated documents through a special electronic comment form. There were 3 sets of responses, including comments from 4 different people from 3 companies representing 4 of the 10 of the Industry Segments as shown in the table on the page 3 of this report.

All comments submitted may be reviewed in their original format on the [regional standards development 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 the Vice President and Director of Standards, Mark Lauby, at 404-446-2560 or at [mark.lauby@nerc.net](mailto:mark.lauby@nerc.net). In addition, there is a NERC Reliability Standards Appeals Process.<sup>1</sup>

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<sup>1</sup> The appeals process is in the Standard Processes Manual: [http://www.nerc.com/files/Appendix\\_3A\\_StandardsProcessesManual\\_20120131.pdf](http://www.nerc.com/files/Appendix_3A_StandardsProcessesManual_20120131.pdf)

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**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

Group/Individual		Commenter	Organization	Registered Ballot Body Segment										
				1	2	3	4	5	6	7	8	9	10	
1.	Group	Colby Bellville	Duke Energy Generation Services					X						
<b>Additional Member Additional Organization Region Segment Selection</b>														
1.	Kevin Carter		ERCOT	5										
2.	Individual	Marcus Pelt	Southern Company: Southern Company Services, Inc; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation and Energy Marketing	X		X		X	X					
3.	Individual	Thomas Foltz	American Electric Power	X		X		X	X					

1. Do you agree the proposed standard is being developed in a fair and open process, using the associated Regional Reliability Standards Development Procedure?

Summary Consideration: N/A

Organization	Yes or No	Question 1 Comment
American Electric Power	Yes	AEP is confident that TRE did indeed follow their internal procedures in developing this regional standard. Though we were not able to participate in this project’s commenting periods (AEP was apparently not a part of the original ballot pool for this project), AEP looks forward to working with TRE to ensure that we don’t miss out on future opportunities to contribute.
<b>Response: Thank you for your comment.</b>		
Duke Energy Generation Services	Yes	
Southern Company: Southern Company Services, Inc; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation and Energy Marketing	Yes	

**2. Does the proposed standard pose an adverse impact to reliability or commerce in a neighboring region or interconnection?**

**Summary Consideration: N/A**

Organization	Yes or No	Question 2 Comment
American Electric Power	No	AEP is not aware of any adverse impacts posed to reliability or commerce, in a neighboring region or interconnection, as a result of this proposed standard.
<b>Response: Thank you for your comment.</b>		
Southern Company: Southern Company Services, Inc; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation and Energy Marketing	No	

3. Does the proposed standard pose a serious and substantial threat to public health, safety, welfare, or national security?

Summary Consideration: N/A

Organization	Yes or No	Question 3 Comment
American Electric Power	No	AEP is not aware of any serious and substantial threats posed to public health, safety, welfare, or national security as a result of this proposed standard.
<b>Response: Thank you for your comment.</b>		
Southern Company: Southern Company Services, Inc; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation and Energy Marketing	No	

**4. Does the proposed standard pose a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability?**

**Summary Consideration: See Responses below.**

Organization	Yes or No	Question 4 Comment
American Electric Power	No	AEP is not aware of any serious and substantial burden posed on competitive markets within the interconnection that is not necessary for reliability as a result of this proposed standard.
<b>Response: Thank you for your comment.</b>		
Duke Energy Generation Services	Yes	Duke Energy believes that the implementation of this standard will require substantial upgrades and costs to wind farm control systems of older plants in order to enable the frequency response feature. Some older wind turbines are incapable of meeting this proposed requirement without major SCADA and turbine hardware upgrades due to the pitch control, generator type, and converters used in these systems. If these major upgrades are not realized during the design and build phase of a project, some owners may be unable to absorb the costs necessary for compliance to this standard. Since primary over frequency response is not a paid service in the ERCOT market at this time, there is the potential for lost revenue associated with lost MW's produced by a generating plant when responding to an over frequency event. For the above stated reasons, Duke Energy believes that the proposed standard poses a serious and substantial burden on competitive markets.
<b>Response: Thank you for your comment. These issues were considered extensively during the development of this standard and</b>		

Organization	Yes or No	Question 4 Comment
<p>addressed in several ways. First, note that the applicability section states “Any generators that are not required by the BA to provide primary frequency response are exempt from this standard.” This was added to address concerns of wind generators for which compliance is not technically feasible, so that the standard is only applicable to the generators that have similar obligations under the ERCOT market rules. Second, standard drafting team members worked with wind industry representatives and wind generation vendors to ensure that most wind projects will be able to meet the requirements. Finally, a generous implementation period is provided to give entities plenty of time to make changes necessary to comply with this standard.</p>		
<p>Southern Company; Southern Company Services, Inc; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation and Energy Marketing</p>	<p>Yes</p>	<p>Possibly. If an entities speed control equipment is not currently capable of being programmed as specified in the proposed standard, it should be allowed to be exempt from the requirements rather than required to make investments to alter the functional capabilities of the existing equipment.</p>
<p><b>Response:</b> Thank you for your comment. A generous implementation period is provided to give entities plenty of time to make changes necessary to comply with this standard, as it was recognized that some generators will need to adjust, reprogram, or replace related equipment. Most generation facilities should be able to comply with the requirements without overly burdensome changes to their equipment, particularly considering that ERCOT market rules already require most generators to provide primary frequency response. Finally, note that in Requirements 6.1 and 6.2 the BA is authorized to allow a GO to apply alternate deadband and droop settings in appropriate circumstances.</p>		



5. Does the proposed regional reliability standard meet at least one of the following criteria? - The proposed standard has more specific criteria for the same requirements covered in a continent-wide standard - The proposed standard has requirements that are not included in the corresponding continent-wide reliability standard - The proposed regional difference is necessitated by a physical difference in the bulk power system.

Summary Consideration: N/A

Organization	Yes or No	Question 5 Comment
Southern Company: Southern Company Services, Inc; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation and Energy Marketing	Yes	The proposed standard has requirements that are not included in the corresponding continent-wide reliability standard - there is no existing continent wide standard specifying the Governor setting or performance criterion specification.
<b>Response: Thank you for your comment.</b>		
American Electric Power	Yes	

END OF REPORT