BAL-002-2 Disturbance Control Performance
Additional Ballot & Non-Binding Poll

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Reliability Standards & Compliance Subcommittee
September 19th, 2014
• Current Action
  – 9/23/14 to 10/2/14 Additional Ballot
  – 8/19/14 to 10/2/14 Comment Period

• Recent History
  – 12/12/13 Ballot Results: 64.24%
  – 9/17/13 Ballot Results: 58.23%
  – 4/25/13 Ballot Results: 42.75%

• Project Page
Applicability: Balancing Authority

Purpose: To ensure the Balancing Authority or Reserve Sharing Group balances resources and demand and returns the Balancing Authority’s or Reserve Sharing Group’s Area Control Error to defined values (subject to applicable limits) following a Reportable Balancing Contingency Event.
R1. The Responsible Entity experiencing a Reportable Balancing Contingency Event shall, within the Contingency Event Recovery Period, demonstrate recovery by returning its Reporting ACE to at least the recovery value . . .

R1.2. A Responsible Entity is not subject to compliance with Requirement R1 when it is experiencing an Energy Emergency Alert Level under which Contingency Reserves have been activated.

R1.3 Requirement R1 (in its entirety) does not apply:

(i) when the Responsible Entity experiences a Balancing Contingency Event that exceeds its Most Severe Single Contingency . . .
**Reportable Balancing Contingency Event:** Any Balancing Contingency Event resulting in a loss of MW output less than or equal to the Most Severe Single Contingency, and greater than or equal to the lesser amount of: (i) 80% of the Most Severe Single Contingency, or (ii) the amount listed below for the applicable Interconnection, and occurring within a one-minute interval of the initial sudden decline in ACE based on EMS scan rate data.

- Eastern Interconnection - 900 MW
R2. The Responsible Entity shall maintain Contingency Reserve, averaged over each Clock Hour, greater than or equal to its average Clock Hour Most Severe Single Contingency, except during periods when the Responsible Entity is in:

- a restoration period because it has used its Contingency Reserve for Contingencies that are not Balancing Contingency Events . . . and/or
- a Contingency Event Recovery Period or . . . Restoration Period; and/or
- an Energy Emergency Alert Level under which Contingency Reserves have been activated.
The following are not considered acceptable deployments of contingency reserves under the proposed language in R2:

- Curtailment of Interchange Transactions due to a TLR
- Mitigation of SOL’s & IROL’s
- Low ACE & frequency due to schedule changes & slow unit response during extreme weather conditions

A BA could receive a directive from its RC to deploy reserves in accordance with IRO-001 R8 but risk non-compliance under BAL-002 R2.
The proposed language moves this project from being a performance based standard to a commodity obligation with the following potential consequences:

- Compliance conflict between IRO-001 R8 and BAL-002 R2
- Increased customer costs without a reliability need as BA’s are incented to purchase additional reserves
- Increased frequency variation as BA’s are incented to change dispatch at the top of the hour
- Increased BAAL excursion and IROL exceedance durations as BA’s are reluctant to deploy reserves
Ballot Recommendation: **Negative**

Suggested language change in comments to standard drafting team:

R2. The Responsible Entity shall maintain Contingency Reserve, averaged over each Clock Hour, greater than or equal to its average Clock Hour Most Severe Single Contingency, except during periods when the Responsible Entity is in:

- a restoration period because it has used its Contingency Reserve for Contingencies that are not Balancing Contingency Events or in response to a Reliability Directive.
Questions?