

**Reliability Standard Audit Worksheet[[1]](#footnote-1)**

INT-004-3.1 – Dynamic Transfers

***This section to be completed by the Compliance Enforcement Authority.***

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| **Audit ID:** | Audit ID if available; or REG-NCRnnnnn-YYYYMMDD |
| **Registered Entity:**  | Registered name of entity being audited |
| **NCR Number:**  | NCRnnnnn |
|  **Compliance Enforcement Authority:** | Region or NERC performing audit |
| **Compliance Assessment Date(s)[[2]](#footnote-2):** | Month DD, YYYY, to Month DD, YYYY |
| **Compliance Monitoring Method:**  | [On-site Audit | Off-site Audit | Spot Check] |
| **Names of Auditors:**  | Supplied by CEA |

# **Applicability of Requirements**

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| **R1** |  |  |  |  |  |  |  | X |  |  |  |  |  |  |  |
| **R2** |  |  |  |  |  |  |  | X |  |  |  |  |  |  |  |
| **R3** | X |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Legend:**

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| Text with blue background: | Fixed text – do not edit |
| Text entry area with Green background: | Entity-supplied information |
| Text entry area with white background: | Auditor-supplied information |

Findings

**(This section to be completed by the Compliance Enforcement Authority)**

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| **Req.** | **Finding** | **Summary and Documentation** | **Functions Monitored** |
| **R1** |  |  |  |
| **R2** |  |  |  |
| **R3** |  |  |  |

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| **Req.** | **Areas of Concern** |
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| **Req.** | **Recommendations** |
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| **Req.** | **Positive Observations** |
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Subject Matter Experts

Identify the Subject Matter Expert(s) responsible for this Reliability Standard.

**Registered Entity Response (Required; Insert additional rows if needed):**

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| **SME Name** | **Title** | **Organization** | **Requirement(s)** |
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R1 Supporting Evidence and Documentation

* 1. Each Purchasing-Selling Entity that secures energy to serve Load via a Dynamic Schedule or Pseudo-Tie shall ensure that a Request for Interchange is submitted as an on-time[[3]](#footnote-3) Arranged Interchange to the Sink Balancing Authority for that Dynamic Schedule or Pseudo-Tie, unless the information about the Pseudo-Tie is included in congestion management procedure(s) via an alternate method.

**M1**. The Purchasing-Selling Entity shall have evidence (such as dated and time-stamped electronic logs or other evidence) that a Request for Interchange was submitted for Dynamic Schedules and Pseudo-Ties as an on-time Arranged Interchange to the Sink Balancing Authority for the Dynamic Schedule or Pseudo-Tie. For Pseudo-Ties included in congestion management procedure(s) via an alternate method, the Purchasing-Selling Entity shall have evidence such as Interchange Distribution Calculator model data or written/electronic agreement with a Balancing Authority to include the Pseudo-Tie in the congestion management procedure(s). (R1)

**Registered Entity Response (Required):**

**Question:** Does entity secure energy to serve Load via a Dynamic Schedule or Pseudo-Tie?

[ ]  Yes [ ]  No

If yes, proceed to Evidence Requested section below.

If no, Requirement R1 is not applicable.

[Note: A separate spreadsheet or other document may be used. If so, provide the document reference below.]

**Registered Entity Response (Required):**

**Compliance Narrative:**

Provide a brief explanation, in your own words, of how you comply with this Requirement. References to supplied evidence, including links to the appropriate page, are recommended.

Evidence Requested:[[4]](#endnote-1)

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| **Provide the following evidence, or other evidence to demonstrate compliance.**  |
| A list of instances during the compliance monitoring period where entity secures energy to serve Load via a Dynamic Schedule or Pseudo-Tie. |
| Dated and time-stamped electronic logs or other evidence that a Request for Interchange was submitted as required or an Interchange Distribution Calculator model data or written/electronic agreement with a Balancing Authority to include the Pseudo-Tie in the congestion management procedure. |

Registered Entity Evidence (Required):

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| **The following information is requested for each document submitted as evidence. Also, evidence submitted should be highlighted and bookmarked, as appropriate, to identify the exact location where evidence of compliance may be found.** |
| **File Name** | **Document Title** | **Revision or Version** | **Document Date** | **Relevant Page(s) or Section(s)** | **Description of Applicability of Document** |
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Audit Team Evidence Reviewed (This section to be completed by the Compliance Enforcement Authority):

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Compliance Assessment Approach Specific to INT-004-3.1, R1

***This section to be completed by the Compliance Enforcement Authority***

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|  | (R1) For all, or a sample of, instances where entity secures energy to serve Load via a Dynamic Schedule or Pseudo-Tie, examine evidence and verify that a Request for Interchange was submitted as an on-time Arranged Interchange to the Sink Balancing Authority, or the information was included in congestion management procedure(s). |
| **Note to Auditor:** Please refer to the timing tables of INT-006-4 to determine whether submissions were on-time. |

Auditor Notes:

R2 Supporting Evidence and Documentation

* 1. The Purchasing-Selling Entity that submits a Request for Interchange in accordance with Requirement R1 shall ensure the Confirmed Interchange associated with that Dynamic Schedule or Pseudo-Tie is updated for future hours in order to support congestion management procedures if any one of the following occurs:
	2. For Confirmed Interchange greater than 250 MW for the last hour, the actual hourly integrated energy deviates from the Confirmed Interchange by more than 10% for that hour and that deviation is expected to persist.
	3. For Confirmed Interchange less than or equal to 250 MW for the last hour, the actual hourly integrated energy deviates from the Confirmed Interchange by more than 25 MW for that hour and that deviation is expected to persist.
	4. The Purchasing-Selling Entity receives notification from a Reliability Coordinator or Transmission Operator to update the Confirmed Interchange.

**M2**. The Purchasing-Selling Entity shall have evidence (such as dated and time-stamped electronic logs, reliability studies or other evidence) that it updated its Confirmed Interchange Requests for Interchange when the deviation met the criteria in Requirement R2, Parts 2.1- 2.3. (R2)

**Registered Entity Response (Required):**

**Compliance Narrative:**

Provide a brief explanation, in your own words, of how you comply with this Requirement. References to supplied evidence, including links to the appropriate page, are recommended.

Evidence Requested: i

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| **Provide the following evidence, or other evidence to demonstrate compliance.**  |
| Dated and time-stamped electronic logs, reliability studies or other evidence that entity updated its Confirmed Interchange Requests for Interchange when the deviation met the criteria in Parts 2.1-2.3. |

Registered Entity Evidence (Required):

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| **The following information is requested for each document submitted as evidence. Also, evidence submitted should be highlighted and bookmarked, as appropriate, to identify the exact location where evidence of compliance may be found.** |
| **File Name** | **Document Title** | **Revision or Version** | **Document Date** | **Relevant Page(s) or Section(s)** | **Description of Applicability of Document** |
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Audit Team Evidence Reviewed (This section to be completed by the Compliance Enforcement Authority):

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Compliance Assessment Approach Specific to INT-004-3.1, R2

***This section to be completed by the Compliance Enforcement Authority***

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|  | (R2) Using the sample of instances where entity secures energy to serve Load via a Dynamic Schedule or Pseudo-Tie, determine if any of the criteria in Requirement R2, Parts 2.1-2.3 were met. |
|  | (R2) For instances where Requirement R2, Parts 2.1-2.3 were met, examine evidence that Confirmed Interchange was updated for future hours. |
| **Note to Auditor:**  |

Auditor Notes:

R3 Supporting Evidence and Documentation

* 1. Each Balancing Authority shall only implement or operate a Pseudo-Tie that is included in the NAESB[[5]](#footnote-4) Electric Industry Registry publication in order to support congestion management procedures.

**M3.** The Balancing Authority shall have evidence (such as dated and time-stamped electronic logs or other evidence) that it only implemented or operated a Pseudo-Tie that is included in the NAESB Electric Industry Registry publication. (R3)

**Registered Entity Response (Required):**

**Question:** Did entity implement or operate a Pseudo-Tie during the compliance monitoring period?

[ ]  Yes [ ]  No

If yes, proceed to Evidence Requested section below.

If no, Requirement R1 is not applicable.

[Note: A separate spreadsheet or other document may be used. If so, provide the document reference below.]

**Registered Entity Response (Required):**

**Compliance Narrative:**

Provide a brief explanation, in your own words, of how you comply with this Requirement. References to supplied evidence, including links to the appropriate page, are recommended.

Evidence Requested: i

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| **Provide the following evidence, or other evidence to demonstrate compliance.**  |
| Energy Management System displays or other evidence to demonstrate the list of values used in calculating the Net Actual Interchange, including the Pseudo-Ties implemented and operated during the audit period. |
| NAESB Electric Industry Registry publication to demonstrate that all of the entity’s Pseudo-Ties are included. |

Registered Entity Evidence (Required):

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| **The following information is requested for each document submitted as evidence. Also, evidence submitted should be highlighted and bookmarked, as appropriate, to identify the exact location where evidence of compliance may be found.** |
| **File Name** | **Document Title** | **Revision or Version** | **Document Date** | **Relevant Page(s) or Section(s)** | **Description of Applicability of Document** |
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Audit Team Evidence Reviewed (This section to be completed by the Compliance Enforcement Authority):

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Compliance Assessment Approach Specific to INT-004-3.1, R3

***This section to be completed by the Compliance Enforcement Authority***

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|  | (R3) For all, or a sample of, Pseudo-Ties implemented by entity during the compliance monitoring period, verify that the Pseudo-Ties are included in NAESB Electric Industry Registry publication. |
| **Note to Auditor:** Auditors may review the values included in the calculation of Net Actual Interchange used in the entity’s ACE equation to verify the data for any Pseudo-Ties that were implemented or operated by the entity during the audit period. |

Auditor Notes:

Additional Information:

Reliability Standard



Sampling Methodology

Sampling is essential for auditing compliance with NERC Reliability Standards since it is not always possible or practical to test 100% of either the equipment, documentation, or both, associated with the full suite of enforceable standards. The Sampling Methodology Guidelines and Criteria (see NERC website), or sample guidelines, provided by the Electric Reliability Organization help to establish a minimum sample set for monitoring and enforcement uses in audits of NERC Reliability Standards.

Regulatory Language

**Regulatory Background**

INT-004-1 was approved by the Commission in [Order No. 693](http://www.nerc.com/FilingsOrders/us/FERCOrdersRules/ORDER%20693.pdf) on March 16, 2007. The Commission expressed concerns with the Standard’s lack of levels of non-compliance and a regional variance exempting the Western Electricity Coordinating Council (WECC) from tagging dynamic schedules and inadvertent payback.[[6]](#footnote-5) FERC directed NERC to modify INT-004-1 to include levels of non-compliance and to make a compliance filing to either provide additional information on the WECC regional variance or withdraw the variance.

In [Order No.713](http://www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order_713_Modified-INT_and_TLR-Stds-07212008.pdfhttp%3A/www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order_713_Modified-INT_and_TLR-Stds-07212008.pdf), the Commission accepted NERC’s proposal to eliminate the WECC regional variance regarding INT-004-2.[[7]](#footnote-6)

INT-004-3 addresses the Commission’s directive in Order No. 693 to add levels of non-compliance.

**FERC Orders**

**Letter Order**

**North American Electric Reliability Corp.., Docket No. RD14-4-000 (June 30, 2014) (letter order).** Order approving proposed Reliability Standards for Interchange Scheduling and Coordination.

<http://www.nerc.com/FilingsOrders/us/FERCOrdersRules/INT%20Letter%20Order.pdf>

Page 2. FERC approved “Reliability Standard INT-004-3 [which] requires that dynamic schedules and pseudo-ties are communicated and accounted for in congestion management procedures.” NERC explained in its filing that Requirement 3 of INT-004-3 has a separate implementation plan and “will become effective on the first calendar day two calendar quarters after the NAESB Electric Industry Registry is able to accept Pseudo-Tie registrations.” All existing and future Pseudo-Ties are to be registered in the NAESB Electric Industry Registry per Requirement 3.

**Order No. 713.**

<http://www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order_713_Modified-INT_and_TLR-Stds-07212008.pdf>

P 54 In the order approving INT-004-2, FERC agreed with NERC that “by rescinding the e-tagging waivers, NERC maintains uniformity and makes no structural changes to the requirements in the current Commission-approved version of the Reliability Standard[s].”

**Order No. 693.**

<http://www.nerc.com/FilingsOrders/us/FERCOrdersRules/ORDER%20693.pdf>

P 795 FERC stated that “The Interchange Scheduling and Coordination (INT) group of Reliability Standards addresses interchange transactions,which occur when electricity is transmitted from a seller to a buyer across the power grid. Specific information regarding each transaction must be identified in an accompanying electronic label, known as a “Tag” or “e-Tag” which is used by affected reliability coordinators, transmission service providers and balancing authorities to assess the transaction for reliability impacts. Communication, submission, assessment and approval of a Tag must be completed for reliability consideration before implementation of the transaction.”

P 843 In approving INT-004-1, FERC found that “… this proposed Reliability Standard serves an important purpose by setting thresholds on changes in dynamic schedules for which modified interchange data must be submitted.”

Revision History for RSAW

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| --- | --- | --- | --- |
| **Version** | **Date** | **Reviewers** | **Revision Description** |
| 1 | 3/29/2018 | NERC Compliance Assurance, RSAW Task Force | New Document contains a minor revision to update to INT-004-3.1 |

1. NERC developed this Reliability Standard Audit Worksheet (RSAW) language in order to facilitate NERC’s and the Regional Entities’ assessment of a registered entity’s compliance with this Reliability Standard. The NERC RSAW language is written to specific versions of each NERC Reliability Standard. Entities using this RSAW should choose the version of the RSAW applicable to the Reliability Standard being assessed. While the information included in this RSAW provides some of the methodology that NERC has elected to use to assess compliance with the requirements of the Reliability Standard, this document should not be treated as a substitute for the Reliability Standard or viewed as additional Reliability Standard requirements. In all cases, the Regional Entity should rely on the language contained in the Reliability Standard itself, and not on the language contained in this RSAW, to determine compliance with the Reliability Standard. NERC’s Reliability Standards can be found on NERC’s website. Additionally, NERC Reliability Standards are updated frequently, and this RSAW may not necessarily be updated with the same frequency. Therefore, it is imperative that entities treat this RSAW as a reference document only, and not as a substitute or replacement for the Reliability Standard. It is the responsibility of the registered entity to verify its compliance with the latest approved version of the Reliability Standards, by the applicable governmental authority, relevant to its registration status.

The RSAW may provide a non-exclusive list, for informational purposes only, of examples of the types of evidence a registered entity may produce or may be asked to produce to demonstrate compliance with the Reliability Standard. A registered entity’s adherence to the examples contained within this RSAW does not necessarily constitute compliance with the applicable Reliability Standard, and NERC and the Regional Entity using this RSAW reserve the right to request additional evidence from the registered entity that is not included in this RSAW. This RSAW may include excerpts from FERC Orders and other regulatory references which are provided for ease of reference only, and this document does not necessarily include all applicable Order provisions. In the event of a discrepancy between FERC Orders, and the language included in this document, FERC Orders shall prevail. [↑](#footnote-ref-1)
2. Compliance Assessment Date(s): The date(s) the actual compliance assessment (on-site audit, off-site spot check, etc.) occurs. [↑](#footnote-ref-2)
3. Please refer to the timing tables of INT-006-4. [↑](#footnote-ref-3)
4. Items in the Evidence Requested section are suggested evidence that may, but will not necessarily, demonstrate compliance. These items are not mandatory and other forms and types of evidence may be submitted at the entity’s discretion. [↑](#endnote-ref-1)
5. North American Energy Standards Board. [↑](#footnote-ref-4)
6. *Mandatory Reliability Standards for the Bulk‐Power System*, 118 FERC ¶ 61,218 at P825 (March 16, 2007) (“Order 693”). [↑](#footnote-ref-5)
7. *Modification of Interchange and Transmission Loading Relief Reliability Standards; and Electric Reliability Organization Interpretations of Specific Requirements of Four Reliability Standards*, 124 FERC, ¶ 61,071 at P53 (July 21, 2008) (“Order 713”). [↑](#footnote-ref-6)