140 FERC ¶ 61,164 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman; Philip D. Moeller, John R. Norris, Cheryl A. LaFleur, and Tony T. Clark.

Automatic Underfrequency Load Shedding and Load Docket No. RM11-20-001 Shedding Plans Reliability Standards

ORDER GRANTING CLARIFICATION

(Issued August 30, 2012)

1. The Wisconsin Electric Power Company (Wisconsin Electric) filed a request for clarification or, in the alternative, a request for rehearing of Order No. 763.¹ The request is limited to the discussion of coordination of automatic underfrequency load shedding (UFLS) and manual load shedding programs in Order No. 763. For the reasons discussed in the body of this order, we grant the request for clarification.

I. <u>Background</u>

2. On March 31, 2011, the North American Electric Reliability Corporation (NERC) filed a petition seeking Commission approval of Reliability Standards PRC-006-1 (Automatic Underfrequency Load Shedding) and EOP-003-2 (Load Shedding Plans), and the concurrent retirement of the currently-effective Reliability Standards PRC-007-0, PRC-009-0, and EOP-003-1, and the NERC-approved Reliability Standard PRC-006-0. The petition, as amended on May 17, 2011, stated that PRC-006-1 establishes design and document requirements for UFLS programs that arrest declining frequency and assist recovery of frequency following system events leading to frequency degradation. NERC stated that Reliability Standard EOP-003-2 made minimal changes to EOP-003-1 by removing references to UFLS, which it described as redundant in light of PRC-006-1, and instead focused EOP-003-2 on undervoltage conditions.

¹ Automatic Underfrequency Load Shedding and Load Shedding Plans Reliability Standards, Order No. 763, 139 FERC ¶ 61,098 (2012).

3. On October 20, 2011, the Commission issued a Notice of Proposed Rulemaking (NOPR) proposing to approve Reliability Standards PRC-006-1 and EOP-003-2 as just, reasonable, not unduly discriminatory or preferential, and in the public interest.² The Commission proposed to approve the Reliability Standards because UFLS programs are important to arresting declining frequency and assisting recovery of frequency following system events that lead to system instability, which can result in a blackout. While proposing to approve Reliability Standards PRC-006-1 and EOP-003-2, the NOPR addressed or sought comments on several issues, including the coordination of automatic load shedding programs in PRC-006-1 and manual load shedding programs in EOP-003-2. Seven comments were received on this issue.³

4. In Order No. 763, the Commission adopted the NOPR proposal and approved Reliability Standards PRC-006-1 and EOP-003-2. With respect to coordination of automatic load shedding programs in PRC-006-1 and manual load shedding programs in EOP-003-2, the Commission took no action, stating that:

Based on the comments, we find that there is an adequate level of coordination between UFLS and manual load shedding. We are persuaded by NERC's comments that the term "additional load" in Reliability Standard EOP-003-2, Requirement R6, includes resources allocated to manual load shedding that are not included in the UFLS program. UFLS and manual load shedding programs are developed separately and have, as EEI stated, separate purposes. As such, to avoid insufficiencies in available load if manual load shedding is needed after UFLS has been activated, UFLS and manual load shedding programs cannot be planned to shed the same load.⁴

II. <u>Request for Clarification or, in the Alternative, Rehearing</u>

5. On June 6, 2012, Wisconsin Electric requested clarification of Order No. 763 regarding the Commission's discussion of coordination between automatic load shedding

² Automatic Underfrequency Load Shedding and Load Shedding Plans Reliability Standards, Notice of Proposed Rulemaking, 76 Fed. Reg. 66,220 (October 26, 2011), FERC Stats. & Regs. ¶ 32,682 (2011).

³ NERC, Wisconsin Electric, Florida Reliability Coordinating Council, Inc., Dominion Resources Services, Inc., Edison Electric Institute (EEI), New York Independent System Operator, Inc., and Southwestern Power Administration filed comments to the NOPR on this issue.

⁴ Order No. 763, 139 FERC ¶ 61,098 at P 80.

programs in PRC-006-1 and manual load shedding programs in EOP-003-2. Specifically, Wisconsin Electric seeks clarification that Order No. 763 does not state that there can be no overlap between load in the manual load shedding program and load in the automatic load shedding program. Wisconsin Electric states that it believes that the Commission intended to prohibit only a 100 percent overlap between the load in each program.

6. In the alternative, Wisconsin Electric seeks rehearing of Order No. 763. Wisconsin Electric states that rehearing should be granted because: (1) the Commission lacks statutory authority to draft Reliability Standards as to have determined that there can be no overlap of load in manual and automatic load shedding programs; and (2) such a determination would be inconsistent with the finding in Order No. 763 that there is an adequate level of coordination between automatic and manual load shedding.

7. In addition, on June 6, 2012, NERC filed a motion "to correct the record."⁵ NERC states that, while Order No. 763 correctly approved Reliability Standards PRC-006-1 and EOP-003-2, Order No. 763 inaccurately summarized the comment NERC submitted in response to the Notice of Proposed Rulemaking on the issue of requiring mitigation when generators trip before underfrequency set points are reached.⁶ NERC states that its NOPR comments made the point that "it is not appropriate for a Reliability Standard to prescribe *how* the Planning Coordinator will determine whether mitigation is necessary or who would be responsible for providing the mitigation, not *if* the mitigation is necessary."⁷

III. Discussion

8. We grant Wisconsin Electric's request for clarification of Order No. 763. The Commission did not determine in Order No. 763 that there can be no overlap between automatic and manual load shedding programs. In the NOPR, the Commission expressed concern that Reliability Standards PRC-006-1 and EOP-003-2 do not explicitly require coordination between manual and automatic load shedding programs. In response to the NOPR, NERC stated in its comments that while Reliability Standards PRC-006-1 and EOP-003-2 do not explicitly require coordination of automatic and manual load shedding programs, EOP-003-2, Requirement R6, states:

⁵ NERC filed the motion pursuant to Rule 212 ("Motions") of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2012).

⁶ NERC Motion at 2-3 (citing Order No. 763, 139 FERC ¶ 61,098 at PP 50, 58).

⁷ NERC Motion at 3 (emphasis in original).

After a Transmission Operator or Balancing Authority Area separates from the Interconnection, if there is insufficient generating capacity to restore system frequency following automatic underfrequency load shedding, the Transmission Operator or Balancing Authority shall shed additional load.

9. NERC stated that "[f]or the Transmission Operator or Balancing Authority to shed *additional* load there must be load identified in the manual load shedding program that is not included in the automatic UFLS program."⁸ NERC further stated in its NOPR comments that "[t]his does not preclude the manual Load shedding program overlapping the underfrequency load shedding program, but it does require that the Transmission Operator and Balancing Authority include load in the manual load shedding program that is not included in the UFLS program to achieve the reliability objective of EOP-003-2."⁹

10. In Order No. 763, the Commission relied on NERC's comments regarding the "additional load" requirement in EOP-003-2, Requirement R6, to conclude that there was an adequate level of coordination between the automatic and manual load shedding programs because Requirement R6 mandated that sufficient non-overlapping load be available for manual shedding to achieve the reliability objective of EOP-003-2. Order No. 763 took no position as to what amount of non-overlapping load needs to be available for manual shedding in order to achieve the reliability objective of EOP-003-2. However, as Wisconsin Electric correctly notes, the load available for manual shedding could not overlap 100 percent with the load planned to be shed automatically and still achieve the reliability objective of EOP-003-2.

11. Accordingly, we grant clarification that Order No. 763 did not preclude some degree of overlap between automatic and manual load shedding programs, provided there is sufficient non-overlapping load available for manual shedding to achieve the reliability objective of EOP-003-2.

12. With regard to NERC's request, we grant the motion and clarify that NERC stated in its NOPR comments that it is not appropriate for the Reliability Standards to prescribe *how* a planning coordinator determines whether mitigation is necessary or who is responsible for providing mitigation.

⁸ NERC NOPR Comments at 12 (emphasis in original).

The Commission orders:

The Commission hereby grants clarification, as discussed in the body of this order. By the Commission.

(SEAL)

Kimberly D. Bose, Secretary.