

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ELECTRIC RELIABILITY

North American Electric Reliability Corporation
Docket No. RD13-6-000

June 20, 2013

North American Electric Reliability Corporation
1325 G Street N.W., Suite 600
Washington, D.C. 20005

Attention: William H. Edwards
Attorney for North American Electric Reliability Corporation

Reference: Petition for Approval of Proposed Reliability Standard VAR-001-3 (WECC
Variance)

Dear Mr. Edwards:

On February 25, 2013, NERC filed a Petition (Petition) seeking approval of proposed Reliability Standard VAR-001-3 (Voltage and Reactive Control). Proposed VAR-001-3 developed by NERC and the Western Electricity Coordinating Council (WECC) modifies the currently-effective Reliability Standard VAR-001-2 by adding Section E (“Regional Variance”) that would be applicable to registered entities in WECC. NERC also seeks approval of the associated implementation plan, Violation Risk Factors (“VRFs”), Violation Severity Levels (“VSLs”), and retirement of VAR-001-2. NERC states that the Regional Variance contains requirements that are more stringent than the continent-wide Requirements R3 and R4 of VAR-001-2, and “provides an alternative approach to meeting the same reliability objective based on physical differences in the Western Interconnection.”¹

In its filing, NERC proposed to modify VAR-001-2 by deleting Requirement R3 and replacing Requirement R4 for application in the Western Interconnection. Presently, Requirement R3 of VAR-001-2 allows Transmission Operators the option of specifying criteria that exempt generators from compliance with the Requirements defined in VAR-001-2, Requirement R4 and Requirement R6.1. Requirement R3 would remain applicable to registered entities outside of WECC. The proposed Regional Variance

¹ NERC Petition at 2.

requires Transmission Operators to: (1) issue a choice of voltage schedules for each of the generating resources that are on-line and part of the bulk electric system in its area; (2) provide to Generator Operators a voltage schedule reference point; and (3) provide transmission equipment data and operating data requested by Generator Operators to support their set point conversion methodology.

NERC explains that the proposed Regional Variance is necessary to improve the ability of Generator Operators in the Western Interconnection to operate within the automatic voltage control mode requirements of VAR-002-WECC-1 in cases where Transmission Operators issue schedules in reactive terms rather than a voltage schedule. Specifically, the Regional Variance will ensure that voltage levels are within limits to protect equipment during system disturbances in the Western Interconnection.

NERC also indicates that the proposed variance is more stringent than the currently effective continent-wide Reliability Standard VAR-001-2 which gives Transmission Operators the option to specify either a voltage or a reactive power schedule to be maintained by each generator. The Regional Variance contained in Proposed VAR-001-3 would require Transmission Operators to provide a voltage schedule to Generator Operators rather than making it optional as the continent-wide standard presently allows. Such schedules could be conveyed through a reactive power level, provided it is converted to a voltage level for the automatic voltage regulator's automatic voltage control setting. This approach will enhance the voltage control for the Western Interconnection by requiring Generator Operators to convert the voltage schedule specified in proposed requirement E.A.13 into the voltage set point for the generator excitation system.

Notice of this filing was issued on February 26, 2013, with protests and interventions due on or before March 28, 2013.

Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). No protests were filed.

NERC's uncontested filing is approved pursuant to the relevant authority delegated to the Director, Office of Electric Reliability, under 18 C.F.R. § 375.303, effective as of the date of this Order.

This action shall not be construed as approving any other application, including proposed revisions of Electric Reliability Organization or Regional Entity rules or procedures pursuant to 18 C.F.R. § 375.303(a)(2)(i). Such action shall not be deemed as recognition of any claimed right or obligation associated therewith and such action is without prejudice to any findings or orders that have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the Electric Reliability Organization or any Regional Entity.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this Order pursuant to 18 C.F.R. § 385.713.

Sincerely,

Michael Bardee, Director
Office of Electric Reliability