

A. Introduction

1. **Title:** Implementation of Interchange
2. **Number:** INT-009-~~2.13~~
3. **Purpose:** To ensure that Balancing Authorities implement the Interchange as agreed upon in the Interchange confirmation process.
4. **Applicability:**
 - 4.1. Balancing Authority
5. **Effective Date:** See Implementation Plan
6. ~~**Background:** This standard was revised as part of the Project 2008-12 Coordinate Interchange Standards effort to combine requirements from the various INT standards into a fewer number of standards and in a logical sequence. The focus of INT-009-2 continues to be the Balancing Authority to Balancing Authority Interchange confirmation process for Interchange Transactions prior to their implementation.

The Requirements in INT-009-2 have been expanded to include previous Measures from INT-009-1 and acknowledge Dynamic Schedules and Pseudo Ties. A new term “Composite Confirmed Interchange” has been introduced.

The content of INT-009-2 has been revised and expanded in the following manner:
 - R1 was combined with INT-003-3 R1 and modified to ensure that a Balancing Authority agrees to a Composite Confirmed Interchange with each of its Adjacent Balancing Authorities.
 - R2 was created to ensure that Adjacent Balancing Authorities incorporating a Pseudo Tie agree to a common source for their Actual Net Interchange term for their ACE controls.
 - R3 was created by revising R1.2 from INT-003-3. This requirement ensures that the Balancing Authority that controls a high-voltage direct current tie coordinates the Confirmed Interchange.~~

B. Requirements and Measures

- R1.** Each Balancing Authority shall agree with each of its Adjacent Balancing Authorities that its Composite Confirmed Interchange with that Adjacent Balancing Authority, at mutually agreed upon time intervals, excluding Dynamic Schedules and Pseudo-Ties and including any Interchange per INT-010-2 not yet captured in the Composite Confirmed Interchange, is: [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations*]
- 1.1.** Identical in magnitude to that of the Adjacent Balancing Authority, and
 - 1.2.** Opposite in sign or direction to that of the Adjacent Balancing Authority.
- M1.** The Balancing Authority shall have evidence (such as dated logs, voice recordings, electronic records, or other evidence) that its Composite Confirmed Interchange, excluding Dynamic Schedules and Pseudo-Ties and including any Interchange as directed per INT-010-2 not yet captured in the Composite Confirmed Interchange, was agreed to by each Adjacent Balancing Authority, identical in magnitude to those of each Adjacent Balancing Authority, and opposite in sign to that of each Adjacent Balancing Authority. (R1)
- R2.** ~~Reserved. The Attaining Balancing Authority and the Native Balancing Authority shall use a dynamic value emanating from an agreed upon common source to account for the Pseudo Tie in the Actual Net Interchange (NI_A) term of their respective control ACE (or alternate control process). [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations*]~~
- M2.** ~~Reserved. The Balancing Authority shall have evidence (such as dated logs, voice recordings, electronic records, written agreement or other evidence) that it used a dynamic value emanating from an agreed upon common source to account for the Pseudo Tie in the Actual Net Interchange (NI_A) term of their respective control ACE (or alternate control process). (R2)~~
- R3.** Each Balancing Authority in whose area the high-voltage direct current tie is controlled shall coordinate the Confirmed Interchange prior to its implementation with the Transmission Operator of the high-voltage direct current tie. [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations, Operations Planning*]
- M3.** The Balancing Authority shall have evidence (such as dated logs, electronic records, or other evidence) that it coordinated the Confirmed Interchange prior to its implementation with the Transmission Operator of the high-voltage direct current tie. (R3)

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority: “Compliance Enforcement Authority” means NERC or the Regional Entity, or any entity as otherwise designated by an Applicable Governmental Authority, in their respective roles of monitoring and/or enforcing compliance with mandatory and enforceable Reliability Standards in their respective jurisdictions.

1.2. Evidence Retention: The following evidence retention period(s) identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the Compliance Enforcement Authority may ask an entity to provide other evidence to show that it was compliant for the full-time period since the last audit.

The applicable entity shall keep data or evidence to show compliance as identified below unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation.

- The Balancing Authority shall maintain evidence to show compliance with R1, ~~R2~~ and R3 for the most recent 3 months plus the current month.

If a Balancing Authority is found non-compliant, it shall keep information related to the non-compliance until found compliant.

The Compliance Enforcement Authority shall keep the last audit records and all requested and submitted subsequent audit records.

1.3. Compliance Monitoring and Enforcement Program: As defined in the NERC Rules of Procedure, “Compliance Monitoring and Enforcement Program” refers to the identification of the processes that will be used to evaluate data or information for the purpose of assessing performance or outcomes with the associated Reliability Standard.

- Compliance Audit
- Self-Certification
- Spot Checking
- Compliance Investigation
- Self-Reporting
- Complaint

Violation Severity Levels

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R1.	Real-time Operations	Medium	N/A	N/A	N/A	The Balancing Authority did not reach agreement with an Adjacent Balancing Authority on the magnitude or sign of its Composite Confirmed Interchange, at mutually agreed upon time intervals, excluding Dynamic Schedules and Pseudo-Ties and including any Interchange per INT-010-2 not yet captured in the Composite Confirmed Interchange.
R2. <u>Reserved.</u>	Real-time Operations	Medium	N/A	N/A	N/A	The Balancing Authority failed to use a dynamic value emanating from an agreed upon common source to account for the Pseudo Tie in the Actual Net Interchange (NI_A) term of their respective control ACE (or alternate control process).

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R3.	Real-time Operations, Operations Planning	Medium	N/A	N/A	N/A	The Balancing Authority failed to coordinate the Confirmed Interchange prior to its implementation with the Transmission Operator of the high-voltage direct current tie.

D. Regional Variances

None.

E. Associated Documents

None.

Version History

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
1	May 2, 2006	Adopted by the NERC Board of Trustees	Revised
2	February 6, 2014	Adopted by the NERC Board of Trustees	Revised
2	June 30, 2014	FERC letter order issued approving INT-009-2	
2.1	August 22, 2014	Errata submitted for INT-004-3, INT-009-2, INT-010-2 and INT-011-2 to correct inconsistency between the Implementation Plan and the effective date language. The NERC Standards Committee approved errata changes on August 20, 2014.	Errata
2.1	November 26, 2014	FERC letter order approving errata changes.	
<u>3</u>	<u>TBD</u>	<u>Adopted by NERC Board of Trustees</u>	<u>Requirements R3.1, R4, and R5 retired under Project 2018-03 Standard Efficiency Review Retirements.</u>

Guidelines and Technical Basis

Rationale:

During development of this standard, text boxes were embedded within the standard to explain the rationale for various parts of the standard. Upon BOT approval, the text from the rationale text boxes was moved to this section.

Rationale for R2: R12.3 of BAL-005-2b addresses common metering for Dynamic Schedules and Pseudo-Ties but not their implementation into ACE. Requirement R2 is parallel to R10 of BAL-005-2b which only addresses Dynamic Schedules. Presently, there is a gap in the BAL standards that this requirement fills for Pseudo-Ties.