

## Standards Authorization Request Form

When completed, please email this form to:  
[sarcomm@nerc.com](mailto:sarcomm@nerc.com)

NERC welcomes suggestions to improve the reliability of the bulk power system through improved Reliability Standards. Please use this form to submit your request to propose a new or a revision to a NERC Reliability Standard.

### Request to propose a new or a revision to a Reliability Standard

Title of Proposed Standard:	BAL-002-2 – Disturbance Control Standard—Contingency Reserve for Recovery from a Balancing Contingency Event		
Date Submitted:			
SAR Requester Information			
Name:	Darrel Richardson		
Organization:	NERC Staff		
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SAR Type (Check as many as applicable)			
<input type="checkbox"/> New Standard	<input type="checkbox"/> Withdrawal of Existing Standard		
<input checked="" type="checkbox"/> Revision to Existing Standard	<input type="checkbox"/> Urgent Action		

### SAR Information

Industry Need (What is the industry problem this request is trying to solve?):

On January 19, 2017, FERC issued an order directing the ERO to develop modifications to standard BAL-002-2 to address their concerns regarding the 15-minute recovery period set forth in Requirement R1. In the order, FERC stated:

“Accordingly, we direct NERC to develop modifications to Reliability Standard BAL-002-2, Requirement R1 to require Balancing Authorities (BA) or Reserve Sharing Groups (RSG): (1) to notify the reliability coordinator of the conditions set forth in Requirement R1, Part 1.3.1 preventing it from complying with

SAR Information
<p>the 15-minute ACE recovery period; and (2) to provide the reliability coordinator with its ACE recovery plan, including a target recovery time. NERC may also propose an equally efficient and effective alternative.” Disturbance Control Standard—Contingency Reserve for Recovery from a Balancing Contingency Event Reliability Standard, 158 FERC ¶ 61,030 at P 37 (2017) (“FERC Order”). <i>See also, id.</i>, at P 2 and PP 35-36.</p>
<p><b>Purpose or Goal (How does this request propose to address the problem described above?):</b></p>
<p>The primary goal of this SAR is to allow the standard drafting team (SDT) for Project 2017-06, Disturbance Control to modify standard BAL-002-2 to address the directives of the January 19, 2017 FERC Order, and to ensure consistency within the NERC body of Reliability Standards.</p>
<p><b>Identify the Objectives of the proposed standard’s requirements (What specific reliability deliverables are required to achieve the goal?):</b></p>
<p>The objective of this SAR is to provide clear, unambiguous requirements to address the directives in the January 19, 2017 FERC Order regarding the recovery from a Balancing Contingency Event, or alternatively propose modifications that address the Commission concerns.</p>
<p><b>Brief Description (Provide a paragraph that describes the scope of this standard action.)</b></p>
<p>The SDT shall modify the standard, Violation Risk Factors, Violation Severity Levels, and implementation plan and shall work with compliance on an accompanying RSAW to address the FERC Order directives described above.</p>
<p><b>Detailed Description (Provide a description of the proposed project with sufficient details for the standard drafting team to execute the SAR. Also provide a justification for the development or revision of the standard, including an assessment of the reliability and market interface impacts of implementing or not implementing the standard action.)</b></p>
<p>The SDTs execution of this SAR requires the SDT to address the FERC Order directives described above or alternatively propose modifications that address the Commission concerns in the FERC Order. This SAR will specifically address either (A) revising BAL-002-2 to require that BAs and RSGs: (1) notify the Reliability Coordinator that the BA or RSG cannot comply with the 15-minute ACE recovery period due to existence of the conditions as set forth in Requirement R1, Part 1.3.1; and (2) provide the Reliability Coordinator with an ACE recovery plan that includes a target recovery time; or (B) proposing an equally efficient and effective alternative.</p>

Reliability Functions

The Standard will Apply to the Following Functions (Check each one that applies.)

<input type="checkbox"/> Reliability Coordinator	Responsible for the real-time operating reliability of its Reliability Coordinator Area in coordination with its neighboring Reliability Coordinator’s wide area view.
<input checked="" type="checkbox"/> Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within a Balancing Authority Area and supports Interconnection frequency in real time.
<input type="checkbox"/> Interchange Authority	Ensures communication of interchange transactions for reliability evaluation purposes and coordinates implementation of valid and balanced interchange schedules between Balancing Authority Areas.
<input type="checkbox"/> Planning Coordinator	Assesses the longer-term reliability of its Planning Coordinator Area.
<input type="checkbox"/> Resource Planner	Develops a one year plan for the resource adequacy of its specific loads within a Planning Coordinator area.
<input type="checkbox"/> Transmission Planner	Develops a one year plan for the reliability of the interconnected Bulk Electric System within its portion of the Planning Coordinator area.
<input type="checkbox"/> Transmission Service Provider	Administers the transmission tariff and provides transmission services under applicable transmission service agreements (e.g., the pro forma tariff).
<input type="checkbox"/> Transmission Owner	Owns and maintains transmission facilities.
<input type="checkbox"/> Transmission Operator	Ensures the real-time operating reliability of the transmission assets within a Transmission Operator Area.
<input type="checkbox"/> Distribution Provider	Delivers electrical energy to the end-use customer.
<input type="checkbox"/> Generator Owner	Owns and maintains generation facilities.
<input type="checkbox"/> Generator Operator	Operates generation unit(s) to provide real and reactive power.
<input type="checkbox"/> Purchasing-Selling Entity	Purchases or sells energy, capacity, and necessary reliability-related services as required.
<input type="checkbox"/> Market Operator	Interface point for reliability functions with commercial functions.

Reliability Functions	
<input type="checkbox"/> Load-Serving Entity	Secures energy and transmission service (and reliability-related services) to serve the end-use customer.

Reliability and Market Interface Principles	
Applicable Reliability Principles (Check all that apply).	
<input checked="" type="checkbox"/>	1. Interconnected bulk power systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
<input checked="" type="checkbox"/>	2. The frequency and voltage of interconnected bulk power systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
<input checked="" type="checkbox"/>	3. Information necessary for the planning and operation of interconnected bulk power systems shall be made available to those entities responsible for planning and operating the systems reliably.
<input checked="" type="checkbox"/>	4. Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented.
<input type="checkbox"/>	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems.
<input type="checkbox"/>	6. Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions.
<input checked="" type="checkbox"/>	7. The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis.
<input type="checkbox"/>	8. Bulk power systems shall be protected from malicious physical or cyber attacks.
Does the proposed Standard comply with all of the following Market Interface Principles?	
1. A reliability standard shall not give any market participant an unfair competitive advantage.	Enter (yes/no) Yes
2. A reliability standard shall neither mandate nor prohibit any specific market structure.	Yes
3. A reliability standard shall not preclude market solutions to achieving compliance with that standard.	Yes
4. A reliability standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards.	Yes

Related Standards	
Standard No.	Explanation
None	

Related SARs	
SAR ID	Explanation
None	

Regional Variances	
Region	Explanation
ERCOT	None.
FRCC	None.
MRO	None.
NPCC	None.
RFC	None.

## Regional Variances

SERC	None.
SPP	None.
WECC	None.

## Version History

Version	Date	Owner	Change Tracking
1	June 3, 2013		Revised
1	August 29, 2014	Standards Information Staff	Updated template