

## Consideration of Comments on Initial Ballot for the Revised Interpretation of EOP-001-0 Requirement R1 for the Regional Entity Compliance Managers (Project 2008-09)

Ballot conducted from February 27 to March 9, 2009

### Summary Consideration:

There were three primary areas of concern expressed by balloters who submitted a negative vote:

1. EOP-001-0 should be applied on an Interconnection basis. Therefore, balloters recommended modifying paragraph 2 of the interpretation by inserting the phrase “interconnected by AC ties or DC (asynchronous) ties within the same Interconnection.” The Operating Reliability Subcommittee Executive Committee (ORS EC), which is serving as the drafting team for the interpretation, agrees with these balloters and proposes to modify paragraph 2 accordingly.
2. Several balloters questioned the use of the word “all” in the second sentence paragraph 3 of the interpretation. Use of the word all in this context implied to balloters that “at least one” was required. The ORS EC agrees with balloters and proposes to modify the interpretation by changing the word “all” to “any” in the second sentence of paragraph 3.
3. Several balloters questioned whether a Reserve Sharing Group agreement could substitute for an emergency assistance agreement with adjacent Balancing Authorities. Without an emergency assistance agreement, the conditions under which emergency energy assistance could be provided will remain undefined. The ORS EC agrees with balloters and proposes to modify paragraph 4 of the interpretation to read, “A Reserve Sharing Group agreement that contains provisions for emergency assistance may be used to meet Requirement R1 of EOP-001-0.”

If you feel that the drafting team overlooked your comments, please let us know immediately. Our goal is to give every comment serious consideration in this process. If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at [gerry.adamski@nerc.net](mailto:gerry.adamski@nerc.net). In addition, there is a NERC Reliability Standards Appeals Process.<sup>1</sup>

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<sup>1</sup> The appeals process is in the Reliability Standards Development Procedure: [http://www.nerc.com/files/RSDP\\_V6\\_1\\_12Mar07.pdf](http://www.nerc.com/files/RSDP_V6_1_12Mar07.pdf).

Voter	Entity	Segment	Vote	Comment
Stanley M Jaskot	Entergy Corporation	5	Negative	<p>1. We believe this standard should be applied on an Interconnection basis. Therefore, we recommend Item #2 be revised to "The intent is that all Balancing Authorities, interconnected by AC ties or DC (asynchronous) ties within the same Interconnection, have emergency ..." 2. We also recommend the "responsible Balancing Authority" be revised to "deficient Balancing Authority" in Item #3. Item # 3. A remote Balancing Authority is a Balancing Authority other than an Adjacent Balancing Authority. The responsible DEFICIENT Balancing Authority is not required to have arrangements in place to obtain emergency energy assistance with all remote Balancing Authorities. The responsible DEFICIENT Balancing Authority's agreement(s) with the Adjacent Balancing Authorities does (do) not preclude the Adjacent Balancing Authority from purchasing emergency energy from remote Balancing Authorities on behalf of the responsible DEFICIENT Balancing Authority. 3. We agree with the clarification that BAs are not required to have agreements with ALL Adjacent BAs.</p>
<p><b>Response:</b> Comment 1 – The Operating Reliability Subcommittee Executive Committee (ORS EC) agrees with the balloter and will insert the phrase “interconnected by AC ties or DC (asynchronous) ties within the same Interconnection” in the first sentence of paragraph 2. Comment 2 – The ORS EC agrees to eliminate the term “responsible” from the second, third, and forth sentences of paragraph 3. The ORS EC does not agree to insertion of the term “deficient.” EOP-001-0 is applicable to all Balancing Authorities. In addition, the ORS EC proposes to reword the last sentence of paragraph 3 to eliminate “on behalf of the responsible BA.” Comment 3 - The ORS EC agrees with the balloter; however, in response to other balloters, the ORS EC proposes to modify the interpretation by changing the word “all” to “any” in paragraph 3.</p>				
Paul Rocha	CenterPoint Energy	1	Negative	<p>CenterPoint Energy recommends further clarification of the terms "adjacent" and "neighboring" to address that such terms are not applicable to interconnection-wide regions, such as WECC and ERCOT. The proposed definition failed to explain the term "adjacent" as requested.</p>
<p><b>Response:</b> The ORS EC agrees with the balloter and will insert the phrase “interconnected by AC ties or DC (asynchronous) ties within the same Interconnection” in the first sentence of paragraph 2 of the interpretation.</p>				

Voter	Entity	Segment	Vote	Comment
Robert Martinko	FirstEnergy Energy Delivery	1	Affirmative	FirstEnergy supports the interpretation provided for EOP-001 Requirement R1 and believes it further clarifies Balancing Authority expectations related to emergency assistance agreements with other Balancing Authorities. It is expected that the standards drafting team that will work on Project 2009-03 will incorporate this interpretation when completing revisions to the EOP-001 standard to achieve greater clarity within the standard's requirements and measures.
Joanne Kathleen Borrell	FirstEnergy Solutions	3	Affirmative	FirstEnergy supports the interpretation provided for EOP-001 Requirement R1 and believes it further clarifies Balancing Authority expectations related to emergency assistance agreements with other Balancing Authorities. It is expected that the standards drafting team that will work on Project 2009-03 will incorporate this interpretation when completing revisions to the EOP-001 standard to achieve greater clarity within the standard's requirements and measures.
Douglas Hohlbaugh	Ohio Edison Company	4	Affirmative	FirstEnergy supports the interpretation provided for EOP-001 Requirement R1 and believes it further clarifies Balancing Authority expectations related to emergency assistance agreements with other Balancing Authorities. It is expected that the standards drafting team that will work on Project 2009-03 will incorporate this interpretation when completing revisions to the EOP-001 standard to achieve greater clarity within the standard's requirements and measures.
Kenneth Dresner	FirstEnergy Solutions	5	Affirmative	FirstEnergy supports the interpretation provided for EOP-001 Requirement R1 and believes it further clarifies Balancing Authority expectations related to emergency assistance agreements with other Balancing Authorities. It is expected that the standards drafting team that will work on Project 2009-03 will incorporate this interpretation when completing revisions to the EOP-001 standard to achieve greater clarity within the standard's requirements and measures.
Mark S Travaglianti	FirstEnergy Solutions	6	Affirmative	FirstEnergy supports the interpretation provided for EOP-001 Requirement R1 and believes it further clarifies Balancing Authority expectations related to emergency assistance agreements with other Balancing Authorities. It is expected that the standards drafting team that will work on Project 2009-03 will incorporate this interpretation when completing revisions to the EOP-001 standard to achieve greater clarity within the standard's requirements and measures.
<b>Response:</b> The ORS EC agrees with the balloters.				

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Roy D. McCoy	Electric Reliability Council of Texas, Inc.	2	Negative	Interpretation should clarify what "adjacent" and "neighboring" means. Does it mean that EOP-001 applies to registered functional entities with AC ties or DC ties "within" an Interconnection and does not apply to DC ties "between" Interconnections?
<p><b>Response:</b> The ORS EC agrees with the balloter and will insert the phrase "interconnected by AC ties or DC (asynchronous) ties within the same Interconnection" in the first sentence of paragraph 2 of the interpretation.</p>				
Alden Briggs	New Brunswick System Operator	2	Negative	NBSO disagrees with this interpretation for two reasons: Firstly, 4. A Balancing Authority that is compliant with Reliability Standard BAL-002-0, Requirement R2 through participation in a Reserve Sharing Group Agreement is not required to establish additional operating agreements as described in Requirement R1 of EOP-001-0. Reserve Sharing agreements may not include emergency energy agreements. Secondly, From the 3rd paragraph on the interpretation: The responsible Balancing Authority is not required to have arrangements in place to obtain emergency energy assistance with all remote Balancing Authorities. This statement appears to state that an agreement is required with a remote BA. Though it is believed that this was not the intent of the interpretation it can cause confusion.
<p><b>Response:</b> Comment 1 – The ORS EC agrees with balloter and proposes to modify paragraph 4 of the interpretation to read, "A Reserve Sharing Group agreement that contains provisions for emergency assistance may be used to meet Requirement R1 of EOP-001-0." Comment 2 - The ORS EC agrees with balloter and proposes to modify paragraph 3 of the interpretation by changing the word "all" to "any" in the second sentence.</p>				
Richard Kinas	Orlando Utilities Commission	5	Affirmative	Since you decided to place Adjacent into the NERC glossary, I'm suprised that you did not decide to do the same with "remote" i.e. Remote - any entity that is not Adjacent
<p><b>Response:</b> The term Adjacent Balancing Authority is in the <i>Glossary of Terms Used in Reliability Standards</i>. The <i>Glossary of Terms Used in Reliability Standards</i> may not be modified via an interpretation.</p>				

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Kim Warren	Independent Electricity System Operator	2	Negative	The IESO views the Reserve Sharing Group (RSG) and emergency assistance agreements as distinct and serving two separate and necessary functions. Under this interpretation we envisage situations where, despite the existence of the RSG agreement, emergency assistance (that may be needed for a lengthy period) may not be provided because its scope and conditions of supply are not defined. We believe this therefore leaves room for non-compliance and would expose the system to unreliable operation when emergency assistance is needed but cannot be arranged or delivered absent an operating agreement. We agree that a RSG agreement may be adequate to meet EOP-001-0, R1 but only if it explicitly includes provisions for emergency energy assistance.
<b>Response:</b> The ORS EC agrees with balloter and proposes to modify paragraph 4 of the interpretation to read, "A Reserve Sharing Group agreement that contains provisions for emergency assistance may be used to meet Requirement R1 of EOP-001-0."				
James Armke	Austin Energy	1	Negative	The Interpretation should clarify that the adjective "adjacent" is intended for neighboring Balancing Authorities interconnected by AC ties. For ERCOT, the requirement would be unnecessary and burdensom with no impact to reliability because flows across the DC ties remain at their scheduled values and do not impact neighboring Balancing Authorities.
<b>Response:</b> The ORS EC agrees with the balloter and will insert the phrase "interconnected by AC ties or DC (asynchronous) ties within the same Interconnection" in the first sentence of paragraph 2 of the interpretation.				
Gregory Campoli	New York Independent System Operator	2	Negative	The NYISO is concerned with the second sentence in Paragraph 3 that says, 'The responsible Balancing Authority is not required to have arrangements in place to obtain emergency energy assistance with all remote Balancing Authorities.' We are concerned that this means that a BA is required to have an agreement in place for purchasing emergency energy with at least one remote BA. We do not support this interpretation and believe that existing standard only obligates a BA to have agreements in place with adjacent BA's. The NYISO is also concerned that a Reserve Sharing Group (RSG) can be a substitute for emergency assistance agreement with adjacent BA's. Without an emergency assistance agreement, the scope of and conditions under which emergency energy assistance could be provided, will remain undefined.
<b>Response:</b> Comment 1 – The ORS EC agrees with balloter and proposes to modify paragraph 3 of the interpretation by changing the word "all" to "any" in the				

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second sentence. Comment 2 – The ORS EC agrees with balloter and proposes to modify paragraph 4 of the interpretation to read, “A Reserve Sharing Group agreement that contains provisions for emergency assistance may be used to meet Requirement R1 of EOP-001-0.”				
Kent Saathoff	Electric Reliability Council of Texas, Inc.	10	Negative	The original interpretation was correct. This revised interpretation would apply requirements appropriate for adjacent entities connected synchronously by AC lines to entities connected only by asynchronous DC lines. Such requirements would serve no reliability purpose and be a waste of resources for entities connected solely by DC ties which have no uncontrolled flows.
<b>Response:</b> The ORS EC agrees with the balloter and will insert the phrase “interconnected by AC ties or DC (asynchronous) ties within the same Interconnection” in the first sentence of paragraph 2 of the interpretation.				
James R. Keller	Wisconsin Electric Power Marketing	3	Negative	The sentence within #3 of the EOP-001-1 R1 interpretation “The responsible Balancing Authority is not required to have arrangements in place to obtain emergency energy assistance with all remote Balancing Authorities.” is stating that the Responsible BA must have arrangements with some remote BAs. The “all” needs to be replaced with “any” in this sentence.
Linda Horn	Wisconsin Electric Power Co.	5	Negative	The sentence within #3 of the EOP-001-1 R1 interpretation “The responsible Balancing Authority is not required to have arrangements in place to obtain emergency energy assistance with all remote Balancing Authorities.” is stating that the Responsible BA must have arrangements with some remote BAs. The “all” needs to be replaced with “any” in this sentence.
<b>Response:</b> The ORS EC agrees with balloter and proposes to modify paragraph 3 of the interpretation by changing the word “all” to “any” in the second sentence.				
Anthony Jankowski	Wisconsin Energy Corp.	4	Negative	The wording related to Remote Balancing Authorities should read “with any” instead of “with all” in paragraph #3.
<b>Response:</b> The ORS EC agrees with balloter and proposes to modify paragraph 3 of the interpretation by changing the word “all” to “any” in the second sentence.				