

Comment Form — 1st Posting of the draft 'Coordinate Interchange' Standard

Note – This form is to be used to comment on version 1 of the Coordinate Interchange Standard.

Comments will be accepted from December 15, 2003 — February 12, 2004.

Please review the draft standard and answer the questions in the yellow boxes. Send completed comment forms to sarcomm@nerc.com

If you have questions, please call Tim Gallagher at 609-452-8060 or send a question to tim.gallagher@nerc.net

SAR Commenter Information (For comment from individual entities)

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Key to Industry Segment #'s:

- 1 – Trans. Owners
- 2 – RTO's, ISO's, RRC's
- 3 – LSE's
- 4 – TDU's
- 5 - Generators
- 6 - Brokers, Aggregators, and Marketers
- 7 - Large Electricity End Users
- 8 - Small Electricity Users
- 9 - Federal, State, and Provincial
Regulatory or other Govt. Entities

1. The drafting team carefully reviewed the SAR associated with this standard and believes that all the listed requirements have been met in the four requirements included in the standard (see CI Standard Reference Document, Appendix A). Do you agree?

Yes

No

Comments: A condensed format and transition from 12 sub-items of SAR to 4 sub-standards/requirements is a good step. A few improvements could be made as per subsequent suggestions/comments given below.

2. NERC Regions have the right to ask for Regional differences for inclusion in NERC standards. ERCOT has asked for the following Regional Difference that would be applied on an Interconnection-wide basis.

This requirement does not apply in the ERCOT Region because ERCOT operates as a single Balancing Authority, asynchronous to the Eastern and Western Interconnections. This difference shall be applied on an Interconnection-wide basis in ERCOT.

The following text explains how Regional Differences that would be applied on an Interconnection-wide basis must be treated:

“Proposals for Regional Standards or Regional Differences that are intended to apply on an **Interconnection-wide basis** shall be presumed to be valid and included in a NERC Reliability Standard unless there is a clear demonstration within the NERC standards process that the proposed Regional Standard or Regional Difference:

- Was not developed in a fair and open process that provided an opportunity for all interested parties to participate;
- Would have a significant adverse impact on reliability or commerce in other Interconnections;
- Fails to provide a level of reliability of the bulk electric system within the Interconnection such that the Regional Standard would be likely to cause a serious and substantial threat to public health, safety, welfare, or national security; or
- Would create a serious and substantial burden on competitive markets within the Interconnection that is not necessary for reliability.”

Can you identify any reason why ERCOT’s request for an Interconnection-wide Regional Difference should be denied?

Yes (Please state your reason for not supporting the ERCOT difference)

No

Comments: We agree with the ISO/RTO Standards Review Committee consensus as stated below:

“Recognizing that ERCOT follows the generally accepted practice of modeling DC tie lines as a generator or load, outside the ACE equation, transfers over DC ties lines should still be coordinated in a deliberate and orderly manner. The definition of interchange, “Energy transfers that cross Balancing Authority boundaries” does not differentiate between AC and DC ties. All interchanges, whether or not included in the ACE equations, need to be coordinated for reliability.”

3. Are you aware of any other Regional differences that should be included in this standard?

Yes

No

Comments:

4. Do you agree with the “sanction” philosophy in this standard of using percentages rather than absolute counts to determine levels of compliance? The proposed sanction philosophy is that a small entity that has a problem with 2 of 10 possible items will be treated the same as a large entity that has a problem with 20 of 100 possible items.

Yes

No

Comments: In this way, it would be considered as a more fair process

5. This standard does not dictate a specific deadline (i.e. timing) for requesting, approving, or implementing interchange as is currently required in the E-Tag Standards and Communication Protocols, rather it leaves timing up to the parties involved in the Interchange. Do you agree with this approach? (Please see the CI Standard Reference Document as it explains this philosophy).

Yes

No

Comments: We feel that the timing flexibility should rest with the parties involved with a common agreement.

6. Definitions of key terms used in the standard are attached to the standard. Please offer any suggested improvements to these definitions in the space below. (Please see the CI Standard Reference Document as it explains this philosophy).

Interchange: Energy transfers that cross Balancing Authority boundaries.

Arranged Interchange: The state where all arrangements necessary to submit the interchange request to the Interchange Authority have been made.

Confirmed Interchange: The state where the Interchange Authority has verified the Arranged Interchange and is ready to submit it to the Balancing Authorities.

Implemented Interchange: The state where the Balancing Authority enters the Confirmed Interchange into its area control error equation.

Interchange:

Arranged Interchange:

Confirmed Interchange:

Implemented Interchange:

7. Do you agree with the proposed requirements and measurements in section 401?

- Yes
- No

Comments: There may be cases where DC ties are an interconnection between two BA's. Such aspects about DC inter Area ties needs to be addressed as an Interchange.

8. Do you agree with the proposed compliance monitoring process in section 401?

- Yes
- No

Comments:

9. Do you agree with the proposed levels of noncompliance in section 401?

- Yes
- No

Comments: For the purposes of bringing more clarity, it is proposed that as per "requirements" and "measurements" of standard 401, the wordings within section (e) Levels 1-3 of non-compliance should be changed to ".....confirm that implemented Interchange matches corresponding "Confirmed Interchange submitted by the Interchange Authority"

10. Do you agree with the proposed requirements and measurements in section 402?

Yes

No

Comments:

11. Do you agree with the proposed compliance monitoring process in section 402?

Yes

No

Comments:

12. Do you agree with the proposed levels of noncompliance in section 402?

Yes

No

Comments:

13. Do you agree with the proposed requirements and measurements in section 403?

Yes

No

Comments: The type of evidence needs to be defined e.g. schedules, tape recordings or other documentation

14. Do you agree with the proposed compliance monitoring process in section 403?

Yes

No

Comments:

15. Do you agree with the proposed levels of noncompliance in section 403?

Yes

No

Comments:

16. Do you agree with the proposed requirements and measurements in section 404?

Yes

No

Comments: The type of evidence needs to be defined e.g. tape recordings

17. Do you agree with the proposed compliance monitoring process in section 404?

Yes

No

Comments:

18. Do you agree with the proposed levels of noncompliance in section 404?

Yes

No

Comments:

19. Do you agree with the concept that Implemented Interchange requires equal and opposite use by two BA's in their ACE equations and that losses will be handled as just another type of Interchange when being settled as energy exchange? (Please see the CI Standard Reference Document as it explains this philosophy).

Yes

No

Comments: The issue of losses may appropriately be handled by mutual agreements / methodologies established between the BA's and the IA's.

20. Do you agree that dynamic schedules would be covered by this standard as just another type of bilateral interchange? (Please see the CI Standard Reference Document as it explains this philosophy).

Yes

No

Comments:

21. Does the standard adequately address the reliability requirements for implementing changes to the parameters of an already Implemented Interchange? For instance, if an emergency occurs, is the coordination defined by the requirements sufficient to ensure reliability is maintained or are additional coordination requirements needed? If so, please explain.

Yes

No

Comments: Defining the Emergency procedures in standard and the applicability of the standard in emergencies would add clarity.

22. This standard does not require that Balancing Authorities and Purchasing/Selling Entities acknowledge the receipt of Confirmed Interchange from the Interchange Authority. Should such a requirement be included? If so, why?

Yes

No

Comments:

23. Please provide other comments on the standard that you haven't provided in response to the previous questions in this document.

Comments:

- (1) It is proposed that standard should follow a more logical order i.e. standard 401 re: "Implementation of Interchange" should be outlined at the end of the set of standards
- (2) We feel that a reasonable transition period should be given for the implementation of this standard to allow sufficient lead time to the Areas for achieving compliance.
- (3) The reference document/background is useful for the purposes of understanding the associated application modes of standard.