

## Comment Form

# Inadvertent Interchange Settlement (Option 2 WATEC) Version 1 Draft 1

Posted December 10, 2004 – January 10, 2005

Please submit comment form by January 10, 2005 to:

<mailto:naesb@naesb.org>, fax: 713-356-0067

### Contact Information (Must be Provided)

Contact Name	: Karl Tammar
Comments submitted on Behalf of Organization	: IRC Standards Review Committee
Email of Contact	: KTammar@nyiso.com
Phone Number on Contact	: 518-356-6205

### Comments on Definitions (List comments by Definition)

We would encourage NAESB pursuing efforts to ensure consistency of definitions among NAESB standards and also with NERC.

### Comments on Requirements (List comments by Requirement Number)

**Introduction.** The requirements for the standard is that all BAs shall participate at all times. It is unclear how this can happen with a voluntary standard. Even if the FERC should order such a standard, will non-jurisdictional BAs participate? How will this standard work if only part of the interconnection participates?

**8.** states that a "...Balancing Authority may switch to Tie Line Bias control for 15 minutes..." during a DCS event. It is unclear what a BA is switching from, as Tie Line Bias mode is the preferred normal AGC operating mode, even when the AGC algorithm is modified to accommodate WATEC.

It would be preferable to create a feature by which the automatic Inadvertent Interchange Payback component is automatically turned off during a DCS event.

**9** appears to be unnecessary. These instructions are already included in the Manual Time Error Correction Standard and provide little or no guidance associated with Inadvertent Interchange.

**11** appears to be similarly unnecessary – see #9 above.

**12. On Peak/Off Peak Definition.** This standard carries forward some poor wording from NERC policy. On peak hours are HE 07-22 prevailing time (central for the East, Pacific for the West) Monday through Saturday.

Since ERCOT is a single BA Interconnection, there is no Inadvertent and on/off peak periods with respect to Inadvertent Accounting are not applicable.

**13** refers to the NAESB Inadvertent Interchange Settlement Agent. The Agent's title is capitalized, but there is no definition in this document for the Agent, nor is there a description of the Agent's responsibilities.

**14. Bilateral Payback.** The total of a BA's bilateral payback(s) should be limited to a total of 25 MW per hour (i.e. can't have multiple paybacks occurring with multiple BAs that total over 25 MW).

**15.5** states, "Bilateral IIP between non-adjacent Balancing Authorities not having transmission rights between them shall not exceed hourly amounts greater than 25 MW. This limit is imposed to minimize the amount of unscheduled flow". It should be made clear that the total payback between all such IIP parties should be limited to 25 MW. As written, this Standard could allow multiple 25 MW IIP transactions between several BA's that could have a significant impact on unscheduled flow.

## Comments on Appendices (List comments by Appendix Subsection)

### General Comments

We appreciate the time and effort that has gone into the development of this proposed standard and want to thank you for the opportunity to comment.

The advantages of this option are that it appears technically sound and it avoids the financial-settlement challenges. There are questions that should first be answered:

- How will this standard perform if there is not full participation from the interconnection (even if the FERC would mandate the standard, not all BAs are FERC-jurisdictional)?
- Has there been an estimate made to the industry to implement the technology changes?
- Is this an automated process? If not is it intended that operators do a manual inadvertent verification and schedule calculation/entry?
- Is a central site needed to calculate adjustments?
- It appears EMS coding changes are needed. Have the costs been estimated?

Perhaps NAESB should pursue this option after providing other options and tools to encourage good control and managing inadvertent balances. Refer to our comments on Option 1.