

Standard Development Timeline

This section is maintained by the drafting team during the development of the standard and will be removed when the standard becomes effective.

Development Steps Completed

1. SAR posted for comment (July 2, 2008 through July 31, 2008).
2. Revised SAR and response to comments posted (December 1, 2008).
3. SC authorized moving the SAR forward to standard development (December 16–17, 2008).
4. SDT appointed (February 12, 2009).
5. First draft of proposed standard posted (November 10, 2009).
6. Project became inactive until February, 2013.

Description of Current Draft

This is the second draft of the proposed standard posted for stakeholder comments and an initial ballot. This draft includes the modifications based on comments submitted by stakeholders, as well as items identified in the SAR and applicable FERC directives from FERC Order 693.

| Anticipated Actions | Anticipated Date |
|---|-------------------------|
| 45-day Formal Comment Period with Parallel Initial Ballot | July 2013 |
| Recirculation ballot | October 2013 |
| BOT adoption | November 2013 |
| File standard with regulatory authorities. | December 2013 |

Effective Dates

First day of the second calendar quarter following the date this standard is approved by applicable regulatory authorities, or in those jurisdictions where regulatory approval is not required, the standard becomes effective on the first day of the second calendar quarter after the date this standard is approved by the NERC Board of Trustees.

Version History

| Version | Date | Action | Change Tracking |
|---------|------|--------|-----------------|
| 1 | TBD | | New |
| | | | |
| | | | |

Definitions of Terms Used in Standard

This section includes all newly defined or revised terms used in the proposed standard. Terms already defined in the Reliability Standards Glossary of Terms are not repeated here. New or revised definitions listed below become approved when the proposed standard is approved. When the standard becomes effective, these defined terms will be removed from the individual standard and added to the Glossary.

Request for Interchange - A collection of data as defined in the NAESB Business Practice Standards, to be submitted to the Sink Balancing Authority for the purpose of implementing bilateral Interchange between a Source and Sink Balancing Authority or within a single Balancing Authority.

Confirmed Interchange - The state where the Sink Balancing Authority has verified the Arranged Interchange.

Reliability Adjustment Arranged Interchange - Request to modify a Confirmed Interchange or Implemented Interchange for reliability purposes.

Dynamic Schedule: A time-varying energy transfer that is updated in real time and included in the Net Interchange Scheduled term in the same manner as an Interchange Schedule in the affected Balancing Authorities' control ACE equations (or alternate control processes).

Sink Balancing Authority - The Balancing Authority in which the load (sink) is located for an Interchange Transaction and the resulting Interchange Schedule.

When this standard has received ballot approval, the text boxes will be moved to the Application Guidelines Section of the Standard.

A. Introduction

1. **Title:** Interchange Initiation and Modification for Reliability
2. **Number:** INT-010-2
3. **Purpose:** To provide guidance for required actions on Confirmed Interchange or Implemented Interchange to address reliability events.
4. **Applicability:**
 - 4.1. Balancing Authority
 - 4.2. Transmission Service Provider
 - 4.3. Reliability Coordinator
5. **Background:**

This standard was revised as part of the Project 2008-12 Coordinate Interchange Standards.

- R1 is modified to eliminate the prerequisite that a Balancing Authority experience a loss of resources covered by an energy sharing agreement with respect to requirement applicability.
- R2 and R3 are modified to shift compliance from the Reliability Coordinator to the Sink Balancing Authority.
- R4 is created to ensure that Reliability Adjustment Arranged Interchanges are initiated only for reliability related reasons.
- R5 was created from INT-005-3 R1.1 describing the restricted list of entities that have approval rights on a Reliability Adjustment Arranged Interchange
- R6 was created to address the fact that when a Reliability Adjustment Arranged Interchange is approved for a Dynamic Schedule, action is required by the Balancing Authority to ensure that the data source feeding the Net Interchange value of ACE value is adjusted in accordance the MW value of the Reliability Adjustment Arranged Interchange.

B. Requirements and Measures

- R1.** Each Sink Balancing Authority shall ensure that a Request for Interchange is created within 60 minutes of the start of the energy sharing, and with a start time no more than 60 minutes beyond the start of the energy sharing for Interchange scheduled in duration of more than 60 minutes as part of an energy sharing agreement,. [*Violation Risk Factor: Lower*] [*Time Horizon: Real Time Operations*]

- M1.** The Sink Balancing Authority shall have evidence such as dated and time-stamped electronic logs or other similar evidence that when it participated in energy sharing pursuant to the subject sharing agreement lasting longer than 60 minutes, it ensured that a RFI was created within 60 minutes of the start of the energy sharing, and with a start time no more than 60 minutes beyond the start of the energy sharing. (R1)
- R2.** Each Sink Balancing Authority shall ensure that a Reliability Adjustment Arranged Interchange reflecting that modification is created within 60 minutes of the start of the modification if a Reliability Coordinator directs the modification of a Confirmed Interchange or Implemented Interchange for actual or anticipated reliability-related reasons. [*Violation Risk Factor: Lower*] [*Time Horizon: Real Time Operations*]
- M2.** The Sink Balancing Authority shall have evidence such as dated and time-stamped electronic logs or other similar evidence that a Reliability Adjustment Arranged Interchange was created within 60 minutes of the start of a modification to either a Confirmed Interchange or an Implemented Interchange that was directed by a Reliability Coordinator for actual or anticipated reliability-related reasons. (R2)
- R3.** Each Sink Balancing Authority shall ensure that a Request for Interchange is created reflecting that Interchange schedule within 60 minutes of the start of the scheduled Interchange if a Reliability Coordinator directs the scheduling of Interchange for actual or anticipated reliability-related reasons. [*Violation Risk Factor: Lower*] [*Time Horizon: Real Time Operations*]
- M3.** The Sink Balancing Authority shall have evidence such as dated and time-stamped electronic logs or other evidence that a RFI was created reflecting that Interchange schedule within 60 minutes of the start of any scheduled Interchange that was directed by a Reliability Coordinator for actual or anticipated reliability-related reasons. (R3)
- R4.** Each Reliability Coordinator, Balancing Authority or Transmission Service Provider that initiates a Reliability Adjustment Arranged Interchange must have experienced one or more of the following: [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning, Same Day Operations, Real Time Operations*]
- 4.1.** The loss or non-performance of generation supplying the Interchange.
 - 4.2.** The loss of Load served by the Interchange.
 - 4.3.** The loss of one or more Transmission Facilities.

- 4.4.** An actual or potential System Operating Limit (SOL) or Interconnection Reliability Operating Limit (IROL) exceedance.
- 4.5.** Any real-time reliability concern related to a specific Confirmed Interchange.

- M4.** Each applicable entity shall have evidence such as dated and time-stamped logs, voice recordings, electronic records, or other similar evidence that when it created a Reliability Adjustment Arranged Interchange subject to this requirement, one or more of the following were true: generation supplying the Interchange was lost or did not perform; Load being served by the Interchange was lost; one or more Transmission Facilities were lost; an actual or potential SOL or IROL exceedance was experienced; or the entity experienced a real-time reliability concern related to a specific confirmed Interchange. (R4)
- R5.** Each Sink Balancing Authority shall distribute any Reliability Adjustment Arranged Interchange only to the Source Balancing Authority for reliability assessment.
[Violation Risk Factor: Medium] [Time Horizon: Real Time Operations]
 - M5.** The Sink Balancing Authority shall have evidence such as dated and time-stamped electronic logs or other similar evidence that it distributed any Reliability Adjustment Arranged Interchange only to the Source Balancing Authority for reliability assessment. (R5)
- R6.** Each Balancing Authority involved in a Reliability Adjustment Arranged Interchange involving a Dynamic Schedule shall use agreed upon values that ensure any limit established by the Reliability Adjustment Arranged Interchange is not exceeded.
[Violation Risk Factor: Medium] [Time Horizon: Real Time Operations]
 - M6.** The Balancing Authority shall have evidence such as dated and time-stamped electronic logs or other similar evidence that following any Reliability Adjustment Arranged Interchange involving a Dynamic Schedule it used agreed upon values that ensured any limit established by the Reliability Adjustment Arranged Interchange was not exceeded. (R6)

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

Regional Entity

1.2. Evidence Retention

The Balancing Authority and Transmission Service provider shall each 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. For instances where the evidence retention period specified below is

shorter than the time since the last audit, the CEA may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.

- The Balancing Authority shall maintain evidence to show compliance with R1, R2, R3, R4, R5 and R6 for the most recent three calendar months plus the current month.
- The Reliability Coordinator and Transmission Service provider shall maintain evidence to show compliance with R4 for the most recent three calendar months plus the current month.
- If a Reliability Coordinator, Balancing Authority, or Transmission Service Provider 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 Assessment Processes:

Compliance Audits

Self-Certifications

Spot Checking

Compliance Investigation

Self-Reporting

Complaint

1.4. Additional Compliance Information

None

Table of Compliance Elements

| R # | Time Horizon | VRF | Violation Severity Levels | | | |
|-----------|----------------------|-------|--|--|---|---|
| | | | Lower VSL | Moderate VSL | High VSL | Severe VSL |
| R1 | Real Time Operations | Lower | The Sink Balancing Authority ensured that a Request for Interchange was created, and it was created more than 60 minutes, but not more than 75 minutes, following the start of the energy sharing. | The Sink Balancing Authority ensured that a Request for Interchange was created, and it was created more than 75 minutes, but not more than 90 minutes, following the start of the energy sharing. | The Sink Balancing Authority ensured that a Request for Interchange was created, and it was created more than 90 minutes, but not more than 120 minutes, following the start of the energy sharing. | The Sink Balancing Authority ensured that the Request for Interchange was created, and it was created more than 120 minutes following the start of the energy sharing. OR The Sink Balancing Authority did not ensure that a RFI was created following the start of the energy sharing. |
| R2 | Real Time Operations | Lower | N/A | N/A | N/A | The Sink Balancing Authority did not ensure that a Reliability Adjustment Arranged Interchange reflecting the modification was created within 60 minutes following the start of the modification. |
| R3 | Real Time Operations | Lower | N/A | N/A | N/A | The Sink Balancing Authority did not ensure that a RFI was created within 60 minutes following the start of the scheduled Interchange. |

Standard INT-010-2 — Interchange Initiation and Modification for Reliability

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|-----------|--|--------|-----|-----|-----|--|
| R4 | Operations Planning, Same Day Operations, Real Time Operations | Lower | N/A | N/A | N/A | The responsible entity initiated a Reliability Adjustment Arranged Interchange and did not experience one of the elements listed in Requirement R4 Parts 4.1 – 4.5. |
| R5 | Real Time Operations | Medium | N/A | N/A | N/A | The responsible entity failed to distribute any Reliability Adjustment Arranged Interchange to the Source Balancing Authority for reliability assessment. |
| R6 | Real Time Operations | Lower | N/A | N/A | N/A | The responsible entity failed to use an agreed upon value that ensured any limit established by the Reliability Adjustment Arranged Interchange involving a Dynamic Schedule is not exceeded |

D. Regional Variances

None.

E. Interpretations

None.

F. Associated Documents

None.

Application Guidelines

Guidelines and Technical Basis

Requirement R1:

Requirement R2:

Requirement R3: