

## Compliance Operations

### Draft Reliability Standard Compliance Guidance for MOD-031-1

July 3, 2013

#### **Introduction**

The NERC Compliance department (Compliance) worked with the 2010-04 Demand Data standard drafting team (SDT) to review the proposed standard MOD-031-1. The purpose of the review was to discuss the requirements of the pro forma standard to obtain an understanding of their intended purposes and necessary evidence to support compliance. The purpose of this document is to address specific questions posed by the SDT in order to aid the drafting of the requirements and provide a level of understanding regarding evidentiary support necessary to demonstrate compliance.

While all compliance evaluations require levels of auditor judgment, participating in these reviews allows Compliance to develop training and approaches to support a high level of consistency in audits conducted by the Regional Entities. The following questions should both assist the SDT in further refining the standard and serve as a tool to develop auditor training.

#### **MOD-031-1 Questions**

##### **Question 1**

In Requirement R2, will the auditor verify that the data was delivered as specified or will the auditor make a determination regarding whether the quality of the data is sufficient?

##### ***Compliance Response to Question 1***

Based on the language in the requirement and the purpose of the standard, which is to facilitate the sharing of data, the auditor should only verify that the data was delivered as specified. This standard does not specify criteria around quality, so auditors should not make any assessments in that regard.

#### **Conclusion**

Following final approval of the Reliability Standard, Compliance will develop the final Reliability Standards Auditor Worksheet (RSAW) and associated training. Attachment A represents the versions of the proposed standards requirements referenced in this document.

## Attachment A

### B. Requirements and Measures

- R1.** The Planning Coordinator or Balancing Authority may develop and issue a data request, as necessary, for the collection of Total Internal Demand, Net Energy for Loads and Demand Side Management data from applicable entities in their area. The data request shall include:  
*[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- 1.1.** A list of Transmission Planners, Balancing Authorities, Load Serving Entities and Distribution Providers that are required to provide the data (“Applicable Entities”).
  - 1.2.** A timetable for providing the data. (A minimum of 30-days must be allowed for responding to the request).
  - 1.3.** A request to provide any or all of the following actual data, as necessary:
    - 1.3.1.** Integrated hourly Total Internal Demands in megawatts for the prior year.
    - 1.3.2.** Monthly and annual peak hour actual Total Internal Demands in megawatts for the prior year.
    - 1.3.3.** Monthly and annual Net Energy for Load in gigawatthours for the prior year.
    - 1.3.4.** Annual peak hour weather normalized actual Total Internal Demand in megawatts (MW) for the prior year.
    - 1.3.5.** Monthly and annual peak hour deployed and realized Interruptible Load and Direct Control Load Management in megawatts for the prior year.
  - 1.4.** A request to provide any or all of the following forecast data, as necessary:
    - 1.4.1.** Monthly peak hour forecast Total Internal Demands in megawatts for the next two calendar years.
    - 1.4.2.** Monthly forecast Net Energy for Load in gigawatthours for the next two calendar years.
    - 1.4.3.** Peak hour forecast Total Internal Demands (summer and winter) in megawatts for ten calendar years into the future.
    - 1.4.4.** Annual forecast Net Energy for load in gigawatthours for ten calendar years into the future.
    - 1.4.5.** Forecasts of Interruptible Load and Direct Control Load Management under the control or supervision of the System Operator for up to ten calendar years into the future, as requested, for summer and winter peak system conditions.
  - 1.5.** A request to provide a summary explanation of the following, if necessary:
    - 1.5.1.** The assumptions and methods used in the development of aggregated peak Demand and Net Energy for Load forecasts.

- 1.5.2.** The Demand and energy effects of Interruptible and Direct Control Load Management under the control or supervision of the System Operator.
  - 1.5.3.** How Demand Side Management is addressed in the forecasts of its Peak Demand and annual Net Energy for Load.
  - 1.5.4.** How the peak load forecast compares to actual load for the prior calendar year with due regard to controllable load<sup>1</sup>, temperature and humidity variations and, if applicable, how the assumptions and methods for future forecasts were adjusted.
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- M1.** The Planning Coordinator or Balancing Authority shall have a dated data request, either in hardcopy or electronic format, in accordance with Requirement R1.
  - R2.** Each Applicable Entity shall provide the data requested by its Planning Coordinator or Balancing Authority in accordance with the data request issued pursuant to Requirement R1. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning ]*
  - M2.** Each Applicable Entity shall have evidence such as dated e-mails or dated transmittal letters that it provided the data requested in accordance with Requirement R2.
  - R3.** The Planning Coordinator or the Balancing Authority shall provide the data collected under Requirement R2 to the applicable Regional Entity upon request. In no event, however, shall the Planning Coordinator or the Balancing Authority be required to provide the data in less than 75 days from the date it received the data request from the Regional Entity. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning ]*
  - M3.** Each entity identified by the Regional Entity in its data request, shall have evidence such as dated e-mails or dated transmittal letters that it provided the data requested in accordance with Requirement R3.
  - R4.** Each Load Serving Entity, Planning Coordinator, Balancing Authority, Transmission Planner or Resource Planner shall, within 45 days of a written request for the data included in parts 1.3-1.5 of Requirement R1 from any other Load Serving Entity, Planning Coordinator, Balancing Authority, Transmission Planner or Resource Planner with a demonstrated reliability need for such data, provide or otherwise make available that data to the requesting entity. This requirement does not modify an entity's obligation pursuant to Requirement R2 to respond to data requests issued by its Planning Coordinator or Balancing Authority pursuant to

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<sup>1</sup> For the purpose of this standard, the term "controllable load" shall refer to both interruptible load and direct control load management as referenced in FERC Order 693 Para 1267.

Requirement R1. Unless otherwise agreed upon, the Applicable Entity is not required to:  
*[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*

- provide any data not within the scope of part 1.3-1.5 of Requirement R1;
- alter the format in which it maintains or uses the data; or
- provide data that conflicts with the Applicable Entity's confidentiality, regulatory, or security requirements.

**4.1.** If the Applicable Entity does not provide data requested under this requirement because (1) the requesting entity did not demonstrate a reliability need for the data; or (2) providing the data would conflict with the Applicable Entity's confidentiality, regulatory, or security requirements, the Applicable Entity shall provide a written response to the requesting entity specifying the data that is not being provided and on what basis.

**M4.** Each Load Serving Entity, Planning Coordinator, Balancing Authority, Transmission Planner or Resource Planner identified in Requirement R4, shall have evidence such as dated e-mails or dated transmittal letters that it provided the data requested or provided a written response specifying the data that is not being provided and the basis for not providing the data in accordance with Requirement R4.