

## Standard BAL-002-2 – Disturbance Control Performance - Contingency Reserve for Recovery from a Balancing Contingency Event

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### Standard Development Roadmap

*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. The SAR for Project 2007-18, Reliability Based Controls, was posted for a 30-day formal comment period on May 15, 2007.
2. A revised SAR for Project 2007-05, Reliability Based Controls, was posted for a second 30-day formal comment period on September 10, 2007.
3. The Standards Committee approved Project 2007-18, Reliability Based Controls, to be moved to standard drafting on December 11, 2007.
4. The SAR for Project 2007-05, Balancing Authority Controls, was posted for a 30-day formal comment period on July 3, 2007.
5. The Standards Committee approved Project 2007-05, Balancing Authority Controls, to be moved to standard drafting on January 18, 2008.
6. The Standards Committee approved the merger of Project 2007-05, Balancing Authority Controls, and Project 2007-18, Reliability-based Control, as Project 2010-14, Balancing Authority Reliability-based Controls on July 28, 2010.
7. The NERC Standards Committee approved breaking Project 2010-14, Balancing Authority Reliability-based Controls, into two phases and moving Phase 1 (Project 2010-14.1, Balancing Authority Reliability-based Controls – Reserves) into formal standards development on July 13, 2011.
8. The draft standard was posted for 30-day formal industry comment period from June 4, 2012 through July 3, 2012.
9. The draft standard was posted for 45-day formal industry comment period and initial ballot from March 12, 2013 through April 25, 2013.
10. The third draft standard was posted for 45-day formal industry comment period and successive ballot from August 2, 2013 through September 16, 2013.
11. The fourth draft standard was posted for 45-day formal industry comment period and successive ballot from October 28, 2013 through December 11, 2013.

#### Proposed Action Plan and Description of Current Draft:

This is the fifth posting of the proposed standard. This proposed draft standard will be posted for a 45-day formal comment period and 10-day successive ballot.

#### Future Development Plan:

Anticipated Actions	Anticipated Date
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1. Fifth posting	August/September 2014
2. Successive Ballot	September 2014
3. Final Ballot	October 2014
4. NERC BOT adoption.	November 2014

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### 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.*

**Balancing Contingency Event:** Any single event described in Subsections (A), (B), or (C) below, or any series of such otherwise single events, with each separated from the next by less than one minute.

- A. Sudden loss of generation:
  - a. Due to
    - i. Unit tripping,
    - ii. Loss of generator Interconnection Facility resulting in isolation of the generator from the Bulk Electric System or from the responsible entity's electric system, or
    - iii. Sudden unplanned outage of transmission Facility;
  - b. And, that causes an unexpected change to the responsible entity's ACE;
- B. Sudden loss of an import, due to forced outage of transmission equipment that causes an unexpected imbalance between generation and load on the Interconnection.
- C. Sudden restoration of a load that was used as a resource that causes an unexpected change to the responsible entity's ACE.

**Most Severe Single Contingency (MSSC):** The Balancing Contingency Event, due to a single contingency, that would result in the greatest loss (measured in MW) of resource output used by the Reserve Sharing Group (RSG) or a Balancing Authority that is not participating as a member of a RSG at the time of the event to meet firm system load and export obligation (excluding export obligation for which Contingency Reserve obligations are being met by the sink Balancing Authority).

**Reportable Balancing Contingency Event:** Any Balancing Contingency Event resulting in a loss of MW output less than or equal to the Most Severe Single Contingency, and greater than or equal to the lesser amount of: (i) 80% of the Most Severe Single Contingency, or (ii) the amount listed below for the applicable Interconnection, and occurring within a one-minute interval of the initial sudden decline in ACE based on EMS scan rate data. Prior to any given calendar quarter, the 80% threshold may be reduced by the responsible entity upon written notification to the Regional Entity.

- Eastern Interconnection - 900 MW
- Western Interconnection – 500 MW
- ERCOT – 800 MW
- Quebec – 500 MW

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**Contingency Event Recovery Period:** A period beginning at the time that the resource output begins to decline within the first one-minute interval that defines a Balancing Contingency Event, and extends for fifteen minutes thereafter.

**Contingency Reserve Restoration Period:** A period not exceeding 90 minutes following the end of the Contingency Event Recovery Period.

**Pre-Reporting Contingency Event ACE Value:** The average value of Reporting ACE, or Reserve Sharing Group Reporting ACE when applicable, in the 16 second interval immediately prior to the start of the Contingency Event Recovery Period based on EMS scan rate data.

**Reserve Sharing Group Reporting ACE:** At any given time of measurement for the applicable Reserve Sharing Group, the algebraic sum of the ACEs (or equivalent as calculated at such time of measurement) of the Balancing Authorities participating in the Reserve Sharing Group at the time of measurement.

**Contingency Reserve:** The provision of capacity that may be deployed by the Balancing Authority to respond to a Balancing Contingency Event and other contingency requirements (such as Energy Emergency Alerts ~~Level 2 or Level 3~~ as specified in the associated EOP standard). The capacity may be provided by resources such as Demand Side Management (DSM), Interruptible Load and unloaded generation.

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### A. Introduction

1. **Title:** Disturbance Control Performance - Contingency Reserve for Recovery From a Balancing Contingency Event
2. **Number:** BAL-002-2
3. **Purpose:** To ensure the Balancing Authority or Reserve Sharing Group balances resources and demand and returns the Balancing Authority's or Reserve Sharing Group's Area Control Error to defined values (subject to applicable limits) following a Reportable Balancing Contingency Event.

4. **Applicability:**

Applicability is determined on an individual Reportable Balancing Contingency Event basis, but ~~the this standard does not apply to a~~ Responsible Entity is not subject to compliance during periods when the Responsible Entity is in an Energy Emergency Alert Level under which Contingency Reserves have been activated~~2 or Level 3~~.

#### 4.1. Responsible Entity

##### 4.1.1 Balancing Authority

4.1.1.1 A Balancing Authority that is a member of a Reserve Sharing Group is the Responsible Entity only in periods during which the Balancing Authority is not in active status under the applicable agreement or governing rules for the Reserve Sharing Group.

##### 4.1.2 Reserve Sharing Group

5. **(Proposed) Effective Date:**

5.1. The first day of the first calendar quarter that is six months after the date that this standard is approved by applicable regulatory authorities or as otherwise provided for in a jurisdiction where approval by an applicable governmental authority is required for a standard to go into effect. Where approval by an applicable governmental authority is not required, the standard shall become effective on the first day of the first calendar quarter that is six months after the date the standard is adopted by the NERC Board of Trustees' or as otherwise provided for in that jurisdiction.

### B. Requirements

- R1. The Responsible Entity experiencing a Reportable Balancing Contingency Event shall, within the Contingency Event Recovery Period, demonstrate recovery by returning its Reporting ACE to at least the recovery value of: [*Violation Risk Factor: Medium*][*Time Horizon: Real-time Operations*]
  - Zero, (if its Pre-Reporting Contingency Event ACE Value was positive or equal to zero); however,

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- ~~less the sum of the magnitudes of all subsequent Balancing Contingency Events that have already occurred~~ during the Contingency Event Recovery Period, any Balancing Contingency Event that occurs shall reduce the required recovery: (i) beginning at the time of, and (ii) by the magnitude of, each individual Balancing Contingency Event, ~~and~~
  - ~~of further reduced by the magnitude of the difference between (i) the Responsible Entity's Most Severe Single Contingency (MSSC) and (ii) the sum of the magnitudes of the Reportable Balancing Contingency Event and all previous Balancing Contingency Events that have not completed their Contingency Reserve Restoration Period when the sum referenced in section (ii) of this bullet is greater than MSSC,~~
- Or,
- Its Pre-Reporting Contingency Event ACE Value, (if its Pre-Reporting Contingency Event ACE Value was negative); however,
    - ~~less the sum of the magnitudes of all subsequent Balancing Contingency Events that have already occurred~~ during the Contingency Event Recovery Period, any Balancing Contingency Event that occurs shall reduce the required recovery: (i) beginning at the time of, and (ii) by the magnitude of, each individual Balancing Contingency Event, ~~and~~
    - ~~further reduced by the magnitude of the difference between (i) the Responsible Entity's Most Severe Single Contingency (MSSC) and (ii) the sum of the magnitudes of the Reportable Balancing Contingency Event and all previous Balancing Contingency Events that have not completed their Contingency Reserve Restoration Period when the sum referenced in section (ii) of this bullet is greater than MSSC.~~
- 1.1. All Reportable Balancing Contingency Events will be documented using CR Form 1.
  - 1.2. ~~A Requirement R1 (in its entirety) does not apply when the Responsible Entity is not subject to compliance with Requirement R1 when it experiencing a Reportable Balancing Contingency Event~~ is experiencing an Energy Emergency Alert Level under which Contingency Reserves have been activated 2 or Level 3.
  - 1.3 Requirement R1 (in its entirety) does not apply ~~when the Responsible Entity experiences:~~
    - (i) when the Responsible Entity experiences a Balancing Contingency Event that exceeds its Most Severe Single Contingency, or
    - ~~(ii) Balancing Contingency Events for which the sum of the resource output loss plus the sum of Contingency Reserves lost within a~~

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~~Contingency Event Recovery Period exceeds its Most Severe Single Contingency for those events that occur within that 15 minute period, or~~

- ~~• (iii) after multiple Balancing Contingency Events for which the combined magnitude resource output loss plus the sum of Contingency Reserves lost within a Contingency Event Recovery Period whose sum exceeds the Responsible Entity's Most Severe Single Contingency within a 15 minute period for those events that occur within that 105 minute period, or~~

~~— (iv) Balancing Contingency Requirement R1 also shall not apply to subsequent events beyond the Contingency Event Recovery Period 15 minute period but within a Contingency Reserve Restoration Period 105 minutes of the first Balancing Contingency Event if the sum of the resource output loss plus the sum of Contingency Reserves lost within a Contingency Event Recovery Period events exceeds the Responsible Entity's Most Severe Single Contingency.~~

~~R2. Except during the Responsible Entity's Contingency Event Recovery Period and the Responsible Entity's Contingency Reserve Restoration Period, or during an Energy Emergency Alert Level 2 or 3 for the Responsible Entity, the Responsible Entity shall maintain an amount of Contingency Reserve, averaged over each Clock Hour, greater than or at least equal to its average Clock Hour Most Severe Single Contingency, except during periods when the Responsible Entity is in: [Violation Risk Factor: Medium] [Time Horizon: Real-time Operations]~~

- ~~• a restoration period because it has used its Contingency Reserve for Contingencies that are not Balancing Contingency Events. This required restoration begins when the Responsible Entity's Contingency Reserve falls below its MSSC and must not exceed 90 minutes; and/or~~
- ~~• a Contingency Event Recovery Period or its subsequent Contingency Reserve Restoration Period; and/or~~
- ~~• an Energy Emergency Alert Level under which Contingency Reserves have been activated 2 or 3.~~

### C. Measures

**M1.** Each Responsible Entity shall have, and provide upon request, as evidence, a CR Form 1 with date and time of occurrence to show compliance with Requirement R1, or dated documentation that demonstrates compliance with Requirement 1.2 and 1.3.

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~~and additional documentation of any Balancing Contingency Event that has not completed its Contingency Reserve Restoration Period and that is used to reduce the recovery to the amount limited by MSSC.~~

**M2.** Each Responsible Entity shall have dated documentation that demonstrates compliance its Contingency Reserve, averaged over each Clock Hour, was maintained in accordance with Requirement R2, evidence of compliance may include, but is not limited to, documenting Contingencies through outage records, an Energy Emergency Alert Level under which Contingency Reserves have been activated~~EEA 2 and 3~~ with communication from their RC, operator logs, and others.

If the recording of Contingency Reserve or MSSC is interrupted such that more than 50 percent of the samples within the clock hour are invalid data, then that clock hour is excluded from evaluation. If any portion of the Clock Hour is excluded by rule (restoration period following a Contingency which is not a Balancing Contingency Event, an Energy Emergency Alert Level under which Contingency Reserves have been activated~~EEA 2 overlap, EEA 3 overlap~~, Contingency Reserve Recovery Period overlap or Contingency Reserve Restoration Period overlap) then that Clock Hour is excluded from evaluation.

### D. Compliance

#### 1. Compliance Monitoring Process

##### 1.1. Compliance Enforcement Authority

As defined in the NERC Rules of Procedure, “Compliance Enforcement Authority” means NERC or the Regional Entity in their respective roles of monitoring and enforcing compliance with the NERC Reliability Standards.

##### 1.2. Data Retention

The following evidence retention periods identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the Compliance Enforcement Authority may ask an entity to provide other evidence to show that it was compliant for the full-time period since the last audit.

The Responsible Entity shall retain data or evidence to show compliance for the current year, plus three previous calendar years, unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation.

If a Responsible Entity is found noncompliant, it shall keep information related to the noncompliance until found compliant, or for the time period specified above, whichever is longer.

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The Compliance Enforcement Authority shall keep the last audit records and all subsequent requested and submitted records.

**1.3. Compliance Monitoring and Assessment Processes**

- Compliance Audits
- Self-Certifications
- Spot Checking
- Compliance Investigations
- Self-Reporting
- Complaints

**1.4. Additional Compliance Information**

The Responsible Entity may use Contingency Reserve for any Balancing Contingency Event and as required for any other applicable standards.

A Responsible Entity is not subject to compliance with this standard in any period during which the Responsible Entity is in an Energy Emergency Alert Level under which Contingency Reserves have been activated~~2 or Level 3~~.

**2. Violation Severity Levels**

R #	Lower VSL	Moderate VSL	High VSL	Severe VSL
R1	The Responsible Entity recovered partially from a Reportable Balancing Contingency Event during the Contingency Event Recovery Period but recovered less than 100% but more than 90% of required recovery.	The Responsible Entity recovered partially from a Reportable Balancing Contingency Event during the Contingency Event Recovery Period but recovered 90% or less but more than 80% of required recovery.	The Responsible Entity recovered partially from a Reportable Balancing Contingency Event during the Contingency Event Recovery Period but recovered 80% or less but more than 70% of required recovery.	The Responsible Entity recovered 70% or less of required recovery during the Contingency Event Recovery Period.
R2	The Responsible Entity had Contingency Reserve but the	The Responsible Entity had Contingency Reserve but the	The Responsible Entity had Contingency Reserve but the	The Responsible Entity did not have Contingency

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	<u>Clock Hour average</u> amount of Contingency Reserve was less than 100% of MSSC but was greater than or equal to 90% of MSSC as averaged over the Clock Hour.	<u>Clock Hour average</u> amount of Contingency Reserve was less than 90% of MSSC but was greater than or equal to 80% of MSSC as averaged over the Clock Hour.	<u>Clock Hour average</u> amount of Contingency Reserve was less than 80% of MSSC but was greater than or equal to 70% of MSSC as averaged over the Clock Hour.	Reserve that was equal to or greater than 70% of MSSC averaged over the Clock Hour.
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**E. Regional Variances**

None.

**F. Associated Documents**

BAL-002-2 Contingency Reserve for Recovery from a Balancing Contingency Event  
Background Document

CR Form 1

**Version History**

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
0	August 8, 2005	Removed "Proposed" from Effective Date	Errata
0	February 14, 2006	Revised graph on page 3, "10 min." to "Recovery time." Removed fourth bullet.	Errata
2		NERC BOT Adoption	Complete revision