

Meeting Notes

Project 2017-01 Modifications to BAL-003 - Phase II

August 1, 2025 | 10:00 a.m. – 12:00 p.m. Eastern

WebEx

Administrative

1. Introductions

The meeting was brought to order by the Chair, David Lemmons at 10:01 a.m. Eastern on August 1, 2025. The Chair provided the Drafting Team (DT) with opening remarks and welcomed members and guests.

2. Determination of Quorum

The rule for NERC DT states that a quorum requires two-thirds of the voting members of the DT. Quorum was achieved as 5 of the 6 members were present for the meeting. See Attachment 1 for those in attendance.

3. NERC Antitrust Compliance Guidelines and Public Announcement

NERC Antitrust Compliance Guidelines and public announcement were reviewed by Michael Gabor. There were no questions raised.

4. Project and Administrative Updates

- a. Developer provided an update on the solicitation of nominations to supplement the DT. NERC staff to return to the Standards Committee on August 20, 2025, to request appointment of DT members.
- b. Developer provided an update on the recent DT leadership and NERC staff meeting, during which comments submitted by an observer were discussed. In addition, proposed R1 changes and the SAR's scope were assessed, and the proposed changes appear to fall within the SAR's scope. The key is to provide technical rationale justifying what approach the DT ultimately proposes.
- c. Developer provided an update on the project's timeline, which tentatively targets posting Draft 3 by the end of 2025. Several items still need to be completed, shifting the timeline. Developer to present an updated project timeline at a future meeting.

Agenda Items

1. Review Event Selections from Quarter 2 of 2025

- a. DT member G. Park provided a summary of the July 2025 Resources Subcommittee (RS) event selection discussion from quarter 2 of 2025. Battery energy storage systems (BESS) are thought to be causing positive impact to Frequency Response. New resources may potentially contribute to inequities between BAs with and without BESS. DT discussed whether BAL-003 will need to consider “over-performance,” how to handle it, and whether is an issue of allocation, as BAL-003 will need to ensure equitable allocation. DT discussed certain BESS characteristics, as they are not always active, considering their charge and discharge cycling. DT member noted that the Western Interconnection does not have enough data to conduct an analysis, and the RS is considering a data request on recent events. DT discussed need to make an investigative, Rules of Procedure (ROP) Appendix 3A voluntary data request and to get consensus from industry for the proposed Requirement R1 (planning requirements).
- b. DT action: The motion listed below was made by DT member G. Park, and seconded by DT member T. Pruitt. See Attachment 1 for DT member votes. DT approved the motion with no oppositions and no abstentions.
 - i. Motion: Informally request data from Balancing Authorities in the Western Interconnection on frequency response events, for the last four quarters (ending May 31, 2025), that do not meet the current BAL-003 selection criteria, due to recovery to the scheduled frequency within the recovery period (20-52 seconds after the event). Request voluntary completion of Form 1 and / or 2 for selected events.

2. Proposed BAL-003-3 Draft 3

- a. Review and discuss proposed Requirement R5 (Governor performance requirement).
 - i. Draft 3 Requirement R5 was proposed using Draft 2 Requirement R5, as a starting point. It requires Generator Operators to operate in speed and frequency control. It was intended to apply to all generators, not just traditional generators. DT considered some of the major comments submitted during the Draft 2 formal comment and ballot period from May 23 – June 1, 2023, including concerns with perceived headroom and dispatch requirements (which R5 does not require) and suggestions to remove Requirement R5 part 5.1. DT emphasized that this requirement does not expect more than what is indicated and will strive to provide improved communication of R5’s intent through an expanded Technical Rational discussion, an industry webinar, and engagement with industry stakeholder groups. Manitoba Hydro inquired whether the DT intends R5 to apply to generators using a synchronous link, as they have generators connected by asynchronous DC ties (3 Bipoles)? DT noted their question and will consider any needed clarification, etc. within R5.
- b. Review and discuss proposed Requirement R6 (Governor setting requirement).

- i. DT to discuss at a future DT meeting.

3. Discuss Bias Calculation Methodology

- a. DT to discuss at a future DT meeting.

4. Next Steps

- a. Developer to prepare data request.
- b. DT members to continue drafting Technical Rationale, which will be discussed at a future DT meeting.
- c. Project is tentatively scheduled to post for a 45-day formal comment and additional ballot by late-2025.

5. Adjourn

The meeting adjourned at 12:02 p.m. Eastern by consent.

Parking Lot

Topic	Due Date
Solicit nominations and seat additional DT members.	Late-August 2025
Conduct DT’s request to collect informal BA data on frequency response events that do not meet current BAL-003 selection criteria.	In Progress
Discuss bias calculation methodology.	September 30, 2025
Scope data needs and request method (Section 1600 data request or via RS). Also, revisit whether to keep the Attachment A “Single Event Frequency Response Data” section.	October 31, 2025
Have future discussion on whether to define and include in the NERC Glossary of Terms droop, deadband, maximum delta frequency, and any other terms.	October 31, 2025
Develop a list of deliverables for Phase II.	October 31, 2025
Coordinate ERO procedure and proposed BAL-003-3 updates.	October 31, 2025

Attachment 1

Name	Company	Member/ Observer	Attendance (Y/N)	Vote (Y/N)
David Lemmons	Greybeard Compliance Services	Chair	Y	Y
Rich Hydzik	Avista	Vice Chair	Y	Y
Thomas Pruitt	Duke Energy (Retired)	Member	Y	Y
Greg Park	WECC	Member	Y	Y
Daniel Baker	Southwest Power Pool	Member	Y (first part of meeting)	Not present
Antonio Franco	Gridforce	Member	N	Not present
Michael Gabor	NERC	Developer	Y	
Laura Anderson	NERC	Developer	N	
Pamela Hunter	Southern Company	PMOS Liaison	N	