Standard Development Timeline

This section is maintained by the drafting team during the development of the standard and will be removed when the standard is adopted by the NERC Board of Trustees (Board).

Description of Current Draft

Draft 3 of BAL-007-1 is posted for a 45-day formal comment period with additional ballot.

Completed Actions	Date
Standards Committee approved Standard Authorization Request (SAR) for posting	June 15, 2022
SAR posted for comment	June 22, 2022 – July 21, 2022
45-day formal comment period with initial ballot	January 25, 2024 – March 11, 2024
45-day formal comment period with additional ballot	May 7 – June 20, 2024

Anticipated Actions	Date
45-day formal or informal comment period with additional ballot	September 19 – November 4, 2024
10-day final ballot	December 2 – 11, 2024
Board adoption	December 13, 2024

New or Modified Term(s) Used in NERC Reliability Standards

This section includes all new or modified terms used in the proposed standard that will be included in the *Glossary of Terms Used in NERC Reliability Standards* upon applicable regulatory approval. Terms used in the proposed standard that are already defined and are not being modified can be found in the *Glossary of Terms Used in NERC Reliability Standards*. The new or revised terms listed below will be presented for approval with the proposed standard. Upon Board adoption, this section will be removed.

Term(s):

Energy Reliability Assessment (ERA) – ~~Evaluation~~Assessment of the resources necessary to reliably supply the Electrical Energy required to serve Demand and to provide Operating Reserves for the Bulk Power System throughout the associated ~~evaluation~~assessment period.

Near-Term Energy Reliability Assessment – An Energy Reliability Assessment with an assessment period that begins no later than two days after the operating day and has a minimum duration of five days and a maximum duration of six weeks.

A. Introduction

1. **Title:** Near-term Energy Reliability Assessments

2. **Number:** BAL-007-1

3. **Purpose:** To ~~the risks associated with~~assess, report, and plan to address forecasted Energy Emergencies in the near-term time horizon.
~~time horizon and take appropriate actions to address identified risk. As the Bulk Power System becomes more reliant upon energy constrained and variable resources, traditional capacity based planning methods and strategies might not identify energy related risks to reliable System operation.~~

4. **Applicability:**

   4.1. Functional Entities:

   4.1.1. Balancing Authority

   ~~**4.1.2.** Reliability Coordinator~~

5. **Effective Date:** See Implementation Plan for BAL-007-1.

B. Requirements and Measures

R1. Each Balancing Authority shall, individually or jointly with other Balancing Authorities, document ~~and maintain~~ a process for conducting Near-Term Energy Reliability Assessments (ERA~~) for the near-term time horizon.~~). *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*

~~**1.1.** The near-term ERA must have a duration between five days and six weeks and begin no later than two days after the present operating day.~~

~~**1.2.** The frequency of near-term ERA must be at intervals that ensure all time periods are covered by a near-term ERA.~~

~~**1.3.**~~**1.1.** ~~The~~Near-Term ERA process ~~for near-term ERAs must~~shall account for ~~the following~~:

~~**1.3.1.**~~**1.1.1.** Forecasted or assumed Demand profiles;

1.1.2. Resource capabilities and ~~operations~~operational limitations, including ~~depletion of~~ fuel~~, variable energy resources (e.g., wind, solar, and hydro), energy~~ supply;

~~**1.3.2.**~~**1.1.3.** Energy transfers ~~between neighboring~~with other Balancing Authorities~~, and electric storage~~; and

~~**1.3.3.**~~**1.1.4.** Known Bulk Electric System (BES) Transmission constraints that limit the ability of generation to deliver their output to ~~load~~Load.

1.2. The Near-Term ERA process ~~for near-term ERAs~~ shall ~~include~~specify the ~~rationale for each~~duration of the ~~elements~~Balancing Authority's Near-Term ERAs.

1.3. The Near-Term ERA process shall specify the frequency at which the Balancing Authority will conduct Near-Term ERAs, subject to the following:

1.3.1. Each Balancing Authority will conduct Near-Term ERAs for all time periods unless the Balancing Authority demonstrates, via a documented methodology, that a Near-Term ERA is not necessary for a specified time period(s) because there is a low risk of an Energy Emergency occurring during that specified time period(s).

~~**1.3.4.**~~**1.3.2.** The documented methodology for identifying time periods for which the Balancing Authority will not conduct a Near-Term ERA must (i) define the criteria used to determine when there is a low risk of an Energy Emergency occurring, and (ii) account for the items listed in ~~Parts 1.1 through 1.3~~1.1.1 – 1.1.4 and other conditions associated with Energy Emergencies.

M1. Each Balancing Authority shall have evidence that it documented ~~and maintained~~ a process for conducting ~~near-term~~Near-Term ERAs in accordance with Requirement R1.

R2. Each Balancing Authority shall, individually or jointly with other Balancing Authorities, document ~~and maintain~~ a set of Scenarios, or a method ~~of Scenario creation~~for developing Scenarios, for use in performing ~~near-term ERAs. Each Scenario or method shall vary one or more of the following conditions by a sufficient amount to stress the system within a range of credible situations. Include a rationale for the Scenarios or method identified.~~Near-Term ERAs. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*

2.1. ~~Forecasted~~The set of Scenarios must include (i) a base Scenario with expected system conditions, and (ii) other Scenarios that stress the system due to the following conditions, as applicable to the Balancing Authority's system:

2.1.1. Higher than forecasted or assumed Demand profiles~~.~~;

~~**2.2.** Resource capabilities and operations, including the following:~~

~~**2.2.1.**~~**2.1.2.** The effects of ~~a credible~~an energy supply contingency;

~~**2.2.2.**~~**2.1.3.** The effects of a ~~credible~~ fuel supply contingency; and

~~**2.2.3.** Unplanned generator outages.~~

~~**2.2.4.**~~**2.1.4.** Other ~~Scenarios with a credible or~~stressed conditions that have a historical ~~risk~~precedent of occurring, as defined by the Balancing Authority, based on the best information available at the time of Scenario ~~creation~~development.

~~**M2.** Each Balancing Authority shall have evidence that Scenarios or methods were developed and maintained along with a documented rationale in accordance with Requirement R2.~~

M2. Each Balancing Authority shall document ~~and maintain~~the rationale for the Scenarios, or the method of developing Scenarios, for use in performing Near-Term ERAs.

R3. Each Balancing Authority shall, individually or jointly with other Balancing Authorities, document one or more Operating Plan(s) to ~~minimize forecasted Energy Emergencies as identified~~implement in ~~the near-term ERA~~response to forecasted Energy Emergencies, including provisions for ~~notifying the~~notification to their Reliability Coordinator of the forecasted Energy Emergency and the Operating Plan(s). *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*

M3. Each Balancing Authority shall have evidence that it documented ~~and maintained~~ its Operating Plan(s) in accordance with Requirement R3.

~~**M4.** The Balancing Authority shall review and update, if necessary, its near-term ERA process, Scenarios or methods, and Operating Plan(s) documented under Requirements R1 through R3 at least once every 24 calendar months.~~ Each Balancing Authority shall ~~have evidence that it reviewed and updated, if necessary, its near-term~~

~~ERA process, Scenarios or methods, and Operating Plan(s), in accordance with Requirement R4.~~

~~**R4.** Each Balancing Authority shall provide its near-term ERA process, Scenarios or methods, and Operating Plan(s) documented under Requirements R1 through R3 to the Reliability Coordinator at least once every 24 calendar months, on a mutually agreed schedule. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*~~

~~**M5.** Each Balancing Authority shall have evidence it provided its near-term ERA process, Scenarios, or methods, and Operating Plan(s) documented under Requirement R1 through R3 to its Reliability Coordinator at least once every 24 calendar months, on a mutually agreed schedule, in accordance with Requirement R5.~~

~~**R5.** Within 60 calendar days of receipt of the information identified in Requirement R5, the Reliability Coordinator shall: *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*~~

- ~~**5.1.** Review each submittal for coordination~~, individually or jointly with other Balancing ~~Authorities' ERA information to avoid risks to Wide Area reliability; and~~
- ~~**5.2.** Notify each Balancing Authority of the results of its review and if revisions are needed to address reliability risks.~~

~~**M6.** Each Reliability Coordinator shall have evidence that it reviewed each submittal and notified each Balancing Authority of the results of the review in accordance with Requirement R6.~~

~~**R6.** Within 60 calendar days of receipt of the Reliability Coordinator's notice under Requirement R6, each Balancing Authority shall address any reliability risks identified by its Reliability Coordinator and resubmit the updated information required in Requirement R4 to its Reliability Coordinator. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*~~

~~**M7.** Each Balancing Authority shall have evidence that it addressed any reliability risks identified by its Reliability Coordinator and resubmitted updated information to its Reliability Coordinator in accordance with Requirement R7.~~

~~R7.~~R4. ~~Each Balancing Authority shall~~Authorities, perform ~~near-term~~Near-Term ERAs according to the process documented in Requirement R1 using the Scenarios or methods documented in Requirement R2. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*

~~M8.~~M4. Each Balancing Authority shall have evidence that it performed the ~~near-term ERA~~Near-Term ERAs in accordance with Requirement ~~R8.~~R4.

~~R8.~~R5. ~~If a near-term ERA identifies any of the following forecasted Energy Emergencies listed below, the~~Each Balancing Authority shall, individually or jointly with other

Balancing Authorities, implement ~~an~~its Operating Plan(s), as documented in Requirement R3~~.~~, when Near-Term ERAs identify any of the following forecasted Energy Emergencies: *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*

- ~~Forecasted EEA1 circumstances as defined in EOP-011 Attachment 1 Section B~~
- Forecasted EEA2 circumstances as defined in EOP-011 Attachment 1 Section B; or
- Forecasted EEA3 circumstances as defined in EOP-011 Attachment 1 Section B.

~~M9.~~M5. Each Balancing Authority shall have evidence that it has implemented an Operating Plan(s) in accordance with Requirement ~~R9~~R5.

~~R9.~~R6. Each ~~Reliability Coordinator, within 24 hours of receiving a notification that a~~ Balancing Authority ~~within its footprint has implemented an Operating Plan pursuant to Requirement R8,~~ shall ~~notify~~, individually or jointly with other Balancing Authorities, review, update, as necessary, and ~~Transmission Operators in its~~ provide to the applicable Reliability Coordinator ~~Area~~its Near-term ERA process, Scenarios or methods, and ~~neighboring Reliability Coordinators of the forecasted condition~~Operating Plan(s), documented under Requirements R1 through R3, at least once every 24 calendar months. *[Violation Risk Factor: Low] [Time Horizon: Operations Planning]*

~~R10.~~ ~~and the~~Each Balancing ~~Authority's Operating Plan(s). [Violation Risk Factor: Medium] [Time Horizon: Operations Planning]~~

~~M10.~~M6. ~~Each Reliability Coordinator~~Authority shall have evidence ~~demonstrating~~ that it ~~communicated, within 24 hours from the time of receiving notice of implementation of a Balancing Authority's Operating Plan, with the other Balancing Authorities~~reviewed and documented its Near-term ERA process, Scenarios or methods, and ~~Transmission Operators in~~Operating Plan(s) to its Reliability Coordinator ~~area, and neighboring Reliability Coordinators~~, in accordance with Requirement ~~R10~~R6.

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority: "Compliance Enforcement Authority" means NERC or the Regional Entity, or any entity as otherwise designated by an Applicable Governmental Authority, in their respective roles of monitoring and/or enforcing compliance with mandatory and enforceable Reliability Standards in their respective jurisdictions.

1.2. Evidence Retention: The following evidence retention period(s) 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 applicable entity shall 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.

- The Balancing Authority ~~and Reliability Coordinator~~ shall keep data or evidence to show compliance with applicable requirements for six months for ~~near-term time horizon~~Near-Term ERAs or since the last audit.

1.3. Compliance Monitoring and Enforcement Program: As defined in the NERC Rules of Procedure, "Compliance Monitoring and Enforcement Program" refers to the identification of the processes that will be used to evaluate data or information for the purpose of assessing performance or outcomes with the associated Reliability Standard.

Violation Severity Levels

R #	Violation Severity Levels			
	Lower VSL	Moderate VSL	High VSL	Severe VSL
R1.	N/A	The Balancing Authority documented an Energy Reliability Assessment process for the ~~near-term time horizon~~Near-Term ERAs but did not account for ~~one of~~ the elements in Requirement R1 Part 1.1 ~~through~~or Part 1.~~3~~2. ~~OR~~ ~~The Balancing Authority documented a Reliability Coordinator-reviewed Energy Reliability Assessment process for the near-term time horizon accounting for each of the elements in Requirement R1 Parts 1.1 through 1.3 but failed to maintain it.~~	The Balancing Authority documented an Energy Reliability Assessment process for the ~~near-term time horizon~~Near-Term ERAs but did not account for ~~two or more of~~ the elements in Requirement R1 Part 1.1 through Part 1.~~3~~2. OR The Balancing Authority documented an Energy Reliability Assessment process for the ~~near-term time horizon~~Near-Term ERAs but did not ~~provide a rationale~~account for one of the elements in ~~accordance with~~ Requirement R1 Part 1.~~4.~~ 3.	The Balancing Authority failed to document an Energy Reliability Assessment process for the ~~near-term time horizon~~Near-Term ERAs. OR The Balancing Authority documented an Energy Reliability Assessment process for the Near-Term ERAs but did not account for any of the elements in Requirement R1 Part 1.3.
R2.	~~N/A~~The Balancing Authority documented a set of Scenarios or a method of Scenario creation but did not include one of the conditions listed in Requirement R2 Part 2.1.	~~The Balancing Authority documented a set of Scenarios or a method of Scenario creation but did not maintain it.~~ ~~OR~~	The Balancing Authority documented a set of Scenarios or a method of Scenario creation but did not ~~vary conditions by a sufficient amount to stress the system or~~	The Balancing Authority documented a set of Scenarios or a method of Scenario creation but did not include any of the conditions listed in Requirement R2 Part 2.1.

		The Balancing Authority documented a set of Scenarios or a method of Scenario creation but did not include ~~a rationale for the Scenarios or method identified.~~two of the conditions listed in Requirement R2 Part 2.1.	~~include all~~include three of the conditions listed in Requirement R2 ~~Parts~~Part 2.1 ~~through 2.3~~.	OR The Balancing Authority failed to document a set of Scenarios or a method of Scenario creation for use in performing ~~near-term~~Near-Term ERAs.
R3.	N/A	N/A	The Balancing Authority documented ~~and maintained~~ an Operating Plan(s) to ~~minimize~~implement in response to forecasted Energy Emergencies as identified in the ~~near-term ERA~~Near-Term ERAs but failed to include provisions for notification to the Reliability Coordinator.	The Balancing Authority failed to document an Operating Plan(s) to ~~minimize~~implement in response to forecasted Energy Emergencies as identified in the ~~near-term ERA~~Near-Term ERAs.
~~**R4.**~~	~~N/A~~	~~N/A~~	~~The Balancing Authority reviewed information that contained the near-term ERA process, the ERA scenarios or methods, and Operating Plan(s) but failed to update within 24 months.~~	~~The Balancing Authority failed to review and update, if necessary, information that contained the near-term ERA process, the ERA scenarios or methods, and Operating Plan(s) to the Reliability Coordinator.~~
~~**R5.**~~	~~N/A~~	~~N/A~~	~~The Balancing Authority submitted information that contained the near-term ERA~~	~~The Balancing Authority failed to submit information that contained the near-term ERA~~

			~~process, the ERA scenarios, and Operating Plan(s) but failed to submit to the Reliability Coordinator within 24 months, on a mutually agreed-upon schedule.~~	~~process, the ERA scenarios, and Operating Plan(s) to the Reliability Coordinator.~~
~~**R6.**~~	~~N/A~~	~~The Reliability Coordinator reviewed each submittal for coordination with other Balancing Authorities' near-term ERA information to understand potential reliability risks to Wide Area reliability but notified one or more Balancing Authority of the results of its review in a time period that was longer than 60 calendar days but less than 90 calendar days.~~	~~The Reliability Coordinator reviewed each submittal for coordination with other Balancing Authorities' near-term ERA information to understand potential reliability risks to Wide Area reliability but notified one or more Balancing Authority of the results of its review in a time period that was longer than 90 calendar days but less than 120 calendar days.~~	~~The Reliability Coordinator reviewed each submittal for coordination with other Balancing Authorities' near-term ERA information to understand potential reliability risks to Wide Area reliability but failed to notify each Balancing Authority of the results of its review within 120 calendar days.~~
~~**R7.**~~	~~N/A~~	~~N/A~~	~~The Balancing Authority addressed any reliability risks identified by its Reliability Coordinator but failed to resubmit the updated information within 60 calendar days following receipt.~~	~~The Balancing Authority failed to address any reliability risks identified by its Reliability Coordinator.~~ ~~OR~~ ~~The Balancing Authority failed to resubmit the updated information required in Requirement R4 to its Reliability Coordinator.~~
~~**R8.**~~ **R4.**	N/A	N/A	N/A	The Balancing Authority failed to perform a ~~near-term~~Near-

				Term ERA in accordance with its process documented in Requirement R1 using the Scenarios or methods documented in Requirement R2.
~~R9.~~ R5.	N/A	N/A	N/A	The Balancing Authority failed to implement an Operating Plan(s) when a ~~near-term~~Near-Term ERA identified any of the forecasted conditions in Requirement ~~R8~~R5.
~~R10.~~R6.	~~The Reliability Coordinator received a notification that a Balancing Authority within its footprint has implemented an Operating Plan pursuant to Requirement R9 but notified one or more Balancing Authorities or Transmission Operators in its Reliability Coordinator Area, or neighboring Reliability Coordinators between 24-25 hours of receiving notification.~~N/A	~~The Reliability Coordinator received a notification that a Balancing Authority within its footprint has implemented an Operating Plan pursuant to Requirement R9 but notified one or more Balancing Authorities or Transmission Operators in its Reliability Coordinator Area, or neighboring Reliability Coordinators between 25-26 hours of receiving notification.~~N/A	~~The Reliability Coordinator received a notification that a Balancing Authority within its footprint has implemented an Operating Plan pursuant to Requirement R9 but notified one or more Balancing Authorities or Transmission Operators in its Reliability Coordinator Area, or neighboring Reliability Coordinators between 26-27 hours of receiving notification.~~The Balancing Authority reviewed information that contained the Near-Term ERAs process, the ERA Scenarios or methods, and Operating Plan(s) but	~~The Reliability Coordinator received a notification that a Balancing Authority within its footprint has implemented an Operating Plan pursuant to Requirement R8 but failed to notify one or more Balancing Authorities or Transmission Operators in its Reliability Coordinator Area, or neighboring Reliability Coordinators within 27 hours or more of receiving notification.~~The Balancing Authority failed to review and update information that contained the Near-Term ERAs process, the ERA Scenarios or methods, and Operating

			failed to update within 24 months.	Plan(s) to the Reliability Coordinator.

D. Regional Variances

None.

E. Associated Documents

- Implementation Plan
- NERC Project 2022-03 Technical Rationale
- NERC Project 2022-03 Project Page

Version History

Version	Date	Action	Change Tracking
1	TBD	NERC Project 2022-03 energy assurance new standard.	New