A. Introduction

1. Title: **Inadvertent Interchange**

2. Number: BAL-006-1

3. Purpose:

This standard defines a process for monitoring Balancing Authorities to ensure that, over the long term, Balancing Authority Areas do not excessively depend on other Balancing Authority Areas in the Interconnection for meeting their demand or Interchange obligations.

4. Applicability:

4.1. Balancing Authorities.

5. **Effective Date:** May 1, 2006

B. Requirements

R1. Each Balancing Authority shall calculate and record hourly Inadvertent Interchange.

R2. Each Balancing Authority shall include all AC tie lines that connect to its Adjacent Balancing Authority Areas in its Inadvertent Interchange account. The Balancing Authority shall take into account interchange served by jointly owned generators.

R3. Each Balancing Authority shall ensure all of its Balancing Authority Area interconnection points are equipped with common megawatt-hour meters, with readings provided hourly to the control centers of Adjacent Balancing Authorities.

R4. Adjacent Balancing Authority Areas shall operate to a common Net Interchange Schedule and Actual Net Interchange value and shall record these hourly quantities, with like values but opposite sign. Each Balancing Authority shall compute its Inadvertent Interchange based on the following:

R4.1. Each Balancing Authority, by the end of the next business day, shall agree with its Adjacent Balancing Authorities to:

R4.1.1. The hourly values of Net Interchange Schedule.

R4.1.2. The hourly integrated megawatt-hour values of Net Actual Interchange.

R4.2. Each Balancing Authority shall use the agreed-to daily and monthly accounting data to compile its monthly accumulated Inadvertent Interchange for the On-Peak and Off-Peak hours of the month.

R4.3. A Balancing Authority shall make after-the-fact corrections to the agreed-to daily and monthly accounting data only as needed to reflect actual operating conditions (e.g. a meter being used for control was sending bad data). Changes or corrections based on non-reliability considerations shall not be reflected in the Balancing Authority's Inadvertent Interchange. After-the-fact corrections to scheduled or actual values will not be accepted without agreement of the Adjacent Balancing Authority(ies).

R5. Adjacent Balancing Authorities that cannot mutually agree upon their respective Net Actual Interchange or Net Scheduled Interchange quantities by the 15th calendar day of the following month shall, for the purposes of dispute resolution, submit a report to their respective Regional Reliability Organization Survey Contact. The report shall describe the nature and the cause of the dispute as well as a process for correcting the discrepancy.

C. Measures

None specified.

D. Compliance

1. Compliance Monitoring Process

1.1. Each Balancing Authority shall submit a monthly summary of Inadvertent Interchange. These summaries shall not include any after-the-fact changes that were not agreed to by the Source Balancing Authority, Sink Balancing Authority and all Intermediate Balancing Authority(ies).

1.2. Inadvertent Interchange summaries shall include at least the previous accumulation, net accumulation for the month, and final net accumulation, for both the On-Peak and Off-Peak periods.

1.3. Each Balancing Authority shall submit its monthly summary report to its Regional Reliability Organization Survey Contact by the 15th calendar day of the following month.

1.4. Each Balancing Authority shall perform an Area Interchange Error (AIE) Survey as requested by the NERC Operating Committee to determine the Balancing Authority's Interchange error(s) due to equipment failures or improper scheduling operations, or improper AGC performance.

1.5. Each Regional Reliability Organization shall prepare a monthly Inadvertent Interchange summary to monitor the Balancing Authorities' monthly Inadvertent Interchange and all-time accumulated Inadvertent Interchange. Each Regional Reliability Organization shall submit a monthly accounting to NERC by the 22nd day following the end of the month being summarized.

2. Levels of Non Compliance

A Balancing Authority that neither submits a report to the Regional Reliability Organization Survey Contact, nor supplies a reason for not submitting the required data, by the 20th calendar day of the following month shall be considered non-compliant.

E. Regional Differences

1. MISO RTO Inadvertent Interchange Accounting Waiver approved by the Operating Committee on March 25, 2004. This regional difference will be extended to include SPP effective May 1, 2006.

Version History

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
0	August 8, 2005	Removed "Proposed" from Effective Date	Errata
1	April 6, 2006	Added following to "Effective Date:" and footer This standard will expire for one year beyond the effective date or when replaced by a new version of BAL-006, whichever comes first.	Errata
1	May 2, 2006	Adopted by Board of Trustees	Revised
1	May 9, 2007	Removed "This standard will expire for one year beyond the effective date or when replaced by a new version of BAL-006, whichever comes first." From the "Effective Date." and footer.	Correction