

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Revisions to Emergency Operations)	
Reliability Standards; Revisions to)	Docket Nos. RM15-7-000
Undervoltage Load Shedding Reliability)	RM15-12-000
Standards; Revisions to the Definition)	RM15-13-000
of “Remedial Action Scheme” and)	
Related Reliability Standards)	

COMMENTS OF PEAK RELIABILITY

Peak Reliability (“Peak”) hereby submits its comments on the Notice of Proposed Rulemaking (“NOPR”) proposing to approve Reliability Standards EOP-011-1 (Emergency Operations) and PRC-010-1 (Undervoltage Load Shedding), the revised definition of the term “Remedial Action Scheme,” and modifications of specified Reliability Standards to incorporate the revised definitions, issued by the Federal Energy Regulatory Commission (“Commission”) in the above-captioned dockets on June 18, 2015.¹ Peak supports the Commission’s proposal to approve these revisions, subject to certain clarifications as set forth below.

Peak is the Reliability Coordinator (“RC”) for the Western Interconnection. Peak was formed as a result of the bifurcation of the Western Electricity Coordinating Council (“WECC”) into a Regional Entity (WECC) and a Regional Coordinator (Peak). The bifurcation of WECC received final approval from the Commission on February 12,

¹ *Revisions to Emergency Operations Reliability Standards; Revisions to Undervoltage Load Shedding Reliability Standards; Revisions to the Definition of “Remedial Action Scheme” and Related Reliability Standards*, Notice of Proposed Rulemaking, 151 FERC ¶ 61,230, 80 Fed.Reg. 36293 (June 24, 2015).

2014.² Peak, a company wholly independent of WECC, performs the Reliability Coordinator function in its RC Area in the Western Interconnection.

Peak provides situational awareness, analysis and coordination services to ensure reliable operation of the Bulk Electric System for its Reliability Coordinator area, which spans approximately 1.6 million square miles, from British Columbia to Northern Mexico and includes all or portions of the 14 Western states between. In concert with the Balancing Authorities and Transmission Operators, Peak works to ensure that the Bulk Electric System is operated within specified limits, and that system conditions are stable within its RC area.

I. BACKGROUND

The Notice of Proposed Rulemaking addresses three separate NERC petitions for approval of proposed Reliability Standards. First, on December 29, 2014 in Docket No. RM15-7-000, the North American Electric Reliability Corporation (“NERC”) submitted a petition seeking Commission approval of proposed Reliability Standard EOP-011-1 and a revised definition of “Energy Emergency.” As NERC explains, proposed Reliability Standard EOP-011-1 consolidates the requirements found in three existing EOP Reliability Standards and seeks to clarify the critical requirement for Emergency Operations and ensure strong communication and coordination across functional entities,

² *North American Electric Reliability Corp.*, 145 FERC ¶ 61,202 (2013), *order on compliance*, 146 FERC ¶ 61,092, at ordering para. (C), *reh’g denied*, 147 FERC ¶ 61,064 (2014).

satisfying several directives from Commission Order No. 693.³ NERC also proposes to retire Reliability Standards EOP-001-2.1b, EOP-002-3.1 and EOP-003-2.

Second, on February 6, 2015 in Docket No. RM15-12-000, NERC submitted a petition seeking approval of proposed Reliability Standard PRC-010-1, approval of a revised definition of Undervoltage Load Shedding (“UVLS”) Program for inclusion in the NERC Glossary, the implementation plan for the proposed Reliability Standard and the associated violation risk factors and violation severity levels, and retirement of four PRC Reliability Standards. NERC has proposed the revisions to Reliability Standard PRC-010-1 to provide a single, comprehensive standard to addresses the reliability principles outlined in four currently-effective UVLS-related Reliability Standards, and establish an integrated and coordinated approach to the design, evaluation, and reliable operation of UVLS Programs in response to an outstanding Commission Order No. 693 directive⁴ and recommendations from the 2003 Blackout Report.⁵

Finally, on February 3, 2015 in Docket No. RM15-13-000, NERC submitted a petition seeking approval of a proposed revised definition of “Remedial Action Scheme” in the NERC Glossary, as well as approval of modified Reliability Standards that incorporate this new definition. NERC also proposed to eliminate use of the term Special Protection System to improve clarity and consistency in the Standards, as the defined

³ *Mandatory Reliability Standards for the Bulk-Power System*, Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 1509, *order on reh’g*, Order No. 693-A, 120 FERC ¶ 61,053 (2007).

⁴ Order No. 693 at P 1509.

⁵ U.S.-Canada Power System Outage Task Force, *Final Report on the August 14, 2003 Blackout in the United States and Canada: Causes and Recommendations*, April 2004, at 3, 158.

terms Special Protection System and Remedial Action Scheme are currently used interchangeably throughout the NERC Regions and in various Reliability Standards.

On June 18, 2015, the Commission issued the Notice of Proposed Rulemaking, jointly addressing the three filings, proposing to approve the revised Reliability Standards and definitions which are intended to consolidate, streamline and clarify the existing requirements in the EOP and PRC standards. The Commission, however, seeks comments to address several issues of concern with the proposed revisions.

II. COMMENTS

Peak, as the RC for the West, will be directly affected by the implementation of the pending Reliability Standards. As further discussed below, Peak provides comments on two aspects of the proposed Reliability Standards to request additional clarity in the requirements that will be put in place with the approval of the Standards. First, Peak is concerned with the scheduling and the scope of the RC review of Operating Plans, as required in proposed Reliability Standard EOP-011-1. Peak proposes certain remedies to reduce the RC burden under this proposed Standard. Second, Peak seeks clarification on the application of Reliability Standard PRC-010-1 to the real-time operations and operations planning, as the proposed Standard does not apply to the operators of the Bulk Electric System. The Commission should require that these Standards are as comprehensive and clear as possible both to ensure compliance with the requirements and, more importantly, to promote reliable operations of the Bulk Electric System.

A. The Proposed Scheduling and Scope of RC Review for Operating Plans is an Undue Burden on the Reliability Coordinator.

Peak is generally supportive of the changes to Reliability Standard EOP-011-1 as a streamlined approach to emergency operations. However, Peak is concerned with two specific aspects of the proposed Standard.⁶

First, Peak challenges the reasonableness of revised Requirement 3.1, which establishes an inflexible 30 calendar day deadline for review of Operating Plans submitted to the RC without requiring the Transmission Operators to coordinate their submission with the RC. Under a similar currently effective requirement, Reliability Standard EOP-005-2 R3, the Transmission Operator submits its restoration plans annually to the RC on a mutually agreed schedule. This allows the RC to schedule the appropriate resources to ensure a timely and thorough review of each plan. However, the revised requirement provides the Transmission Operators with an open ended opportunity to submit plans, leaving the RC without the ability to schedule appropriate resources for the review period. The RC will be unable to pre-plan resource allocation, potentially creating a situation in which the RC may be able to complete a less comprehensive review during the 30 day period than previously provided. While this is especially a concern at the time of implementation of the standard, Peak's experience is that many

⁶ Although Peak submitted comments raising these particular concerns to the Standard Drafting Team during the comment period for the revisions to this Reliability Standard, the Standard Drafting Team's response did not specifically address this aspect of Peak's comments. Consideration of Comments, Project 2009-03 Emergency Operations, at p. 67 (found at http://www.nerc.com/pa/Stand/Project%20200903%20Emergency%20Operations%20DL/1ka%2009%2004%202-14%20-%20Comment%20Report%202009-03_08182014_mccree%20%20-%20CLEAN.pdf), and in the Petition of the North American Electric Reliability Corporation for Approval of Proposed Reliability Standard EOP-011-1-Emergency Operations, filed Dec. 29, 2014 in Docket No. RM15-7-000 ("EOP Petition"), at Exhibit G).

entities update procedures at the end of the year, creating a large spike in workload at this time as well.

Peak anticipates that the review of such Operating Plans will include a large number of elements, applicable to the evaluation of each submitted plan. In Peak's experience, a comprehensive review of Operating Plans would include the following non-inclusive list of items: (1) the operating agreements in place with other BAs containing provisions for emergency assistance; (2) applicable actions to mitigate operating emergencies for insufficient generating capacity and applicable actions to mitigate operating emergencies on the transmission system; (3) a review of the preparation and plans for manual load shedding; (4) the steps in place to remove any applicable environmental constraints for generating units; (5) the plans or procedures in place for extreme weather impacts; (6) notification protocols and established coordination of operating plans during emergencies; and (7) confirmation that the entity has shared its operating plans with its neighboring BAs and TOPs, as appropriate. As shown by this list, Peak expects to consider a wide variety of items before a review of any operating plan could be considered complete.

As currently proposed, Reliability Standard EOP-011-1 R3.1 would set limits on the time frame and the ability to create a schedule of review. Peak views these constraints as contrary to the reliability goals of the Bulk Electric System, as a comprehensive review may be limited by finite resources. Therefore, Peak recommends that the proposed Reliability Standard EOP-011-1 R3.1 be revised to include language

requiring a ‘mutually agreed predetermined schedule’⁷ to ensure that the RC is permitted to efficiently allocate its resources and provide the thorough review of these plans necessary to maintain reliability.

Second, Peak is concerned with the elements included for RC review under revised Reliability Standard EOP-011-1 R3.1.1. Under this revised requirement, the RC is required to review each TOP and BA-submitted Operating Plan on the basis of compatibility and inter-dependency with other BA and TOP Operating Plans. According to the Standard Drafting Team, this requirement is intended to add RC review of deficiencies, inconsistencies or conflicts between submitted plans that would cause further degradation to Bulk Electric System during Emergency conditions.⁸ Peak, however, seeks clarification whether an RC would be required to examine each of the Reliability Standard EOP-011-1 R2 sub-requirements for “compatibility and inter-dependency” with other BA and TOP Operating Plans, or whether the RC would evaluate these elements on a higher level. The scope of this evaluation is important because the RC may not have access to sufficient information to evaluate the specifics of each of these elements. For example, Reliability Standard EOP-011-1 R2.2.3.3 requires the BA to have a process for fuel switching capabilities. The RC does not have visibility into this level of BA operations and, therefore, simply could not review this element for deficiencies, inconsistencies or conflicts. Peak believes that the appropriate level of

⁷ The addition of this phrase would mirror the language found in currently effective Reliability Standard EOP-005-2 R3.

⁸ See Consideration of Comments, Project 2009-03, posted October 28, 2014, at pp. 13, 62 (attached to the EOP Petition at Exhibit G).

review is covered by Reliability Standard EOP-011-1 R3.1.2, which requires the RC to review each submitted Operating Plan(s) for coordination to avoid risk to Wide Area reliability. Peak argues that this requirement is sufficient to identify and coordinate any discrepancies that could lead to risks of adverse reliability impacts. Peak also believes that the RC review should not be the first step in coordination of plans between BAs and TOPs. Therefore, Peak recommends that Reliability Standard EOP-011-1 require that this coordination of Operating Plans be addressed at the BA and TOP level, as is currently required under existing Reliability Standard EOP-001-2.1b R6, prior to submission of the Operating Plan to the RC for review.

Finally, Peak notes that the implementation of the revised Standard as currently drafted may increase Peak's costs. While Peak cannot calculate an exact figure to account for scheduling concerns, nor how many Operating Plans would be submitted for review during any given time frame, Peak estimates that it could be required to review an average of 60 Operating Plans under entities' regular review cycles each year. Due to the inability to schedule these reviews and the additional scope of review for coordination with BAs and TOPs, Peak will need to evaluate whether its current resource level and allocation is sufficient to meet the requirements of this Standard.

B. Proposed Standard PRC-010-1 May Create Reliability Gaps and Ambiguities for Operating Reliability.

Peak fully supports the goal of an integrated and coordinated approach for UVLS Programs and sees this as a priority for maintaining reliability on the Bulk Electric System. However, Peak does not agree that the revised Reliability Standard PRC-010-1

has fully met this goal. As noted in its comments filed in Docket No. RD15-5 on proposed Reliability Standard PRC-010-2,⁹ Peak is concerned that the proposed Standard does not address adequately the operation of UVLS Programs, as it does not apply to the NERC functional entities that operate the Bulk Electric System. Proposed Reliability Standard PRC-010-1 is applicable to Planning Coordinators, Transmission Planners, and Undervoltage load shedding entities (Distribution Providers and Transmission Owners responsible for the ownership, operation, or control of UVLS equipment as required by the UVLS Program established by the Transmission Planner or Planning Coordinator). Reliability Coordinators, Transmission Operators and Balancing Authorities, who are responsible for the reliable operation of the Bulk Electric System, are excluded from the Applicability section of this Standard.

In addition, NERC does not seem to have determined whether UVLS schemes and programs are required to be considered in operations planning and real-time operations, placing the Reliability Coordinator in a potential conflict between the expectations of the entities within the RC footprint and the requirements of certain Reliability Standards applicable to the RC.

First, Reliability Standard PRC-010-1 R8 requires that UVLS Program databases are shared between Transmission Planners, Planning Coordinators and “other functional entities with a reliability need.” The Standard does not require that UVLS Program databases be shared with BAs, TOPs, or RCs, nor does this Standard – or any other

⁹ Motion to Intervene and Comments of Peak Reliability, Docket No. RD15-5-000 (Aug. 7, 2015).

Standard – specifically require that UVLS Program information be considered in operations planning or real-time operations. However, Peak notes that certain real-time operational situations could be affected by the existence of UVLS, where UVLS would be a necessary piece of information for accurate modeling in the same manner as Remedial Action Schemes. For example, in an area with a Remedial Action Scheme in place to prevent instability, voltage collapse, or cascading, operations planning for that area would consider the Remedial Action Scheme in operations planning and real-time operation. The Remedial Action Scheme would be considered to be an acceptable automatic post-Contingency mitigation action for operations planning and real-time operations, and would be evaluated as a part of Operational Planning Analyses and Real-time Assessments. Several operational items will be established based on the availability and action of the Remedial Action Scheme, including: Total Transfer Capability, Operating Plans, System Operating Limits, and Interconnection Reliability Operating Limits (“IROLs”). Any change to the Remedial Action Scheme affects these limits. The same would be true of UVLS in the Operational Planning Analyses and Real-time Assessments. However, it is unclear whether these schemes are required to be included. As such, there should be a clear determination of whether UVLS must be included Operational Planning Analyses and Real-time Assessments, and expand the scope of the functional entities that have access to the databases with the applicable information.

To further complicate matters, certain Remedial Action Schemes include centrally-controlled UVLS systems. Any such UVLS-based Remedial Action Scheme is considered for operations planning and real-time operations. However, under the

currently proposed Reliability Standard PRC-010-1, a UVLS Program is not. The only difference between a UVLS-based Remedial Action Scheme and a UVLS Program is how it is controlled – either centrally or distributed – making this the apparent determining factor for whether the UVLS is considered in operations planning and real-time operations. This factor, however, seems to be an arbitrary determining line of whether to include the impact of an UVLS in operations planning and real-time operations. Because both an UVLS-based Remedial Action Scheme and an UVLS Program have the exact same impact (dropping load for undervoltage conditions), the disparate treatment of the two should be resolved to ensure consistent treatment in real-time operations.

Second, the revised Standard creates some confusion of the applicability of UVLS Programs due to the similarities, and apparent overlap, in the definitions of UVLS Programs and IROLs. Both IROLs and UVLS Programs are intended to address instability, voltage collapse and cascading of the Bulk Electric System. However, the Reliability Standards addressing these two options apply to different functional entities. For example, the stated purpose of Reliability Standard IRO-009-1 is “[t]o prevent instability, uncontrolled separation, or cascading outages that adversely impact the reliability of the interconnection by ensuring prompt action to prevent or mitigate instances of exceeding Interconnection Reliability Operating Limits (IROLs).”¹⁰ Reliability Standard IRO-009-1 is applicable to the Reliability Coordinator function.

¹⁰ Reliability Standard IRO-009-1 is available at: <http://www.nerc.com/pa/Stand/Reliability%20Standards/IRO-009-1.pdf>.

However, the applicability of Reliability Standard PRC-010-1, with a similar stated purpose, does not include any of the operators of the Bulk Electric System. Because it is unclear what planning horizon or operation timeframes are addressed by the revised Reliability Standard PRC-010, Peak sees a potential conflict in the pre- and post-contingency operational requirements on the operators of the Bulk Electric System.

Peak requests that the Commission require NERC to address this inconsistency and clarify how Reliability Standard PRC-010 is intended to apply to operations. Peak further recommends that the treatment of UVLS in real-time and operations planning be addressed to ensure that a true integrated and coordinated approach for UVLS for maintaining reliability on the Bulk Electric System can be achieved.

III. CONCLUSION

Peak respectfully requests that the Commission consider the comments submitted here to provide greater clarity in the Standards pending approval.

Respectfully submitted,

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