



RELIABILITY FIRST

**Planning Resource Adequacy Analysis, Assessment and Documentation (PRAA)
SDT Conference Call/WebEx Agenda
Friday July 1, 2016 9:00 – 10:00 ET (8:00-9:00 CT)**

[Join WebEx meeting](#)

Meeting number (access code): 730 911 715

Meeting password: 070116

Join by phone

1-855-244-8681 Call-in toll-free number (US/Canada)

1-650-479-3207 Call-in toll number (US/Canada)

- 1. Welcome and Attendance**
 - PRAA_SDT_Roster_061516.pdf
- 2. Review Anti-Trust statement**
 - RF Antitrust Statement.pdf
- 3. Elect Chair and Vice Chair**
- 4. Review ReliabilityFirst Regional Standards Process**
 - Reliability Standards Developmental Procedure.pdf
- 5. Review BAL-502-RFC-03 SAR**
 - Standard Authorization Request Form_BAL-502-RFC-03_051216.pdf
- 6. Action Items**
- 7. Schedule Upcoming Conference Call**

ANTITRUST STATEMENT

IT IS THE POLICY OF RELIABILITYFIRST TO OBEY THE ANTITRUST LAWS AND TO AVOID ALL CONDUCT THAT UNREASONABLY RESTRAINS COMPETITION. IT IS THE RESPONSIBILITY OF EACH DIRECTOR, MEMBER AND EMPLOYEE OF RELIABILITYFIRST TO ADHERE TO RELIABILITYFIRST'S "ANTITRUST COMPLIANCE GUIDELINES," A COPY OF WHICH IS AVAILABLE ON RELIABILITYFIRST'S WEBSITE.



RELIABILITY FIRST

**Planning Resource Adequacy Analysis, Assessment and Documentation (PRAA)
Standard Drafting Team Roster (06/15/16)**

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Reliability*First* Corporation
Reliability Standards Development
Procedure
Version 4

Approved by the FERC Effective October 24, 2012
NERC BoT Approved May 24, 2012
Reliability*First* Board Approved December 1, 2011

Reliability *First* Corporation Reliability Standards Development Procedure

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Reliability*First* Corporation Reliability Standards Development Procedure

Introduction

This procedure establishes the process for adoption of a Regional Reliability Standard (hereinafter referred to as “Standard”) of the Reliability*First* Corporation (Reliability*First*) and the development of consensus for adoption, approval, revision, reaffirmation, and deletion of such Standards. Reliability*First* Standards provide for the reliable regional and sub-regional planning and operation of the Bulk Power System¹ (BPS), consistent with Good Utility Practice¹ within the Reliability*First* geographical footprint.

This procedure was developed under the direction of the Reliability*First* Board of Directors (Board), who may request changes to this Reliability*First* Reliability Standards Development Procedure (hereinafter referred to as “this Procedure”) as deemed appropriate. A procedure for revising this Procedure is contained in Appendix A. This Procedure is consistent with the North American Electric Reliability Corporation (NERC) Reliability Standards Development Procedure.

Reliability*First* standards shall be subject to approval by NERC, as the electric reliability organization, and by the Federal Energy Regulatory Commission (FERC) before becoming mandatory and enforceable under Section 215 of the FPA. No Standard shall be effective within the Reliability*First* area unless filed by NERC with FERC and approved by FERC. The effective date will depend on the implementation plan that is provided with each new or revised standard. The Reliability*First* standard is mandatory and enforceable to all applicable Entities within the Reliability*First* footprint upon approval by the FERC.

Reliability*First* Standards shall provide for as much uniformity as possible with NERC reliability standards across the interconnected BPS. A Reliability*First* Standard shall be more stringent than a NERC reliability standard, including a regional difference that addresses matters that the NERC reliability standard does not, or shall be a regional difference necessitated by a physical difference in the BPS. A Reliability*First* Standard that satisfies the statutory and regulatory criteria for approval of proposed NERC reliability standards, and that is more stringent than a NERC reliability standard, would generally be acceptable.

Reliability*First* Standards, when approved by FERC, shall be made part of the body of NERC reliability standards and shall be enforced upon all applicable BPS owners, operators, and users within the Reliability*First* area, regardless of membership in the region.

¹ As defined in the Reliability*First* Bylaws

Background

Regions may develop, through their own processes, separate “Regional Standards” (Reliability*First* Standards) that go beyond, add detail to or aid implementation of NERC reliability standards, or otherwise address issues that are not addressed in NERC reliability standards.

As a condition of Reliability*First* membership, all Reliability*First* Members² agree to adhere to the NERC reliability standards. As such, the Reliability*First* and its Members will adhere to the NERC reliability standards in addition to the Reliability*First* Standards. NERC reliability standards and the Reliability*First* Standards are both to be included within the Reliability*First* Compliance Program.

Reliability*First* Standards are intended to apply only to that part of the Eastern Interconnection within the Reliability*First* geographical footprint. The development of these Reliability*First* Standards is developed according to the following principles via the process contained within this Procedure:

- Developed in a fair and open process that provided an opportunity for all interested parties to participate;
- Does not have an adverse impact on commerce that is not necessary for reliability;
- Provides a level of BPS reliability that is adequate to protect public health, safety, welfare, and national security and would not have a significant adverse impact on reliability; and
- Based on a justifiable difference between Regions or between sub-Regions within the Regional geographic area.

² As defined in the Reliability*First* By-laws

Regional Reliability Standard Definition, Characteristics, and Elements

Definition of a Reliability Standard

As contained in the ReliabilityFirst By-laws, ReliabilityFirst “Regional Reliability Standard” shall mean a type of Reliability Standard that is applicable only within a particular Regional Entity or group of Regional Entities. A Regional Reliability Standard may augment, add detail to, or implement another Reliability Standard or cover matters not addressed by other Reliability Standards. A Regional Reliability Standard is not binding upon any Member or Registered Entity, nor is it effective or enforceable, until the Regional Reliability Standard has been adopted by NERC and approved by the Commission as a Reliability Standard within the applicable Regional Entity or Regional Entities pursuant to delegated authorities.

Inherent in this definition, a ReliabilityFirst Standard will define certain obligations or requirements of entities that own, operate, plan, and use the BPS within the ReliabilityFirst geographical footprint. These obligations or requirements as contained in the ReliabilityFirst Standards are to be measurable and consistent with Good Utility Practice. Standards are not to include processes or procedures that implement a Standard. In addition, obligations, requirements or procedures imposed upon ReliabilityFirst by NERC reliability standards are not to be ReliabilityFirst Standards, unless those obligations, requirements or procedures require the establishment of a “policy or standard” as defined by the ReliabilityFirst By-laws.

Characteristics of a Regional Reliability Standard

A Standard is policy, including adequacy criteria to provide for the reliable regional and sub-regional planning and operation of the BPS, consistent with Good Utility Practice

A Standard shall generally have the following characteristics:

- **Measurable** - A Standard shall establish technical or performance requirements that can be practically measured.
- **Relative to NERC Reliability Standards** - A Standard generally must go beyond, add detail to, or implement NERC Reliability Standards, or cover matters not addressed in NERC Reliability Standards.

Format Requirements of a Regional Reliability Standard

A Standard shall consist of the requirements shown in the Regional Reliability Standard Template. These requirements apply to the development and revision of Standards. These requirements are necessary to achieve Standards that are measurable, enforceable, and consistent. Supporting documents to aid in the implementation of a Standard may be referenced by the Standard but are not part of the Standard itself. The most current

version of the approved NERC Reliability Standard template and its associated elements posted on the NERC website will be used at the time of the development of a ReliabilityFirst Regional Reliability Standard if different from the elements listed below.

Regional Reliability Standard Format Requirement Template Example

Identification Number	A unique identification number assigned in accordance with an administrative classification system to facilitate tracking and reference ReliabilityFirst documentation.
Title	A brief, descriptive phrase identifying the topic of the Standard.
Applicability	Clear identification of the functional classes of entities responsible for complying with the Standard, noting any specific additions or exceptions. If not applicable to the entire ReliabilityFirst area, then a clear identification of the portion of the BPS to which the Standard applies. Any limitation on the applicability of the Standard based on electric facility requirements should be described.
Effective Date and Status	The effective date of the Standard is the date of the FERC approval and the applicable implementation timeline.
Purpose	The purpose of the Standard. The purpose shall explicitly state what outcome will be achieved or is expected by this Standard.
Requirement(s)	Explicitly stated technical, performance, and preparedness requirements. Each requirement identifies what entity is responsible and what action is to be performed or what outcome is to be achieved. Compliance is mandatory for each statement in the requirements section.

<p>Risk Factor(s)</p>	<p>The potential reliability significance of each requirement, designated as a High, Medium, or Lower Risk Factor in accordance with the criteria listed below:</p> <p>A High Risk Factor requirement (a) is one that, if violated, could directly cause or contribute to BPS instability, separation, or a cascading sequence of failures, or could place the BPS at an unacceptable risk of instability, separation, or cascading failures; or (b) is a requirement in a planning timeframe that, if violated, could, under emergency, abnormal, or restorative conditions anticipated by the preparations, directly cause or contribute to BPS instability, separation, or a cascading sequence of failures, or could place the BPS at an unacceptable risk of instability, separation, or cascading failures, or could hinder restoration to abnormal condition.</p> <p>A Medium Risk Factor requirement (a) is a requirement that, if violated, could directly affect the electrical state or the capability of the BPS, or the ability to effectively monitor and control the BPS, but is unlikely to lead to BPS instability, separation, or cascading failures; or (b) is a requirement in a planning timeframe that, if violated, could, under emergency, abnormal, or restorative conditions anticipated by the preparations, directly affect the electrical state or capability of the BPS, or the ability to effectively monitor, control, or restore the BPS, but is unlikely, under emergency, abnormal, or restoration conditions anticipated by the preparations, to lead to BPS instability, separation, or cascading failures, nor to hinder restoration to a normal condition.</p> <p>A Lower Risk Factor requirement is administrative in nature and (a) is a requirement that, if violated, would not be expected to affect the electrical state or capability of the BPS, or the ability to effectively monitor and control the BPS; or (b) is a requirement in a planning time frame that, if violated, would not, under the emergency, abnormal, or restorative conditions anticipated by the preparations, be expected to affect the electrical state or capability of the BPS, or the ability to effectively monitor, control, or restore the BPS.</p>
<p>Measure(s)</p>	<p>Each requirement shall be addressed by one or more measurements that will be used to assess performance and outcomes for the purpose of determining compliance with the requirements stated above. Each measurement identifies to whom the measurement applies. Each measurement shall be tangible, and as objective as is practical. Achieving the full compliance level of each measurement is a necessary and sufficient indicator that the requirement was met.</p>

Compliance Administration Elements

Compliance Monitoring Process	Defines for each measure: <ul style="list-style-type: none">• The specific data or information that is required to measure performance or outcomes.• The entity that is responsible to provide the data or information for measuring performance or outcomes.• The process that will be used to evaluate information for the purpose of assessing performance or outcomes.• The entity that is responsible for evaluating information to assess performance or outcomes.• The time period in which performance or outcomes is measured, evaluated, and then reset.• Data retention requirements and assignment of responsibility for data archiving.• Violation severity levels.
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Supporting Information Elements

Interpretations	Any Reliability <i>First</i> interpretations of the Standards that were developed, and approved in accordance with the “Interpretation of Standards” section of this Procedure, to expound on the application of the Standard for unusual or unique situations or provide clarifications.
Implementation Plan	Each Reliability <i>First</i> Standard shall have an associated implementation plan describing the effective date of the Standard or effective dates if there is a phased implementation. The implementation plan may also describe the implementation of the Standard in the compliance program and other considerations in the initial use of the Standard, such as necessary tools, training, etc. The implementation plan must be posted for at least one public comment period and be approved as part of the ballot of the standard.
Supporting References	This section references related documents that support reasons for, or provide additional information related to the Standard. Examples include, but are not limited to: <ul style="list-style-type: none"> • Glossary of Terms • Developmental history of the Standard and prior versions • Subcommittee(s) responsible for Standard • Notes pertaining to implementation or compliance • Standard references • Procedures/Practices • Training and/or Technical Reference

Roles in the Regional Reliability Standards Development Process

Process Roles

Originator - Any entity (person, organization, company, government agency, individual, etc.) that is directly and materially affected by the reliability of the Reliability*First* BPS, is allowed to request a Standard be developed or an existing Standard is modified, or deleted, by creating a Standards Authorization Request (SAR). See Appendix B.

Board – The Reliability*First* Board shall act on any proposed Standard that has gone through the process contained in this Procedure. Once the Reliability*First* Board approves a Standard, compliance with the Standard will be enforced consistent with the By-laws and the terms of the Standard.

Standards Committee (SC) - The Reliability*First* SC will consider which requests for new or revised Standards shall be assigned for development (or existing Standards considered for deletion). The SC manages the Standards development process. The SC

will advise the ReliabilityFirst Board on Standards presented for adoption by the ReliabilityFirst Board.

Standards Process Manager (SPM) – A person or persons on the ReliabilityFirst staff assigned the task of ensuring that the development, revision or deletion of Standards is in accordance with this Procedure. The SPM works to ensure the integrity of the process and consistency of quality and completeness of the Standards. The SPM facilitates the administration of all actions contained in all steps in the process.

Standards Process Staff – Employees of the ReliabilityFirst that work with or for the SPM.

Standard Drafting Team (SDT) – A team of technical experts, and typically including a member of the ReliabilityFirst Standards staff and the Originator, assigned the task of developing a proposed Standard based upon an approved SAR using the Standard development process contained in this Procedure.

Ballot Body (BB) – The Ballot Body comprises all entities that qualify for one or more of the categories and are registered with ReliabilityFirst as potential ballot participants in the voting on standards. The categories of registration within the Ballot Body and the registration process are described in Appendix D.

Ballot Pool – The Ballot Pool is comprised of those members of the Ballot Body that register to vote for each particular standard. A separate Ballot Pool is established for each standard up for vote. Only individuals who have joined the Ballot Pool for that particular standard are eligible to vote on a standard.

Reliability Committee (RC) – The ReliabilityFirst RC serves as a technical advisory body to address the reliability related activities required by the Reliability Standards via review and discussion of the regional activities as requested by the SC.

Regional Reliability Standard Development Process (Flow chart of Process shown in Appendix C)

Assumptions and Prerequisites

The ReliabilityFirst Regional Reliability Standards Development Process has the following characteristics:

- **Fair due process** - The ReliabilityFirst standards development process shall provide for reasonable notice and opportunity for public comment. At a minimum, the procedure shall include public notice of the intent to develop a standard, a public comment period on the proposed standard, due consideration of those public comments, and a ballot of interested stakeholders.

- **Openness** - Participation is open to all Organizations who are directly and materially affected by the Reliability*First* region BPS reliability. There shall be no undue financial barriers to participation. Participation shall not be conditioned upon membership in the Reliability*First*, and shall not be unreasonably restricted on the basis of technical qualifications or other such requirements. Meetings of SDTs are open to the Reliability*First* membership and to others.
- **Balanced** - The Reliability*First* standards development process strives to have an appropriate balance of interests and shall not be dominated by any two interest categories and no single interest category shall be able to defeat a matter.
- **Inclusive** - Any entity (person, organization, company, government agency, individual, etc.) with a direct and material interest in the BPS in the Reliability*First* area shall have a right to participate by: a) expressing a position and its basis, b) having that position considered, and c) having the right to appeal.
- **Transparent** - All actions material to the development of Reliability*First* Standards shall be transparent. All standards development meetings shall be open and publicly noticed on Reliability*First*'s Web site.
- Does not unnecessarily delay development of the proposed Standard.

Note: The term “days” refers to calendar days.

Each standard shall enable or support one or more of the reliability principles, thereby ensuring that each standard serves a purpose in support of the reliability of the regional BPS. Each standard shall also be consistent with all of the reliability principles, thereby ensuring that no standard undermines reliability through an unintended consequence.

While Reliability*First* Standards are intended to promote reliability, they must at the same time accommodate competitive electricity markets. Reliability is a necessity for electricity markets, and robust electricity markets can support reliability. Recognizing that BPS reliability and electricity markets are inseparable and mutually interdependent, all Reliability*First* Standards shall be consistent with NERC's market interface principles. Consideration of the market interface principles is intended to ensure that standards are written such that they achieve their reliability objective without causing undue restrictions or adverse impacts on competitive electricity markets.

Reliability*First* will coordinate with NERC such that the acknowledgement of receipt of a standard request identified in step 1, notice of comment posting period identified in step 4, and notice for vote identified in step 5 below are concurrently posted on both the Reliability*First* and NERC websites.

Step 1 - Development of a Standards Authorization Request (SAR) to Develop, Revise or Delete a Regional Reliability Standard

Any individual representing an organization (Originator) which is directly or materially impacted by the operation of the BPS within the geographical footprint of the ReliabilityFirst may request, via a submittal of a Standard Authorization Request (SAR) form, the development, modification, or deletion of a ReliabilityFirst Standard. Any such request shall be submitted to the ReliabilityFirst SPM, or his/her designee, or by another process as otherwise posted on the ReliabilityFirst website. The SAR form may be downloaded from the ReliabilityFirst website.

The SAR contains a description of the proposed Standard subject matter containing sufficiently descriptive detail to clearly define the purpose, scope, impacted parties, and other relevant information of the proposed Standard. The SPM will verify that the submitted SAR form has been adequately completed. The SPM may offer the Originator suggestions regarding changes and/or improvements to improve clarity and assist the ReliabilityFirst community to understand the Originator's intent and objectives. The Originator is free to accept or reject these suggestions. Within 15 days the SPM will electronically acknowledge receipt of the SAR.

The SPM will forward the adequately complete SAR to the ReliabilityFirst SC, at which time, the SC will, post the SAR for comments within 15 days, SARs will be posted and publicly noticed.

Comments on the SARs will be accepted for a 30-day period from the notice of posting. Comments will be accepted online using an internet-based application. The SPM will provide a copy of the comments to the Originator and the SC.

Based on the comments, the SC shall make available a consideration of comments report and determine the disposition of the SAR (within 60 calendar days following the SAR commenting period). The disposition decision and decision process shall use the normal "business rules and procedures" of the SC then in effect. The SC may take one of the following actions³ in accordance with the ReliabilityFirst Standards Committee Governance document:

- Accept the SAR as a candidate for: development of a new Standard, revision of an existing Standard or deletion of an existing Standard. The SC may, in its sole discretion, expand or narrow the scope of the SAR under consideration. The SC shall prioritize the development of SARs as may be required based on the number of SARs under development at any time.
- Reject the SAR. If the SC rejects a SAR, a written explanation for rejection will be delivered to the Originator within 30 days of the decision.

³Actions by the Standards Committee may be appealed per the Appeals process in Appendix A

- Remand the SAR back to the Originator for redirection to the NERC process. In cases where there is a Reliability need identified in the SAR but it does not meet the criteria for Regional standards (more stringent reliability requirements than the NERC reliability standard or cover matters not covered by an existing NERC reliability standard), the Standards Committee will assist the Originator in submitting the SAR to NERC.
- Remand the SAR back to the Originator for additional work. The SPM will make reasonable efforts to assist the Originator in addressing the deficiencies identified by the SC. The Originator may then resubmit the modified SAR using the process above. The Originator may choose to withdraw the SAR from further consideration prior to re-submittal to the SC

Any SAR that is accepted by the SC for development of a Standard (or modification or deletion of an existing Standard) shall be posted for public viewing on the *ReliabilityFirst* website within 30 days of acceptance by the SC. The status of posted SARs will be publicly posted.

Any documentation of the deliberations of the SC concerning SARs shall be made available according to the “*ReliabilityFirst* Standards Committee Governance” document then in effect.

The SC shall submit a written report to the *ReliabilityFirst* Board on a periodic basis (at least at every regularly scheduled *ReliabilityFirst* Board meeting) showing the status of all SARs that have been brought to the SC for consideration.

Step 2 – Formation of the Standard Drafting Team and Declaration of Milestone Date

Upon acceptance by the SC of a SAR for development of a new Standard (or modification or deletion of an existing Standard), the SC shall direct the SPM to develop a qualified balance slate for the SDT using the specific directions and preferences of the SC. The SPM will send out self-nomination forms to solicit SDT nominees. The SDT will consist of a group of people (members of *ReliabilityFirst* and, as appropriate, non-members) who collectively have the necessary technical expertise and work process skills. The SPM will recommend a slate of ad-hoc individuals or a preexisting task force, work group or similar for the SDT based upon the SC’s desired SDT capabilities.

The SC may also direct the SPM to designate an existing *ReliabilityFirst* committee (or subset thereof) as the SDT augmented by other persons as may be appropriate for the subject matter. The SC will insure that SDT membership includes all necessary administrative support. This support typically includes a *ReliabilityFirst* staff member and the Originator if he/she chooses to participate. The SC appoints the interim chair (should not be a staff person) of the SDT. The SDT will elect the permanent Chair and Vice-chair at its first meeting.

The SPM submits the proposed list of names of the SDT to the SC. The SC will either accept the recommendations of the SPM or modify the SDT slate, as it deems appropriate within 60 days of accepting a SAR for development.

Upon approval of the SDT slate, the SC will declare a preliminary date on which the SDT is expected to have ready a completed draft Standard and associated supporting documentation available for consideration by the Reliability *First* membership.

Step 3 – Work and Work Product of the Standard Drafting Team

The SDT will then develop a work plan for completing the Standard development work, including the establishment of milestones for completing critical elements of the work in sufficient detail to ensure that the SDT will meet the deadline established by the SC or the SDT shall propose an alternative date. This plan is then delivered to the SC for its concurrence.

The SDT is to meet, either in person or via electronic means as necessary, establish sub-work teams (made up of members of the SDT) as necessary, and performs other activities to address the parameters of the SAR and the milestone date(s) established by the SC.

The work product of the SDT will consist of the following:

- A draft Standard consistent with the SAR on which it was based.
- An assessment of the impact of the SAR on neighboring regions, and appropriate input from the neighboring regions if the SAR is determined to impact any neighboring region.
- An implementation plan, including the nature, extent and duration of field-testing, if any.
- Identification of any existing Standard that will be deleted, in part or whole, or otherwise impacted by the implementation of the draft Standard.
- Technical reports, white papers and/or work papers that provide technical support for the draft Standard under consideration.
- Document the perceived reliability impact should the Standard be approved.

Upon completion of these tasks, the SDT submits these documents to the SC, which will verify that the proposed Standard is consistent with the SAR on which it was developed

The SDT regularly (at least once each month) informs the SC of its progress in meeting a timely completion of the draft Standard. The SDT may request of the SC scope changes of the SAR at any point in the Standard development process.

The SC may, at any time, exercise its authority over the Standards development process by directing the SDT to move to Step 4 and post for comment the current work product. If there are competing drafts, the SC may, at its sole discretion, post the version(s) of the

draft Standard for comment on the ReliabilityFirst website. The SC may take this step at any time after a SDT has been commissioned to develop the Standard.

Step 4 – Comment Posting Period

At the direction from the SC, the SPM then facilitates the posting of the draft Standard on the ReliabilityFirst website, along with a draft implementation plan and supporting documents, for a 30-day comment period. The SPM shall also inform ReliabilityFirst Members and other potentially interested entities inside or outside of ReliabilityFirst of the posting using typical membership communication procedures then currently in effect or by other means as deemed appropriate. As early as the start of the first posting for comment, entities may join the Ballot Pool established for the eventual voting on the proposed standard. The Ballot Pool category description and associated requirements are in Appendix D.

Within 30 days of the conclusion of 30-day comment posting period the SDT shall convene and consider changes to the draft Standard, the implementation plan and/or supporting technical documents based upon comments received. Based upon these comments, the SDT may elect to return to step 3 to revise the draft Standard, implementation plan and/or supporting technical documentation.

The SDT shall prepare a “modification report” summarizing the comments received and the changes made as a result of these comments. The modification report also summarizes comments that were rejected by the SDT and the reason(s) that these comments were rejected, in part or whole. Responses to all comments will be posted on the ReliabilityFirst website no later than the next posting of the proposed Standard.

Step 5 – Posting for Voting by ReliabilityFirst Registered Ballot Body

Upon recommendation of the SDT, and if the SC concurs that all of the requirements for development of the Standard have been met, the SPM will post the revised draft Standard, implementation plan, supporting technical documentation and the “modification report”. Once the notice for a vote has been issued, no substantive modifications may be made to the proposed standard unless the revisions are posted and a new notice of the vote is issued.

Entities may register in the BB at any time during the Standards process. The BB category description and associated rules are in Appendix D.

By 11:59 PM Central Prevailing Time (CPT) of the seventh day of the 15 day pre-ballot posting period, registered BB members intending to vote on the proposed standard must have joined the Ballot Pool established for the eventual voting on the proposed standard being posted. The SPM will schedule a Vote by the Ballot Pool which is to be scheduled to commence no sooner than 15 days and no later than 30 days following this posting. The Vote by the Ballot Pool is an advisory to the ReliabilityFirst Board.

The Ballot Pool shall be allowed to vote over a period of 15 days. Votes will be submitted electronically, but may be submitted through other means as approved by the SC.

All BB members are eligible to participate in voting on proposed new Standards, Standard revisions or Standard deletions. There is a requirement to join a Ballot Pool to participate in voting for each standard.

The voting results will be composed of only the votes from BB entities that have joined the Ballot Pool for the standard being voted on and responding within the voting period. Votes may be accompanied by comments explaining the vote, but are not required. All comments shall be responded to and posted to the ReliabilityFirst website prior to going to the SC or Board.

Step 6A – Voting Receives Two-Thirds or Greater Majority of Affirmative Category Votes

A two-thirds or greater majority⁴ of votes within a category determines the vote for that category. The Initial ballot has passed if there is a two-thirds or greater affirmative majority of category votes (only those categories with votes cast will be considered) during the 15-day voting period and a quorum⁵ is met.

If there is at least one (1) Negative vote with comment during the initial ballot, then the standard will be posted for a 10-day Recirculation ballot. If there are no Negative votes with comments, the SC will forward the Standard to the ReliabilityFirst Board for action (Step 7). In the recirculation ballot, members of the Ballot Pool shall again be presented the proposed standard (that has not been significantly changed from the previous ballot) along with the reasons for negative votes, the responses, and any resolution of the differences. An insignificant revision is a revision that does not change the scope, applicability, or intent of any requirement and includes but is not limited to things such as correcting the numbering of a requirement, correcting the spelling of a word, adding an obviously missing word, or rephrasing a requirement for improved clarity. Where there is a question as to whether a proposed modification is “substantive” the Standards Committee shall make the final determination. All members of the Ballot Pool shall be permitted to reconsider and change their vote from the prior ballot. Members of the Ballot Pool who did not respond to the prior ballot shall be permitted to vote in the recirculation ballot. In the recirculation ballot, Ballot Pool members may indicate a revision to their original vote otherwise their vote shall remain the same as in their prior ballot.

Upon successful completion of the initial and recirculation voting periods, the SC will forward the Standard to the ReliabilityFirst Board for action (Step 7).

⁴ For the purposes of determining majority within a category, an abstention is not considered a vote.

⁵ A quorum is achieved when three-fourths (75%) or greater of the ballot pool casts a vote.

Step 6B – Voting Does Not Receive Two-Thirds or Greater Majority of Affirmative Category Votes or a Quorum⁵ is Not Met

If a draft Standard does not receive a two-thirds or greater affirmative majority of votes determined for each category (only those categories with votes cast will be considered) or does not reach quorum during the 15-day Initial voting period, the SC may:

- Direct the SDT to respond to ballot comments and post the standard for a 10-day Recirculation ballot (as discussed in Step 6A) to determine if the response to comments alleviates reasons for the Negative initial ballots.
- Direct the existing SDT to reconsider or modify certain aspects of the draft Standard and/or implementation plan. The resulting draft Standard and/or implementation plan will be posted for a second initial voting period. The SC may require a second comment period prior to the second voting period. The second posting of the draft Standard, implementation plan, and supporting documentation shall be within 60 days of the SC action.
 - If there is a two-thirds or greater affirmative majority of categories with votes cast and a quorum is met during the second initial ballot and second recirculation ballot, the SC will forward it to the ReliabilityFirst Board for action (Step 7).
 - If a draft Standard does not receive a two-thirds or greater majority of affirmative category votes cast during the second initial ballot or a quorum is not met, the SC will refer the draft Standard and implementation plan to the ReliabilityFirst Board. The SC may also submit an assessment, opinion and recommendations to the ReliabilityFirst Board (Step 7).
- Revise the SAR on which the draft Standard was based and remand the development work back to the original SDT or a newly appointed SDT. The resulting draft Standard and/or implementation plan will be posted for a second voting period. The SC may require a second comment period prior to a second voting period. The second posting of the draft Standard, implementation plan, and supporting documentation shall be within 60 days of the SC action.
 - If there is a two-thirds or greater affirmative majority of categories with votes cast and a quorum is met during the second initial ballot and second recirculation ballot, the SC will forward it to the ReliabilityFirst Board for action (Step 7).
 - If a draft Standard does not receive a two-thirds or greater majority of affirmative category votes cast during the second voting period or a quorum is not met, the SC will refer the draft Standard and implementation plan to the ReliabilityFirst Board. The SC may also

submit an assessment, opinion and recommendations to the ReliabilityFirst Board (Step 7).

- Recommend termination of all work on the development of the Standard action under consideration and so notify the ReliabilityFirst Board.

Step 7 – Action by the ReliabilityFirst Board

A draft Standard submitted to the ReliabilityFirst Board for action must be publicly posted at least 30 days prior to action by the Board. At a regular or special meeting, the ReliabilityFirst Board shall consider adoption of the draft Standard. The Board will consider the results of the voting and dissenting opinions. The Board will consider any advice offered by the SC.

Draft Standards that received a two-thirds or greater of categories with votes cast shall be delivered to the ReliabilityFirst Board for their action. The ReliabilityFirst Board shall be provided with an “informational package” which includes:

- The draft Standard and any modification or deletion of other related existing Standard(s)
- Implementation Plan (including recommending field testing and effective dates)
- Technical Documentation supporting the draft Standard
- A summary of the vote and summary of the comments and responses that accompanied the votes.

The ReliabilityFirst Board is expected to either:

- Approve the draft Standard action with only minor or no modification. Under no circumstances may the Board substantively modify the proposed regional reliability standard.
- Remand to the SC with comments and instructions, or
- Disapprove the draft Standard action without recourse.

Draft Standards that did not receive a two-thirds or greater of categories with votes cast in the second voting period shall be delivered to the ReliabilityFirst Board for their action. The ReliabilityFirst Board shall be provided with an “informational package”.

The ReliabilityFirst Board is expected to either:

- Approve the draft Standard action with only minor or no modification. Under no circumstances may the Board substantively modify the proposed regional reliability standard.
- Remand to the SC with comments and instructions, or
- Disapprove the draft Standard action without recourse.

Once a regional Reliability*First* Standard is approved by the Board, the standard will be submitted to NERC for approval and filing with FERC.

Step 8 - Implementation of a Regional Reliability Standard

Upon approval of a draft Standard action by the FERC, the SPM will notify the membership and applicable Entities within the Reliability*First* footprint of the effective date through the normal and customary membership communication procedures and processes then in effect. The SPM will also notify the Reliability*First* Compliance Staff for integration into the Reliability*First* Compliance Program.

Appendix A

Maintenance of Regional Reliability Standards Development Process

Significant changes to this Procedure shall begin with the preparation of a SAR and be handled using the same procedure as a request to add, modify, or delete a Standard.

The Reliability*First* SC has the authority to make ‘minor’ changes to this Procedure as deemed appropriate by the SC and subject to the SC voting practices and procedures according to the “Reliability*First* Standards Committee Governance” document. The SC shall promptly notify the Reliability*First* Board of such ‘minor’ changes to this Procedure for their review and concurrence at the next Reliability*First* Board meeting.

Maintenance of Regional Reliability Standards

The SC shall ensure that each Standard shall be reviewed at least once every five years from the effective date of the Standard or the latest revision to the Standard, whichever is the later. The review process shall be conducted by soliciting comments from the stakeholders. If no changes are warranted, the SC shall recommend to the Reliability*First* Board that the Standard be reaffirmed. If the review indicates a need to revise or delete a Standard, a SAR shall be prepared and submitted in accordance with the standards development process contained in this Procedure.

Urgent Action

Under certain conditions, the SC may designate a proposed Standard or revision to a Standard as requiring urgent action. Urgent action may be appropriate when a delay in implementing a proposed Standard or revision could materially impact reliability of the BPS. The SC must use its judgment carefully to ensure an urgent action is truly necessary and not simply an expedient way to change or implement a Standard.

A requester prepares a SAR and a draft of the proposed Standard and submits both to the SPM. The SAR must include a justification for urgent action. The SPM submits the request to the SC for its consideration. If the SC designates the requested Standard or revision as an urgent action item, then the SPM shall immediately post the draft for pre-ballot review. This posting requires a minimum 30-day posting period before the ballot and applies the same voting procedure as detailed in Step 5. Processing will continue as outlined in the subsequent steps. In the event additional drafting is required, a SDT will be assembled as outlined in the Procedure.

Any Standard approved as an urgent action shall have a termination date specified that shall not exceed one year from the approval date. Should there be a need to make the Standard permanent, then the Standard would be required to go through the full Standard development process. All urgent action Standards require Reliability*First* Board, NERC and FERC approval, as outlined for Standards in the regular process.

Urgent actions that expire may be renewed using the urgent action process again, in the event a permanent Standard is not adopted. In determining whether to authorize an urgent action Standard for a renewal ballot, the SC shall consider the impact of the Standard on the reliability of the BPS and whether expeditious progress is being made toward a permanent replacement Standard. The SC shall not authorize a renewal ballot if there is insufficient progress toward adopting a permanent replacement Standard or if the SC lacks confidence that a reasonable completion date is achievable. The intent is to ensure that an urgent action Standard does not in effect take on a degree of permanence due to the lack of an expeditious effort to develop a permanent replacement Standard. With these principles, there is no predetermined limit on the number of times an urgent action may be renewed. However, each urgent action Standard renewal shall be effective only upon approval by the Reliability^{First} Board, NERC and FERC.

Any person or entity, including the SDT working on a permanent replacement Standard, may at any time submit a SAR proposing that an urgent action Standard become a permanent Standard by following the full Standards process.

Interpretations of Standards

All persons who are directly and materially affected by the reliability of Reliability^{First} BPS shall be permitted to request an interpretation of the standard. The person requesting an interpretation will send a request to the SPM explaining the specific circumstances surrounding the request and what clarifications are required as applied to those circumstances. The request should indicate the material impact to the requesting party or others caused by the lack of clarity or a possibly incorrect interpretation of the standard.

The SPM, along with guidance from the SC, will assemble a team with the relevant expertise to address the request. The Interpretation Drafting Team (IDT) typically consists of members from the original SDT. The SPM submits the proposed list of names of the IDT to the SC. The SC will either accept the recommendations of the SPM or modify the IDT slate.

As soon as practical (not more than 45 days), the team will prepare an initial draft interpretation of the standard addressing the issues raised. Once the IDT has completed the initial draft interpretation, the team will post the draft for a 30-day informal⁶ stakeholder comment period. The IDT will review the stakeholder feedback and may make changes before preparing a final draft of the interpretation. The IDT will then forward the draft interpretation to the SPM. The SPM will forward the interpretation to the Reliability Committee (RC). Barring receipt of an opinion from the RC within 21 calendar days, that the interpretation is not technically appropriate for the Standard,

⁶ An informal comment period does not require the IDT to respond to every stakeholder comment and is only used to make potential changes for the final draft of the interpretation.

respectively, the SPM will forward the interpretation to the SC. The SC will determine if the interpretation is consistent with the Standard and does not add additional requirements to the standard. The SC will forward the interpretation to the ReliabilityFirst Board for informational purposes as being appended to the approved Standard.

Note: In the event that the RC determines that the interpretation makes the standard technically inappropriate the RC shall provide an explanation of its reasoning to the SPM and IDT for inclusion in a subsequent revision. In either case, the IDT and SPM will continue to re-circulate the interpretation as stated above.

The interpretation will stand until such time as the standard is revised through the normal process, at which time the standard will be modified to incorporate the clarifications provided by the interpretation.

Appeals

Persons who have directly and materially affected interests and who have been or will be adversely affected by any substantive or procedural action or inaction related to the development, approval, revision, reaffirmation, or withdrawal of a Standard shall have the right to appeal. This appeals process applies only to the Standards process as defined in this Procedure.

The burden of proof to show adverse effect shall be on the appellant. Appeals shall be made within 30 days of the date of the action purported to cause the adverse effect, except appeals for inaction, which may be made at any time. In all cases, the request for appeal must be made prior to the next step in the process.

The final decisions of any appeal shall be documented in writing and made public.

The appeals process has two levels, with the goal of expeditiously resolving the issue to the satisfaction of the participants:

Level 1 Appeal

Level 1 is the required first step in the appeals process. The appellant submits a complaint in writing to the SPM that describes the substantive or procedural action or inaction associated with a Standard or the standards process. The appellant describes in the complaint the actual or potential adverse impact to the appellant. Assisted by any necessary staff and committee resources, the SPM shall prepare a written response addressed to the appellant as soon as practical but not more than 45-days after receipt of the complaint. If the appellant accepts the response as a satisfactory resolution of the issue, both the complaint and response will be made a part of the public record associated with the standard.

Level 2 Appeal

If after the Level 1 Appeal the appellant remains unsatisfied with the resolution, as indicated by the appellant in writing to the SPM, the SPM shall convene a Level 2 Appeals Panel. This panel shall consist of five members total appointed by the Reliability *First* Board.

In all cases, Level 2 Appeals Panel members shall have no direct affiliation with the participants in the appeal.

The SPM shall post the complaint and other relevant materials and provide at least 30-days notice of the meeting of the Level 2 Appeals Panel. In addition to the appellant, any person that is directly and materially affected by the substantive or procedural action or inaction referenced in the complaint shall be heard by the panel. The panel shall not consider any expansion of the scope of the appeal that was not presented in the Level 1 Appeal. The panel may in its decision find for the appellant and remand the issue to the SC with a statement of the issues and facts in regard to which fair and equitable action was not taken. The panel may find against the appellant with a specific statement of the facts that demonstrate fair and equitable treatment of the appellant and the appellant's objections. The panel may not, however, revise, approve, disapprove, or adopt a reliability standard. The actions of the Level 2 Appeals Panel shall be publicly posted.

In addition to the foregoing, a procedural objection that has not been resolved may be submitted to the Reliability *First* Board for consideration at the time the Board decides whether to adopt a particular reliability standard. The objection must be in writing, signed by an officer of the objecting entity, and contain a concise statement of the relief requested and a clear demonstration of the facts that justify that relief. The objection must be filed no later than 30-days after the announcement of the vote on the Standard in question.

Appendix B

Standard Authorization Request

The SC shall be responsible for implementing and maintaining this form as needed to support the information requirements of the standards development process in this Procedure. Changes to this form are considered minor, and therefore subject to only the approval of the SC.

ReliabilityFirst Standard Authorization Request Form

**ReliabilityFirst
will complete**

Title of Proposed Standard
Request Date

ID
Authorized for Posting
Authorized for Development

SAR Originator Information

Name	SAR Type (Check box for one of these selections.)	
Company	<input type="checkbox"/>	New Standard
Telephone	<input type="checkbox"/>	Revision to Existing Standard
Fax	<input type="checkbox"/>	Withdrawal of Existing Standard
E-mail	<input type="checkbox"/>	Urgent Action

Purpose (Provide one or two sentences.)

Industry Need (Provide one or two sentences.)

Brief Description (A few sentences or a paragraph.)

Reliability Functions

The Standard will Apply to the Following Functions (Check box for each one that applies.)

	Reliability Authority	Ensures the reliability of the bulk transmission system within its Reliability Authority area. This is the highest reliability authority.
	Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time
	Generator Owner	Owns and maintains generating units
	Interchange Authority	Authorizes valid and balanced Interchange Schedules
	Planning Authority	Plans the BPS
	Resource Planner	Develops a long-term (generally one year and beyond) plan for the resource adequacy of specific loads (customer demand and energy requirements) within a Planning Authority Area
	Transmission Planner	Develops a long-term (generally one year and beyond) plan for the reliability (adequacy) of the interconnected bulk electric transmission systems within its portion of the Planning Authority Area
	Transmission Service Provider	Provides transmission services to qualified market participants under applicable transmission service agreements
	Transmission Owner	Owns transmission facilities
	Transmission Operator	Operates and maintains the transmission facilities, and executes switching orders
	Distribution Provider	Provides and operates the “wires” between the transmission system and the customer

	Generator Operator	Operates generating unit(s) and performs the functions of supplying energy and Interconnected Operations Services
	Purchasing-Selling Entity	The function of purchasing or selling energy, capacity and all necessary Interconnected Operations Services as required
	Load-Serving Entity	Secures energy and transmission (and related generation services) to serve the end user
	Market Operator	Integrates energy, capacity, balancing, and transmission resources to achieve an economic, reliability-constrained dispatch of resources. The dispatch may be either cost-based or bid-based
	Regional Reliability Organizations	An entity that ensures that a defined area of the BPS is reliable, adequate and secure. A member of the North American Electric Reliability Council. The Regional Reliability Organization can serve as the Compliance Monitor

NOTE: The SDT may find it necessary to modify the initial reliability function responsibility assignment as a result of the standards development and comments received.

Reliability Principles

<i>Applicable Reliability Principles (Check box for all that apply.)</i>	
	1. Interconnected BPS shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
	2. The frequency and voltage of interconnected BPS shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
	3. Information necessary for the planning and operation of interconnected BPS shall be made available to those entities responsible for planning and operating the systems reliably.
	4. Plans for emergency operation and system restoration of interconnected BPS shall be developed, coordinated, maintained, and implemented.
	5. Facilities for communication, monitoring, and control shall be provided, used, and maintained for the reliability of interconnected BPS.
	6. Personnel responsible for planning and operating interconnected BPS shall be trained, qualified, and have the responsibility and authority to implement actions.
	7. The security of the interconnected BPS shall be assessed, monitored, and maintained on a wide-area basis.

Market Interface Principles

<i>Does the proposed Standard comply with all of the following Market Interface Principles?</i>	
Recognizing that reliability is an essential requirement of a robust North American economy:	
yes or no	1. A reliability standard shall not give any market participant an unfair competitive advantage.
yes or no	2. A reliability standard shall neither mandate nor prohibit any specific market structure.
yes or no	3. A reliability standard shall not preclude market solutions to achieving compliance with that standard.
yes or no	4. A reliability standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards.

Detailed Description (Provide enough detail so that an independent entity familiar with the industry could draft a Standard based on this description.)

Related Standards (NERC and Regional)

Standard No.	Explanation

Related SARs

SAR ID	Explanation

Implementation Plan

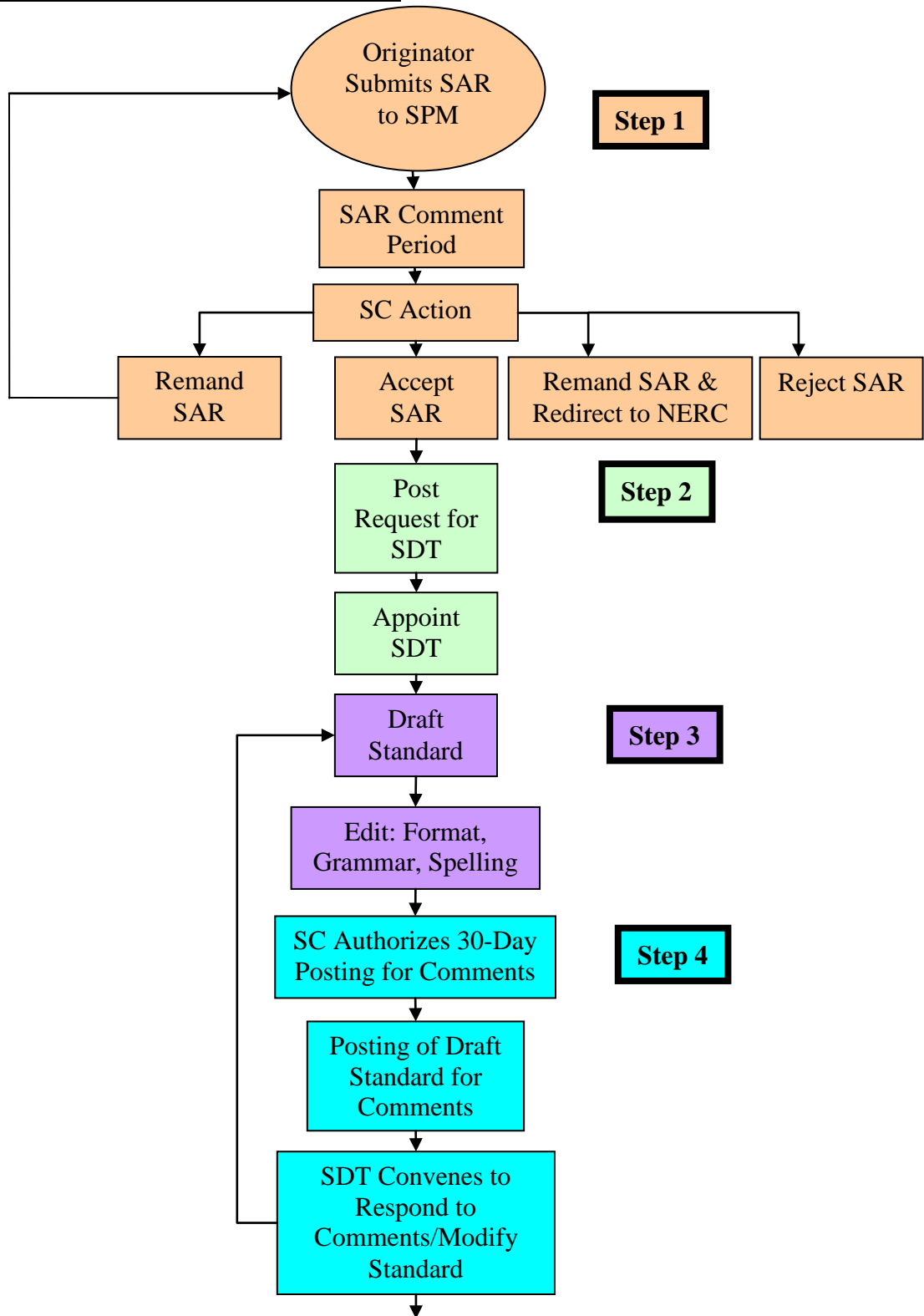
<p>Description (<i>Provide plans for the implementation of the proposed standard, including any known systems or training requirements. Include the reliability risk(s) associated with the violation that the standard will mitigate, and the costs associated with implementation.</i>)</p>	
<p>Proposed Implementation</p>	<p>days after Board adoption or</p>
<p>_____</p> <p>on (date):</p>	

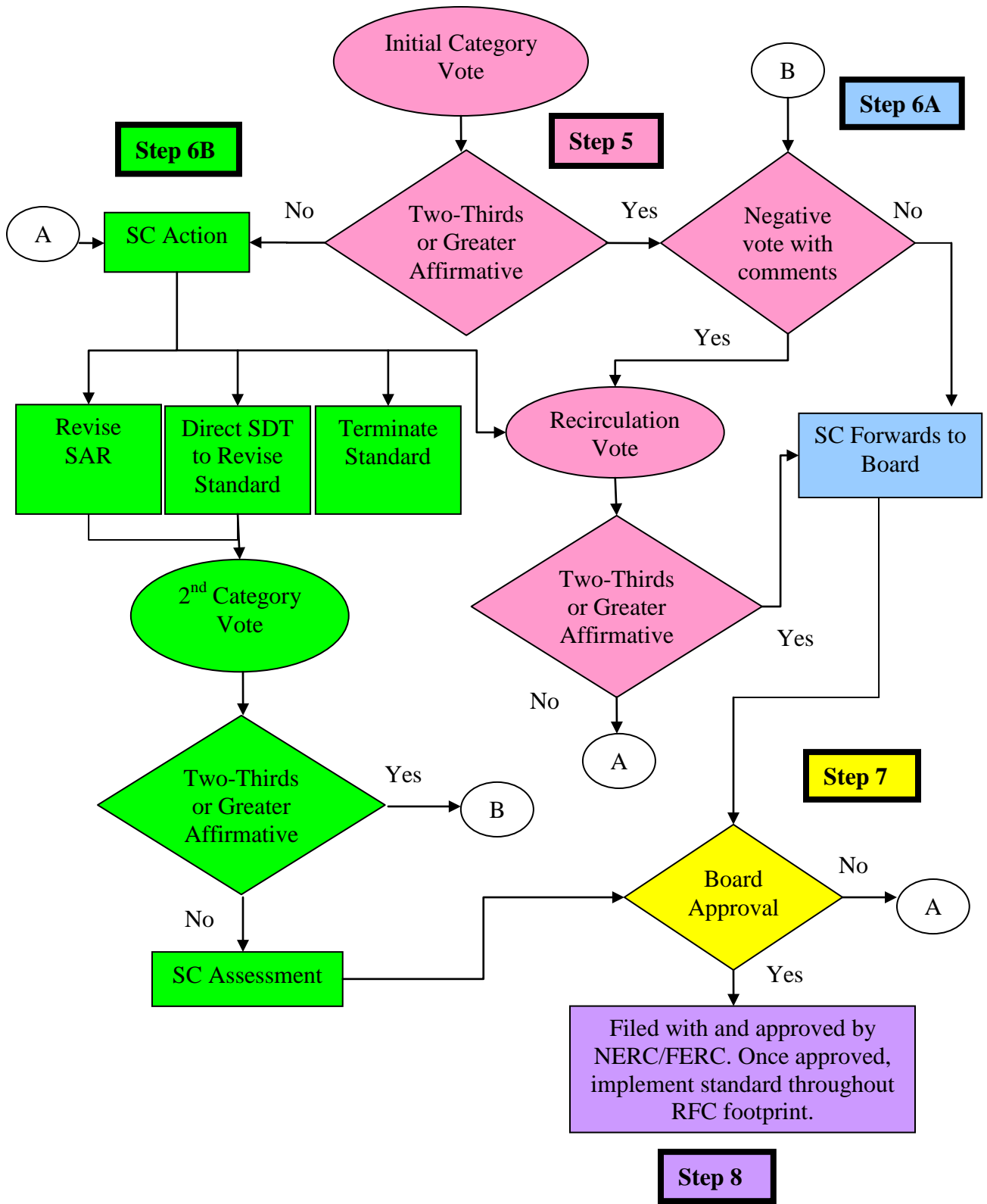
Assignments

	<i>Assignment</i>
Team Members	
ReliabilityFirst Staff	

Appendix C

Flowchart for Standards Process





Appendix D

Ballot Pool Categories

For the purposes of category Ballot Pool registration and voting, a person or entity may join the registered Ballot Pool to vote on standards, whether or not such person or entity is a member of Reliability*First*.

A corporation or other organization with integrated operations or with affiliates that qualifies to belong to more than one category (e.g., Transmission Owners and Load Serving Entities) may join and vote once in each category for which it qualifies, provided that each category constitutes a separate membership in the Ballot Body and the organization is represented in each category by a different representative. Affiliated entities are collectively limited to one membership in each category in the Ballot Pool for which they are qualified.

Category 1 – Transmission Owner, Transmission Operator, Transmission Service Provider

Category 2 – Generator Owner, Generator Operator

Category 3 – Load Serving Entity, Purchasing and Selling Entity, End User

Category 4 – Reliability Coordinator, Planning Coordinator, Transmission Planner, Resource Planner, Regional Transmission Organization, Balancing Authority, regulatory or governmental agency

Category 5 – Distribution Provider

Ballot Body Registration

Entities may register in the BB at any time during the Standards process. The SPM shall review all applications for joining the BB, and make a determination of whether they qualify for the self-selection category. In order to comment or vote you must have an active membership in the BB. When you submit your registration request to join the BB, you are placed in a “pending stage” until your account is activated. Activation of your account may take up to 24 hours. You will be unable to submit comments or join a Ballot Pool until your account is activated. The contact designated as primary representative to Reliability*First* is the voting member with the secondary contact as the backup.

Note: Registration for a BB is not the same as registration for the compliance registry. Although the terminology used to describe the BB categories in most cases has the same meaning as the terms used in the NERC Functional Model, registration in a BB goes beyond the compliance registry in that entities smaller than those stated in the compliance

registry guidelines are allowed to register in a BB. Entities shall have evidence that they qualify for the BB category they register in. Such evidence shall be available for the SPM review to verify BB registration and may include compliance registration.

Ballot Pool Formation

In order to participate in voting on a particular standard, an entity must join the Ballot Pool being established for the standard as follows:

1 – As early as the start of the first posting for comment, entities may join the Ballot Pool established for the eventual voting on the proposed standard being posted.

2 - By close of business of the seventh day of the 15 day pre ballot posting period, entities wishing to vote must have joined the Ballot Pool established for the eventual voting on the proposed standard being posted.

Standard Authorization Request

The SC shall be responsible for implementing and maintaining this form as needed to support the information requirements of the standards development process in this Procedure. Changes to this form are considered minor, and therefore subject to only the approval of the SC.

ReliabilityFirst Standard Authorization Request Form

**ReliabilityFirst
will complete**

Title of Proposed Standard: Planning Resource Adequacy Analysis, Assessment and Documentation
Request Date: 03/31/16

ID - BAL-503-RFC-03
Authorized for Posting - 03/31/16
Authorized for Development – 04/12/16

SAR Originator Information

Name: Anthony Jablonski	SAR Type (Check box for one of these selections.)	
Company: ReliabilityFirst	<input type="checkbox"/>	New Standard
Telephone: 216-503-0693	<input checked="" type="checkbox"/>	Revision to Existing Standard
Fax:	<input type="checkbox"/>	Withdrawal of Existing Standard
E-mail: Anthony.Jablonski@rfist.org	<input type="checkbox"/>	Urgent Action

Purpose (Provide one or two sentences.)

The purpose of this SAR is to initiate actions to revise the existing ReliabilityFirst Planning Resource Adequacy Analysis, Assessment and Documentation (BAL-502-RFC-02) Standard to address two FERC Directives as noted in FERC Order No 747 (FERC Order initially approving the Standard). Miscellaneous non-substantive format changes such as, but not limited to, reclassifying “sub-requirements” to “parts” will be considered as well.

Industry Need (Provide one or two sentences.)

The ReliabilityFirst Planning Resource Adequacy Analysis, Assessment and Documentation (BAL-502-RFC-02) Standard was approved as a Regional Reliability Standard by the Commission in Order No 747 on March 17, 2011 and became enforceable on May 23, 2011. The BAL-502-RFC-02 Standard establishes requirements for Planning Authorities/Coordinators in the

ReliabilityFirst region regarding resource adequacy assessment, which subject matter is not currently addressed in NERC’s continent-wide Reliability Standards. The Commission also approves four regional reliability definitions related to the approved regional Reliability Standard and the violation risk factors and violation severity levels assigned to the BAL-502-RFC-02 Requirements.

The BAL-502-RFC-02 Standard contains the following two main requirements. Requirement R1 requires each Planning Coordinator in the ReliabilityFirst footprint to perform and document an annual resource adequacy analysis. The sub-requirements of Requirement R1 set forth the criteria to be used for the resource adequacy analysis. Requirement R2 requires each Planning Coordinator to annually document the projected load and resource capability for each area and transmission constrained sub-area identified in the analysis. The sub-requirements of Requirement R2 set forth the specific documentation requirements.

At the time of approval, the Commission directed ReliabilityFirst, at the time it conducts its scheduled five year review, to (1) add time horizons to the two main requirements, and (2) consider modifying the regional Reliability Standard to include a requirement that the planning coordinators identify any gap between the needed amount of planning reserves defined in Requirement R1.1 and the planning reserves determined from the resource adequacy analysis.

ReliabilityFirst conducted a five year review comment posting period (February 29, 2016 through March 9, 2016) in which six individuals responded. All six individual provided responses indicating that they believe the BAL-502-RFC-02 should be reaffirmed (which includes a process to respond to the FERC directives).

Brief Description (A few sentences or a paragraph.)

The Standard Drafting Team (SDT) will review the two main requirements and shall add Time Horizons to each of the Requirements.

The SDT will consider modifying the BAL-502-RFC-02 Standard to include a requirement that the Planning Coordinators identify any gap between the needed amount of planning reserves defined in Requirement R1.1 and the planning reserves determined from the resource adequacy analysis.

The SDT will also consider miscellaneous non-substantive formatting changes such as, but not limited to, reclassifying “sub-requirements” to “parts”.

Reliability Functions

The Standard will Apply to the Following Functions (Check box for each one that applies.)

<input type="checkbox"/>	Reliability Authority	Ensures the reliability of the bulk transmission system within its Reliability Authority area. This is the highest reliability authority.
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<input type="checkbox"/>	Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time
<input type="checkbox"/>	Generator Owner	Owns and maintains generating units
<input type="checkbox"/>	Interchange Authority	Authorizes valid and balanced Interchange Schedules
<input checked="" type="checkbox"/>	Planning Authority/Planning Coordinator	Plans the BPS
<input type="checkbox"/>	Resource Planner	Develops a long-term (generally one year and beyond) plan for the resource adequacy of specific loads (customer demand and energy requirements) within a Planning Authority Area
<input type="checkbox"/>	Transmission Planner	Develops a long-term (generally one year and beyond) plan for the reliability (adequacy) of the interconnected bulk electric transmission systems within its portion of the Planning Authority Area
<input type="checkbox"/>	Transmission Service Provider	Provides transmission services to qualified market participants under applicable transmission service agreements
<input type="checkbox"/>	Transmission Owner	Owns transmission facilities
<input type="checkbox"/>	Transmission Operator	Operates and maintains the transmission facilities, and executes switching orders
<input type="checkbox"/>	Distribution Provider	Provides and operates the “wires” between the transmission system and the customer
<input type="checkbox"/>	Generator Operator	Operates generating unit(s) and performs the functions of supplying energy and Interconnected Operations Services
<input type="checkbox"/>	Purchasing-Selling Entity	The function of purchasing or selling energy, capacity and all necessary Interconnected Operations Services as required
<input type="checkbox"/>	Load-Serving Entity	Secures energy and transmission (and related generation services) to serve the end user
<input type="checkbox"/>	Market Operator	Integrates energy, capacity, balancing, and transmission resources to achieve an economic, reliability-constrained dispatch of resources. The dispatch may be either cost-based or bid-based
<input type="checkbox"/>	Regional Reliability Organizations	An entity that ensures that a defined area of the BPS is reliable, adequate and secure. A member of the North American Electric Reliability Council. The Regional

		Reliability Organization can serve as the Compliance Monitor
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NOTE: The SDT may find it necessary to modify the initial reliability function responsibility assignment as a result of the standards development and comments received.

Reliability Principles

<i>Applicable Reliability Principles (Check box for all that apply.)</i>	
<input checked="" type="checkbox"/>	1. Interconnected BPS shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
<input checked="" type="checkbox"/>	2. The frequency and voltage of interconnected BPS shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
<input checked="" type="checkbox"/>	3. Information necessary for the planning and operation of interconnected BPS shall be made available to those entities responsible for planning and operating the systems reliably.
<input type="checkbox"/>	4. Plans for emergency operation and system restoration of interconnected BPS shall be developed, coordinated, maintained, and implemented.
<input type="checkbox"/>	5. Facilities for communication, monitoring, and control shall be provided, used, and maintained for the reliability of interconnected BPS.
<input type="checkbox"/>	6. Personnel responsible for planning and operating interconnected BPS shall be trained, qualified, and have the responsibility and authority to implement actions.
<input type="checkbox"/>	7. The security of the interconnected BPS shall be assessed, monitored, and maintained on a wide-area basis.

Market Interface Principles

<i>Does the proposed Standard comply with all of the following Market Interface Principles?</i>	
Recognizing that reliability is an essential requirement of a robust North American economy:	
<input checked="" type="checkbox"/> yes or <input type="checkbox"/> no	1. A reliability standard shall not give any market participant an unfair competitive advantage.
<input checked="" type="checkbox"/> yes or <input type="checkbox"/> no	2. A reliability standard shall neither mandate nor prohibit any specific market structure.

<input checked="" type="checkbox"/> yes or <input type="checkbox"/> no	3. A reliability standard shall not preclude market solutions to achieving compliance with that standard.
<input checked="" type="checkbox"/> yes or <input type="checkbox"/> no	4. A reliability standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards.

Detailed Description (Provide enough detail so that an independent entity familiar with the industry could draft a Standard based on this description.)

The SDT will review the two main requirements and shall add Time Horizons to each of the Requirements. The SDT shall review the five Time Horizons listed below and determine which Time Horizon is appropriate for each Requirement:

1. Long-term Planning – a planning horizon of one year or longer.
2. Operations Planning – operating and resource plans from day-ahead up to and including seasonal.
3. Same-day Operations – routine actions required within the timeframe of a day, but not real-time.
4. Real-time Operations – actions required within one hour or less to preserve the reliability of the bulk electric system.
5. Operations Assessment – follow-up evaluations and reporting of real-time operations.

The STD will consider modifying the BAL-502-RFC-02 Standard to include a requirement that the planning coordinators identify any gap between the needed amount of planning reserves defined in Requirement R1.1 and the planning reserves determined from the resource adequacy analysis. This new requirement will be a documentation requirement only and will not require entities to install additional generation or transmission capacity.

- If the SDT decides to not include a new requirement after their consideration, the SDT shall develop a technical justification as to why a new requirement was not included.
- If the SDT decides to include a new requirement after their consideration, the Standards Drafting Team shall also develop associated Measures, Violation Risk Factors, Violation Severity Levels and Time Horizons.

The SDT will also review the Standard and consider miscellaneous non-substantive formatting changes such as, but not limited to, reclassifying “sub-requirements” to “parts”.

Related Standards (NERC and Regional)

Standard No.	Explanation
BAL-502-RFC-02	This Standard was approved by the FERC on March 23, 2011

Related SARs

SAR ID	Explanation

Implementation Plan

<p>Description (<i>Provide plans for the implementation of the proposed standard, including any known systems or training requirements. Include the reliability risk(s) associated with the violation that the standard will mitigate, and the costs associated with implementation.</i>)</p>	
<p>Proposed Implementation</p>	<p>days after Board adoption or</p>
<p>_____</p> <p>on (date):</p>	

Assignments

	<i>Assignment</i>
Team Members	
ReliabilityFirst Staff	