**Standard Authorization Request Form**

**Regional Standard or Variance**

**Texas Reliability Entity, Inc.**

##### E-mail completed form to [rsm@texasre.org](mailto:rsm@texasre.org)

Texas RE to Complete

SAR No:

**Title of Proposed Regional Standard**: BAL-001-TRE-2

**Request Date**: Click or tap here to enter text.

**SAR Requester Information**

**Name**: Colleen Frosch

**Registered Entity**: ERCOT

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**SAR Type** (Check a box for each one that applies.)

New Standard

Revision to Existing Standard

Revision to the Standard Development Process

Withdrawal of existing standard

Variance to a NERC Reliability Standard

Which one? Click or tap here to enter text.

Urgent Action

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| Purpose (Describe what the standard action will achieve in support of bulk power system reliability.) This SAR serves two purposes:   * Any unit that do not intend to offer frequency-responsive Ancillary Service, could widen the Governor dead-band requirement to 0.036Hz. All GOs will still be required to have the Governors in service and respond to frequency deviations greater than the proposed dead-band. * The clarification on Compliance Monitoring Period and Reset Time Frame (Section C: 1.2) will give a better understanding on the roles of GO, Compliance Enforcement Authority and the BA pertaining to resetting the 12-month rolling average performance score. |
| Industry Need (Provide a justification for the development or revision of the standard, including an assessment of the reliability and market interface impacts of implementing or not implementing the standard action.) ERCOT procures quantities of Ancillary Services (Responsive Reserve Service) from frequency-responsive resources in each hour to protect against under-frequency Load shed in the event of a trip of the two largest units within the ERCOT System. This Ancillary Service has always consisted of two components, a Primary Frequency Response component and a 10-minute energy deployment component. Under the current version of North American Electric Reliability Corporation (NERC) Reliability Standard BAL-001-TRE-2, Primary Frequency Response in the ERCOT Region, all on-line generation resources are required to have their Governors in service and provide Primary Frequency Response unless exempted by the Balancing Authority (ERCOT.) As a result, all generation resources within the system are providing an uncompensated service to ERCOT and are subject to compliance risk regardless of whether the resource has RRS responsibilities at the time. Additionally, Primary Frequency Service results in increased wear and tear and operations and maintenance (O & M) costs that are borne by the GO. This SAR allows those Generation Resources that do not have Ancillary Service responsibilities to widen their Governor dead-bands, thereby reducing the compliance risk borne by GOs if they are not providing those services.  Texas Reliability Entity (TRE), as the Compliance Enforcement Authority for the ERCOT region, is responsible for receiving and approving a mitigation plans sent by the GOs. Once the mitigation plan are approved by TRE, the approval information shall be forwarded to ERCOT to initiate the resetting of 12-month rolling average performance score. The proposed language in Section C: 1.2 will clarify the roles and responsibilities of the TRE and ERCOT. |
| **Brief Description** (Provide a paragraph that describes the scope of this standard action.)  ERCOT proposes that any unit not intending to offer frequency-responsive Ancillary Services could widen the dead-band requirement to 0.036 Hz.  Texas Reliability Entity (TRE), as the Compliance Enforcement Authority for the ERCOT region, is responsible for receiving and approving a mitigation plan sent by the GOs. Once the mitigation plan is approved by TRE, the approval information shall be forwarded to ERCOT to initiate the resetting of 12-month rolling average performance score. The proposed language in Section C: 1.2 will clarify the roles and responsibilities of the TRE and ERCOT. |
| **Detailed Description** (Provide a description of the proposed project with sufficient details for the standard drafting team to execute the SAR.)  ERCOT procures quantities of Ancillary Services (Responsive Reserve Service) from frequency-responsive resources in each hour to protect against under-frequency Load shed in the event of a trip of the two largest units within the ERCOT System. This Ancillary Service has always consisted of two components, a Primary Frequency Response component and a 10-minute energy deployment component. Under the current version of North American Electric Reliability Corporation (NERC) Reliability Standard BAL-001-TRE-2, Primary Frequency Response in the ERCOT Region, all on-line generation resources are required to have their Governors in service and provide Primary Frequency Response unless exempted by the BA (ERCOT.) As a result, all generation resources on the system are providing an uncompensated service to the ERCOT System and are subject to compliance risk regardless of whether the resource has a RRS responsibilities at the time. Additionally, the Primary Frequency Service results in increased wear and tear and operations and maintenance (O & M) costs that are borne by the generator owner. This SAR allows those generation resources that do not have Ancillary Service responsibilities to widen their Governor dead-bands, thereby reducing the compliance risk borne by GOs if they are not providing those services.  Texas Reliability Entity (TRE), as the Compliance Enforcement Authority for the ERCOT region, is responsible for receiving and approving a mitigation plan sent by the GOs. Once the mitigation plan is approved by TRE, the approval information shall be forwarded to ERCOT to initiate the resetting of 12-month rolling average performance score. The proposed language in Section C: 1.2 will clarify the roles and responsibilities of the TRE and ERCOT. |

## Reliability Functions

## For a more detailed description of the Reliability Functions, please refer to [NERC Function Model\_V5](http://www.nerc.com/pa/Stand/Functional%20Model%20Archive%201/Functional_Model_V5_Final_2009Dec1.pdf)

The Regional Standard will apply to the following functions: (Check all that apply.)

|  |  |
| --- | --- |
| Balancing Authority | Resource Planner |
| Distribution Provider | Transmission Operator |
| Generator Operator | Transmission Owner |
| Generator Owner | Transmission Planner |
| Planning Coordinator/Planning Authority | Transmission Service Provider |
| Reliability Coordinator |  |

## Reliability and Market Interface Principles

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| **Applicable Reliability Principles** (Check all that apply.) | |
|  | 1. Interconnected bulk power systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards. |
|  | 1. The frequency and voltage of interconnected bulk power systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand. |
|  | 1. Information necessary for the planning and operation of interconnected bulk power systems shall be made available to those entities responsible for planning and operating the systems reliably. |
|  | 1. Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented. |
|  | 1. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems. |
|  | 1. Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions. |
|  | 1. The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis. |
|  | 8. Bulk power systems shall be protected from malicious physical or cyber attacks. |
| Does the proposed Standard comply with all of the following Market Interface Principles? | |
| 1. A reliability standard shall not give any market participant an unfair competitive advantage.   Yes  No | |
| 1. A reliability standard shall neither mandate nor prohibit any specific market structure.   Yes  No | |
| 1. A reliability standard shall not preclude market solutions to achieving compliance with that standard.   Yes  No | |
| 1. 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.   Yes  No | |

**Related Standards**

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| Standard No. | Explanation |
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## Related SARs

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| SAR ID | Explanation |
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