Background Information
Definition of the BES (Project 2010-17)
Technical Principles for Demonstrating BES Exceptions

In parallel with the definition project, another stakeholder team outside the standards development process has been set up to develop a change to the NERC Rules of Procedure (RoP) to allow for entities to apply for excluding Elements from the BES that might otherwise be included according to the proposed definition and designations. This same process would be used by Registered Entities to justify including Elements in the BES that might otherwise be excluded according to the proposed definition and designations. The RoP team will develop the process for seeking an exception from the definition and designations, but the Definition of the BES Standards Drafting Team (DBESSDT), through the standards development process, has developed the criteria necessary for applying for an exception.

The exception process has been set up as a checklist of items that an entity requesting an exception should supply to the Regional Entity as the first step in the process described in the Rules of Procedure. The same checklist will be utilized for exceptions dealing with inclusions or exclusions. The intent of the SDT is to standardize the types of information that must be supplied when seeking an exception to the extent possible. This will allow for the Regional Entities to process the requests based on standardized evidence and for the ERO to make the eventual decision on the request based on this standardized evidence. This is a significant departure from the first posting on this topic. Based on industry response from that posting and further analysis the SDT has abandoned the initial exclusion criteria and developed this new methodology that it believes will provide more clarity and continuity to the process. The initial proposal was dependent on a comparison of an entity’s characteristics to a defined value and/or limit. However, it has become apparent that it is not feasible to establish continent-wide values and/or limits due to differences in operational characteristics. The new process requires an entity to clarify the characteristics of the facilities in question and to document the operational performance as appropriate through submittal of the Detailed Information to Support an Exception Request along with any other supporting documentation for the exception being sought. The appropriate Regional Entity will review the submittal to validate information, make a recommendation of whether or not to support the exclusion or inclusion, and then file the request and recommendation with the ERO as established in the Rules of Procedure as presently being drafted and posted for comment. An ERO panel as described in the Rules of Procedure presently being drafted and posted for comment will then make the decision on the exception. At this point, the engineering judgment of the ERO panel will be utilized. Using the request document to dictate the type of supporting material that needs to be supplied plus having a common panel perform the evaluations will result in an open, transparent, and consistent process.
The SDT is seeking industry feedback on the approach being presented. Comments received from this posting will help to determine the final criteria that the industry will be required to adhere to. Therefore, industry feedback is vital to the development process.

It should be noted that the actual application process is described in the Rules of Procedure document that will be posted separately from the exception criteria document.
1. Page one of the ‘Detailed Information to Support an Exception Request’ contains general instructions. Do you agree with the instructions presented or is there information that you believe needs to be on page one that is missing? Please be as specific as possible with your comments.

Yes:

No:  X

Comments:

How an exception application will be assessed by the RE and NERC is not addressed in the document. Stakeholders need to know how the exception application will be evaluated and processed. Suggest that the SDT develop a reference or a guidance document as part of the RoP that will provide guidance to Registered Entities, Regional Entities and the ERO on how an exception application will be processed. Of particular concern is the lack of clarity and specificity with respect to what analyses and study results are required under the third bullet on page 1 and under question 4 on both pages 2 and 4. This lack of clarity and specificity will lead to inconsistent application of the Technical Principles by both Registered Entities and Regional Entities.

We recommend the following: the impact and performance analyses required by the 3rd bullet on page 1 and by #4 on pages 2 and 4 should be stipulated to be all analyses, scenarios, and contingencies required under NERC Standard TPL-002-1 with the “exception element” removed from the base system model. Entities shall report on all key performance measures of BES reliability specified in the TPL-002-1 attributable to the removed “exception element”.

On page 1 under General Instructions, it is stated that:

“A one-line breaker diagram identifying the facility for which the exception is requested must be supplied with every application. The diagram(s) supplied should also show the Protection Systems at the interface points associated with the Elements for which the exception is being requested.”

What is meant by interface points?

2. Pages two and three of the Detailed Information to Support an Exception Request contain a checklist of items that deal with transmission facilities. Do you agree with the information being requested or is there information that you believe needs to be on page two or three that is missing? Please be as specific as possible with your comments.

Yes:

No:  X
Comments:

For question 2 on page 2 For Transmission Facilities:

- What standards will define the “impact”?
- What is a material impact and a non-material impact?
- What kinds and types of impacts are acceptable/unacceptable?
- How are impacts determined?

Question 6 on page 3 reads “Is the facility part of a Cranking Path associated with a Blackstart Resource?”, suggest removing the reference to “Cranking Path” because the Drafting Team does not require that the BES be contiguous, and black start resource Cranking Paths were deleted from Inclusion I3.

Question 7 on page 3 asks, “Does power flow through this facility into the BES?”. This can only apply to a Local Network with two or more connections to the BES. No power should normally flow through a Local Network (or Radial system) to another portion of the BES. There may be occasional, brief reverse power flows may be acceptable during short periods under abnormal operating conditions.

Question 7 also requests “data for the most recent consecutive two calendar year period.” Why is two years worth of data necessary? One year of data would be sufficient.

From Question 7, “what is the minimum and maximum magnitude of the power flow out of the facility …” What is intended by the use of magnitude?

Suggest that the Drafting Team adopt the FERC Seven Factor test for question 7.

Suggest deleting the “% of the calendar year” check boxes in favor of a statement either that power does not flow through the Local Network, or alternatively, a blank space for reporting the net peak MWs and MWHs transferred annually through the facility, and the percentage of these transferred amounts to the peak and annual MWH demands served by the Local Network. Suggest requesting only one year (8,760 hours) of data covering four seasons, including Summer and Winter capability periods.

3. Page four of the ‘Detailed Information to Support an Exception Request’ contains a checklist of items that deal with generation facilities. Do you agree with the information being requested or is there information that you believe needs to be on page four that is missing? Please be as specific as possible with your comments.

Yes:

No:  X

Comments:

This Application generally applies to traditionally fueled generating facilities. Application form and justifications would be required for non-traditional resources such as solar and wind?
Question 2 on page 4 asks, “Is the generator or generator facility used to provide Ancillary Services?” If some of these Generator check list items are market-related and not reliability-related, they should not be present. If the Ancillary Services are reliability-related, please explain their relation to BES reliability.

Suggest inserting the word “reliability” before the words “must run” in question 3.

Question 5 on page 4 asks, “Does the generator use the BES to deliver its actual or scheduled output, or a portion of its actual or scheduled output, to Load?” This could mean the generator may serve local loads through non-BES facilities. In order to serve these local loads the generator would need to be connected to a Radial system, a Local Network or to local distribution facilities. Is this what is intended? Were there any other possibilities envisioned by the BES SDT?

4. Do you have concerns about an entity’s ability to obtain the data they would need to file the 'Detailed Information to Support an Exception Request'? If so, please be specific with your concerns so that the SDT can fully understand the problem.

   Yes: ☐
   No: ☒

   Comments:

   According to the Applicability section, the TPL Reliability Standards are only applicable to the Planning Coordinator (PC) and the Transmission Planner (TP). Was it the BES SDT’s assumption that Applicants would have the PC or TP run studies for them, or that all Applicants would gain access to those models and run the models themselves? (Ref. TPL-002-1b, Applicability: Planning Authority, and Transmission Planner.)

5. Are there other specific characteristics that you feel would be important for presenting a case and which are generic enough that they belong in the request? If so, please identify them here and provide suggested language that could be added to the document.

   Yes: ☒
   No: ☐

   Comments:

   There is no guidance provided as to how the information asked for in this form will be evaluated, and what the decision making process will entail. As such, a
Reference document should be developed and provide some guidance on how to evaluate applications.

Suggest that the BES SDT adopt the FERC Seven Factor test.

6. Are you aware of any conflicts between the proposed approach and any regulatory function, rule order, tariff, rate schedule, legislative requirement or agreement, or jurisdictional issue? If so, please identify them here and provide suggested language changes that may clarify the issue.

   Yes: □
   No: ☒
   Comments:

7. Are there any other concerns with the proposed approach for demonstrating BES Exceptions that haven’t been covered in previous questions and comments (bearing in mind that the definition itself and the proposed Rules of Procedure changes are posted separately for comments)? Please be as specific as possible with your comments.

   Yes: □
   No: ☒
   Comments: