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**NPCC
Regional Reliability Reference Directory # 6
Reserve Sharing Groups**

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| Task Force on Coordination of Operations Revision Review Record: |
| April 06, 2012 |
| September 27, 2019 |
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Adopted by the Members of the Northeast Power Coordinating Council, Inc. this April 06, 2012 based on recommendation by the Reliability Coordinating Committee, in accordance with Section VIII of the NPCC Amended and Restated Bylaws dated January 1, 2012 as amended to date.

Revision History

| Version | Date | Action | Change Tracking (New, Errata or Revisions) |
|----------------|---------------------------|---|---|
| 0 | April 6, 2012 | | New |
| 1 | March 30, 2015 | Inserted Applicability of NPCC Criteria | New |
| 2 | September 27, 2019 | Update Applicability section; Revise Criteria for reviewing body from Regional Entity to TFCO; Relocate Defined Terms to the NPCC Glossary of Terms Document | Revisions |

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1.0 Introduction

1.1 Title: Reserve Sharing Groups

1.2 Directory Number: 6

1.3 Objective:

To provide the requirements for NPCC Balancing Authorities to participate in a **Reserve Sharing Group**.

1.4 Effective Date: April 6, 2012

1.5 Background:

This Directory was developed from the NPCC C-38 Procedure for Operating Reserve Assistance document.

1.6 Applicability:

1.6.1 Functional Entities:

- Balancing Authorities
- **Reserve Sharing Groups**

1.6.2 Applicability of NPCC Criteria:

Requirements to abide by an NPCC Directory may also reside in external tariff requirements, bilateral contracts and other agreements between facility owners and/or operators and their assigned Reliability Coordinator, Planning Coordinator, Transmission Operator, Balancing Authority and/or Transmission Owner as applicable and may be enforceable through those external tariff requirements, bilateral contracts and other agreements. NPCC will not enforce compliance to the NPCC Directory requirements in this document on any entity that is not an NPCC Full Member.

2.0 Defined Terms

Unless specifically noted in this document, terms in bold typeface are defined in the NPCC Glossary of Terms.

3.0 NERC ERO Reliability Standard Requirements

The NERC ERO Reliability Standards containing requirements that are associated with this Directory include, but may not be limited to:

- BAL-002-3: Disturbance Control Standard: Contingency Reserve for Recovery from a Balancing Contingency Event

4.0 NPCC Regional Reliability Standard Requirements

None.

5.0 NPCC Full Member, More Stringent Criteria

5.1 Reserve Sharing Group Requirements:

- R1.** The Balancing Authorities (BAs) participating in a **Reserve Sharing Group (RSG)** shall have a **RSG Agreement** that meets the requirements as specified in section 5.2.
- R2.** Each **RSG** shall provide their **RSG Agreement** to the Task Force for Coordination of Operation for review before it is implemented.
 - R2.1** New **RSG Agreements** and future changes to existing **RSG Agreements** shall be approved by the Reliability Coordinating Committee (RCC).
- R3.** The Balancing Authorities (BAs) participating in a **Reserve Sharing Group (RSG)** shall be adjoining BAs unless they have a wheeling agreement with the intermediary BA or BAs.
- R4.** Each **RSG** shall provide the Task Force on Coordination of Operation with a quantitative estimate of the change in reliability risk related to a **RSG agreement** for review before their **RSG Agreement** is implemented.

There are a number of studies that could be performed to analyze the change in reliability risk such as:

- Megawatt Loss Probability Method
- Statistical analysis on the NPCC **reportable events** reports (NERC Form CR-1 reports)/Chronological event database
- Other comparable methods that produce the required reliability risk estimate.

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5.2 Reserve Sharing Group Agreement Requirements:

- R5.** Each **RSG Agreement** shall specify the following:
- R5.1** The BAs participating in the **RSG**.
 - R5.2** The BA acting as the **RSG Coordinator**.
 - R5.3** Intermediary BAs that have agreed to facilitate the transfer of **Reserve Sharing Group Energy (RSGE)** between non adjacent BAs in a **RSG**, through the intermediary BA **Area(s)** without utilizing the **RSGE** or providing reserve for other BAs. Such BAs will be designated as a wheeling only BA and are not part of the **RSG**.
 - R5.4** The effective date of the **RSG Agreement** and the renewal, review and termination dates, if applicable.
 - R5.5** The reserve product(s) being shared (e.g. **ten-minute reserve**, **ten-minute synchronized reserve** and/or **thirty-minute reserve**).
 - R5.6** The minimum amount of each reserve product required by each of the participating BAs.
 - R5.7** The conditions under which a participating BA will declare that they are unable to provide **RSGE**.
 - R5.8** The method for determining **RSGE** share sizes for the participating BAs.
 - R5.9** The conditions under which **RSGE** may be activated, including any time limits after a **contingency** occurs.
 - R5.10** Details of how the activation and termination of **RSGE** are coordinated with simultaneous activation of **ten-minute reserve** (SAR) energy, other existing reserve activation agreements and other **RSGs**.
 - R5.11** The Ramp to be utilized for Schedule changes when **RSGE** is activated and/or terminated.
 - R5.12** The maximum duration for which the **RSGE** can be activated.
 - R5.13** Times within which the **RSG Coordinator** shall:
 - Communicate changes in availability and deliverability of **RSGE** that are reported to it
 - Develop allocation shares, if necessary
 - Specify Schedule changes to activate **RSGE**
 - Adjust Schedules to terminate the delivery of **RSGE**.

- R5.14** The communication method(s) to be used to exchange information with the **RSG Coordinator**.
- R5.15** The information that must be exchanged between the **RSG Coordinator** and participating BAs and between the **RSG Coordinator** and other **RSG Coordinators** and the **SAR Coordinator**.
- R5.16** Requirements for the payback of any delivered **RSGE**.
- R5.17** How transmission capability is utilized for planning and ensuring the availability and deliverability of **RSGE**.
- R5.18** The allocation between participating BAs, of any penalties resulting from the violation of NPCC or NERC criteria or standards.
- R5.19** **RSGE** shall meet the sustainability requirements specified in NPCC Directory 5 *Reserve*.

6. Compliance

6.1 Compliance Monitoring Process

Compliance with the requirements set forth in this Directory will be in accordance with the NPCC Criteria Compliance and Enforcement Program (CCEP).

Measures and corresponding Levels of Non-Compliance for these requirements are contained within the compliance templates associated with this Directory.

6.2 Data Retention

Responsible Entities shall keep evidence of compliance for a minimum of three (3) years. A Responsible Entity found non-compliant shall keep information related to the non-compliance until found compliant.

Lead Task Force: Task Force on Coordination of Operation

Review and Approval: Revision to any portion of this Directory will be posted by the lead Task Force in the NPCC Open Process for a 45 day review and comment period. Upon satisfactorily addressing all the comments received in the Open Process, the Directory document will be sent to the RCC for approval.

Upon approval of the RCC, this Directory will be sent to the Full Member Representatives for their final approval if sections pertaining to the Requirements and Criteria portion have been revised. All voting and approvals will be conducted according to the most current "NPCC. Bylaws" in effect at the time the ballots are cast.

Revisions pertaining to the Appendices or any other portion of the document such as Links glossary terms, etc., only RCC Members will need to conduct the final approval ballot of the document.

This Directory will be updated at least once every three years and as often as necessary to keep it current and consistent with NERC, Regional Reliability Standards and other NPCC documents.

References: *NPCC Glossary of Terms*
NPCC Directory #5 – Reserve