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## Frequently Asked Questions on Standard BAL-502-RFC-02

These FAQs are organized by Standards sections:

### Applicability Section

Q. The applicability section has been modified to apply to the Planning Coordinator and remove the Load Serving Entity. Is the standard still consistent with the SAR and MRO standard?

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A. Yes. Regarding the existing SAR's purpose of providing consistency with the MRO Resource Adequacy standard, consistency with the MRO standard has been directed towards the characteristics of the required study, not necessarily towards the applicability and specific entity requirements.

### R1.1

Q. Can a PRSG use a 2.4 hour per year criterion as being comparable to a 1 day in ten year criterion, if it determines the probabilities from all 8,760 hours of load?

A. No. The methodology expressed in the standard calls for calculating, at the minimum, the loss of load probability for all days for each planning year. Any days which do not contribute to the LOLE analysis may be disregarded with proper documentation. The summation of these "daily" probabilities for each year is required to be equal to 0.1 for the analysis. If the probability for all 365-366 days is calculated, the result still has to be equal to 0.1. ReliabilityFirst has not determined a criterion based on the probability for all hours of the year.

### R1.2

Q. Is it necessary to perform an analysis, annually, for each year of the ten year study period?

A. No. Annually, an analysis needs to be performed for the first year of the ten year study period and performed or verified, for at least one year from years 2-5 and one year 6-10.

Q. What is the difference between performing an analysis and verifying an analysis?

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- A. Verifying an analysis is an option when the demand forecast and capacity resources have not significantly changed from a previous analysis, such that a new analysis would be expected to produce results similar to the previous analysis.

### R1.3.1

- Q. Is there a prescribed or expected methodology for including the load forecast characteristics listed in R1.3.1?

- A. No. The standard requires those characteristics to be factored into the analysis, but does not prescribe the exact methodology. For example, load diversity accounts for the fact that not all areas in a Planning Coordinator area will achieve their peak load during the same hour of the month. The sum of the area loads will be greater than the Planning Coordinator area load. Should the Planning Coordinator use the average diversity for the past "X" years, the minimum diversity, or last year's diversity? It is up to the Planning Coordinator to determine how to account for load diversity among its areas.

### R1.3.2

- Q. Is there a prescribed or expected methodology for including the resource characteristics listed in R1.3.2?

- A. No.

- Q. What type of projected performance changes are allowed?

- A. There is no prescribed list of acceptable changes. When there is a logical expectation of performance improvement or degradation, which should be documented and included in the analysis.

Example 1: A scheduled repair 3 years from now is expected to improve the outage performance (reduce outages) of a generator by 2 percentage points. That improved outage data can be included in years 3-10.

Example 2: A trend analysis (not required) indicates that 50 year old generating units have an annual increase in forced outages of 0.75 percentage point a year for the next 6 years. That would be a future change (degradation) that could be included for units 50 - 55 years old.

### R1.3.3

- Q. Could you give an example of a type of transmission limit that is to be included?

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A.

1. The “nature” of the limit could be any of the usual types of transmission limitations: thermal, voltage, angular stability or voltage stability, etc.
2. The impact of the limit and its bearing on resource adequacy could be in any of several areas, but most likely:
  - a. A limit or “bottleneck” that traps a significant amount of resource capability inside a limited area of the Planning Coordinator, such that that capability is not fully available for sharing within the rest of the Planning Coordinator area during capacity deficiencies
  - b. A limit or “bottleneck” that isolates a significant load area such that the resource capability of the Planning Coordinator area at large is not fully available to assist with capacity deficiencies within that load area
  - c. In the case where the Planning Coordinator methodology assumes that resources from outside the Planning Coordinator area will assist in achieving resource adequacy (either committed or non-committed resources), a limit that prevents the assumed level of outside resource assistance from reaching the Planning Coordinator area.

R1.4

- Q. Requirement 1.4 lists different characteristics that are to be “considered”. Does the analysis have to include all of these characteristics?
- A. None of these characteristics has to be included in the analysis. However there must be documentation as to why these items were included or excluded from the analysis.

R1.7

Q. Can you provide an example of how an auditor may check compliance per R1.7?

A. One way an auditor may check compliance for R1.7 is comparing the documented load required by R1.7 against the load used in the analysis. If the load in the documentation is missing from the analysis a possible non-compliance may be found. DISCLAIMER - this is just an example of a possible way an auditor may check compliance for R.7. There may be other ways in which an auditor may check for compliance for R1.7.

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R2

- Q. What should be included in the documentation comparing the projected ten year load and resources with the planning reserve margin benchmark?
- A. Documentation should be sufficient to create a table that lists the projected ten year reserves (projected resources minus forecast load) and the benchmark planning reserves for the years included in the analysis (benchmark times the forecast load).
- Q. When will this documentation be submitted?
- A. Reliability *First* staff will provide a schedule for data/documentation submittal.

### Compliance – VRF/VSL

- Q. What is the difference between a Violation Risk Factor (VRF) and Violation Severity Level (VSL)?
- A. The Violation Risk Factors address the potential adverse impact that non-compliance with a standard requirement could have on the Bulk Power System.

Violation Severity Levels are to ensure consistent application in assigning the level of non-compliance over a wide range of standard requirements, after a NERC Reliability Standard non-compliance has been identified. The VSL descriptions are used in classifying and identifying the degree or level by which the entity has failed to satisfy a standard requirement.

#### Example:

The speed limit in the school zone is 20 miles per hour. Since, it is a school zone the “Violation Risk Factor” or potential adverse impact of speeding is greater than on a highway.

If a motorist was stopped for traveling at a speed of 22 miles per hour, which is in violation of the posted speed limit, the severity of the violation (VSL) could be considered minor. If the motorist was traveling at 45 miles per hour, the VSL would be considered significant.

In both cases the motorists violated the speed limit and would be subject to penalty. The level of the penalty would be comprised of two factors:

The violation occurred in a school zone, which made it a high VRF violation. The magnitude of the violation, or VSL of 2 miles over the limit

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could be a “lower violation”. At 25 miles over the limit, the VSL could be a “severe” violation.

The VSLs are intended to describe the degree to which a standard requirement has been violated. The VRFs, which are predetermined prior to any violation occurring, consider the risk/consequences for violating a requirement.

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