

MOD 29 Issues Update

CCPG

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MOD-29 Development Background

- Western participation primarily focused on WECC rated path approach
 - Desire to maintain ratings on existing WECC Rated Paths
 - Alleviate impacts on legacy contracts
- Participants did not understand the magnitude of potential negative impacts to non-WECC Rated Paths

General MOD-29 Issues

- Purpose & intent of MOD standards is appropriate
 - Maintain awareness of available transmission system capability
 - Increase consistency & reliability in the development & documentation of transfer capability calculations
 - Maximize utilization of existing transfer capability
- WECC Rated Paths do not appear to be impacted

General MOD-29 Issues (cont.)

- A variety of posted paths will experience negative impacts depending on how MOD-29 is applied
 - NERC temporary waiver addressed this issue
- Unintended negative consequences
 - Reduced ATC and increased costs to serve load
 - Interference with adequate capability to meet demand
 - Inability to support existing contracts
 - Will limit future interconnections and/or increase associated costs
 - No customer benefits
- Actual transmission system is reliable and adequate for serving load and has been for decades

Actions Taken to Date

- Regional Coordination, Study and Evaluation since March 2010, raised concerns in appropriate industry forums
- Discussions with FERC and NERC resulted in NERC “Deep Dive” Meeting February, 2011
- Desire a joint NERC/WECC/Utility resolution that does not negatively impact TTC/ATC
- NERC determined that there was a valid technical concern and issued an extension of time for compliance with parts of MOD-029 related to “Flow Limited” paths

“Deep Dive” Meeting Participants

- NERC and WECC
- Some Members of original Standards Drafting Team
- Industry Consultants
- Arizona Public Service
- Bonneville Power Administration
- California ISO
- Public Service New Mexico
- TriState G&T
- Tucson Electric Power
- Salt River Project
- Southwest Transmission Cooperative
- Western Area Power Administration

Post “Deep Dive” Meeting Outcomes

- Short-Term – Relief
 - NERC Enforcement issued a Waiver which allowed modification of R 2.1 to use path thermal rating rather than flows for “Flow Limited” paths. This is not applicable for “Reliability Limited” paths
- Long-Term
 - NERC envisions a permanent solution via a SAR (Standard Authorization Request)

Joint Initiatives Efforts

- Joint Initiative Group (Columbia Grid, Northern Tier, WestConnect) and CAISO are working on developing the Issue Paper and draft SAR Document
- Once draft documents are completed, initiate a broad stakeholder collaborative process to vet issues
 - The goal is to move toward consensus on key issues prior to initiation of formal SAR process
- Outreach to entities in Eastern and Western Interconnections
- Keep NERC informed of activities and progress

Proposed Changes – R2.1

- Requirement and Measurement changes
- Reliability Limited Paths – No change
- Flow Limited Paths – Demonstrate no reliability impact
 - Modeling Flexibility
 - Set the TTC on the ATC Path to the lesser of the Facility Rating or the maximum transfer that was simulated
- For both prevailing and counter-flow direction

Proposed Changes – R2.2

- Description
 - Determination of TTC in the counter-flow direction
- Propose to delete
- Rationale
 - It has been subsumed into 2.1
 - Integrating R2.2 into R2.1 improves reliability for TTC in the counter flow direction by requiring additional studies which is not required in the current R2.2

Proposed Changes – R2.3

- Description
 - ATC Paths limited by the lesser of the contract capacity or the reliability limit as determined in R2.1
- Propose
 - Remove the “reliability limit” replace with “TTC” as determined in R2.1
- Rationale
 - As currently written assumes that a reliability limit is achieved, which is not always the case

Potential Changes

- R2.4 - Simultaneous Interaction and Nomograms
 - Not clear on how you use the Nomogram
- R2.5 -when the TTC for the ATC Path being studied has an adverse impact on the TTC value of any existing path
 - Duplicative with other standards and R2.4
- R3 - Establishes the TTC at the lesser of R2 or SOL
 - Is it for Operations Planning or Real-Time Operations?

Next Steps

- Expand Process to include larger stakeholder base in the West
- Complete and distribute the draft Issue Paper
- Develop Timeline & Process Steps
- Outreach in East
- Maintain contact with WECC & NERC
- Ultimately submit SAR & begin the NERC process