

**ADVICE OF THE WESTERN INTERCONNECTION REGIONAL ADVISORY  
BODY  
TO THE ELECTRIC RELIABILITY ORGANIZATION ON  
PROPOSED TIER 1 REGIONAL RELIABILITY STANDARDS BY THE  
WESTERN ELECTRICITY COORDINATING COUNCIL**

The Western Interconnection Regional Advisory Body (WIRAB) submits advice to the North American Electric Reliability Corporation (NERC) regarding the filing of proposed regional reliability standards by the Western Electricity Coordinating Council (WECC).

Section 215(j) of the Federal Power Act (FPA) authorizes regional advisory bodies to provide advice to the Federal Energy Regulatory Commission (the “Commission” or “FERC”) and NERC, as the Electric Reliability Organization, “whether a standard proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest.”<sup>1</sup>

**Background on WIRAB**

Section 215(j) of the FPA provides for the establishment and responsibilities of regional advisory bodies.<sup>2</sup> On April 19, 2006, the Governors of ten States in the Western Interconnection submitted a petition for the creation of the Western Interconnection Regional Advisory Body. On July 20, 2006, FERC issued its Order on Petition to Establish a Regional Advisory Body for the Western Interconnection.<sup>3</sup> WIRAB has

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<sup>1</sup> Section 215(j) of the Federal Power Act (FPA), 16 U.S.C. 824.

<sup>2</sup> *Id.*

<sup>3</sup> Order on Petition to Establish a Regional Advisory Body for the Western Interconnection, Docket No. RR06-2-000, July 20, 2006.

issued advice to the Commission five times regarding implementation of Section 215 since July 25, 2006.<sup>4</sup>

WIRAB members are appointees of the Governors or Premiers of Alberta, Arizona, British Columbia, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, and Wyoming. A representative from Mexico has recently joined WIRAB.

In this document, WIRAB submits advice to NERC regarding WECC's Tier 1 proposed regional reliability standards. This advice was unanimously approved by all 15 WIRAB members.

It is the intent of WIRAB to submit to NERC additional advice when appropriate in the process of developing regional reliability standards, budgets, and responsibilities under Section 215 of the FPA.

### **WECC Filing on Tier 1 Regional Reliability Standards**

In June 2006, WECC established a special task force (Regional Standards Task Force) to identify existing WECC standards that are unique and essential to the operation of the Western Interconnection. Although WECC anticipates that relatively few standards in addition to the ERO standards being implemented throughout the continent will be necessary for the Western Interconnection, WECC's experience in developing and enforcing certain "Reliability Management System" or "RMS" standards in response to the July and August 1996 cascading outages gives it a unique and important perspective on what it takes to maintain the reliability of the Western Interconnection. Thus the

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<sup>4</sup> Advice on Reliability Standards, Docket No. RM06-16-000, July 25, 2006; Advice on Fees and Consolidated Budget of NERC, Docket No. RR06-3-000, October 6, 2007; Advice on Funding Western Reliability Coordinators, Docket No. RR06-3-000, November 27, 2006; Advice on the Proposed Approval of Reliability Standards, Docket No. RM06-16-000; and Advice on the Delegation Agreement Between WECC and NERC and NERC's Proposed Rules of Procedure, Docket Nos. RR07-7-000 and RR06-1-004.

WECC special task force identified three tiers of standards that had the potential to require action to establish WECC reliability standards in addition to the standards NERC has asked FERC to approve as enforceable under Section 215. The first tier was high priority reliability standards judged to be critical for reliability in the Western Interconnection, add to what NERC has adopted, and which have been fully implemented under the RMS program. These Tier 1 standards were deemed ready for enforcement within the West after they were run through the WECC Standards Development Process for urgent standards. Second tier standards are similarly important to the West but were deemed to require more work to make them ready to be forwarded to NERC and FERC for enforceability.<sup>5</sup> A third tier, on which work will continue well beyond 2007, are standards that WECC believes are important but which may be appropriate for implementation throughout the ERO regions and thus should be run through the NERC Standards Development Process before considering the adoption of a special Western standard.

In November 2006, WECC's Operating Committee determined that the Tier 1 standards should be developed as mandatory regional reliability standards under Section 215 of the FPA. On January 5, 2007, WECC's Board of Directors approved filing the Tier 1 standards with NERC as proposed regional reliability standards and asked the NERC Board to approve them and request approval from FERC. NERC posted the proposed Reliability Standards for comment for 45 days (January 10 through February 26).

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<sup>5</sup> Only one standard has been identified for this tier—the WECC Automatic Time Error Correction Standard. This standard, BAL-004-1 is now posted for comment by the WECC Operating Committee. [http://www.wecc.biz/documents/library/Standards/2007/Time%20Error%20Correction\\_Draft\\_Standard\\_W ECC\\_1\\_5\\_cleanversion.pdf](http://www.wecc.biz/documents/library/Standards/2007/Time%20Error%20Correction_Draft_Standard_W ECC_1_5_cleanversion.pdf).

WECC proposes that the following eight Tier 1 standards be adopted as mandatory regional reliability standards in the Western Interconnection.

1. BAL-STD-002-0 Operating Reserves<sup>6</sup>
2. IRO-STD-006-0 Qualified Path Unscheduled Flow Relief<sup>7</sup>
3. PRC-STD-001-1 Certification of Protective Relay Applications and Settings<sup>8</sup>
4. PRC-STD-003-1 Protective Relay and Remedial Action Scheme Misoperation<sup>9</sup>
5. PRC-STD-005-1 Transmission Maintenance<sup>10</sup>
6. TOP-STD-007-0 Operating Transfer Capability<sup>11</sup>
7. VAR-STD-002a-1 Automatic Voltage Regulators<sup>12</sup>
8. VAR-STD-002b-1 Power System Stabilizers<sup>13</sup>

As noted above, the Tier 1 standards are part of WECC's existing Reliability Management System (RMS). WECC initially developed the contract-based RMS

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<sup>6</sup> BAL-STD-002-0 establishes specific operating reserve requirements for Balancing Authorities or Reserve Sharing Groups in the Western Interconnection that are more stringent than NERC proposed ERO standards.

<sup>7</sup> IRO-STD-006-0 establishes procedures for mitigation of transmission overloads due to unscheduled line flow on Qualified Paths in the Western Interconnection. This implements the West's unique Unscheduled Flow Mitigation Procedures.

<sup>8</sup> PRC-STD-001-1 requires Transmission Operators or Owners to certify all protective relay applications for Bulk Power Transmission Paths in the Western Interconnection.

<sup>9</sup> PRC-STD-003-1 requires owners of protective relays and Remedial Action Scheme (RAS) for specified paths to analyze and prepare mitigation steps in response to known or probable relay misoperations.

<sup>10</sup> PRC-STD-005-1 requires Transmission Operators and Owners of specified paths to develop a Transmission Maintenance and Inspection Plan (TMIP) and to perform maintenance and inspection steps according to the TMIP.

<sup>11</sup> TOP-STD-007-0 requires Transmission Operators of specified paths to maintain actual power flows or net scheduled flow within the Operating Transfer Capability for the path requiring that transient stability limits must not be exceeded for more than 20 minutes (NERC is 30 minutes).

<sup>12</sup> VAR-STD-002a-1 requires Generators keep automatic voltage control equipment on synchronous generators in service at all times with certain exceptions. Such equipment shall normally be operated in voltage control mode and set to respond effectively to voltage deviations.

<sup>13</sup> VAR-STD-002b-1 requires that Power System Stabilizers on generators be kept in service and properly tuned at all times with some exceptions.

standards in 1999. The RMS standards include metrics, compliance information and penalties for non-compliance. WECC has field tested and enforced these standards for many years. FERC has approved these standards and the agreement providing conditions for enforcement. Although these standards do not conform to some of NERC's preferred characteristics (e.g. a different sanction table and method of enforcement), they should be approved so long as they only add to and in no way harm the effectiveness of the ERO standards that are now under consideration by FERC. WECC's Tier 1 standards are "urgent" sanctionable standards that were proposed prior to defined ERO processes and aggressively developed in order to gain WECC, NERC, and FERC approval to put them in place commensurate with the ERO sanctionable standards. These "urgent" standards will be replaced by standards under development that should well conform to NERC's specifications for regional standards.

The Tier 1 standards will promote reliability in the Western Interconnection since these standards add to or tighten requirements in the NERC Reliability Standard filings.<sup>14</sup> WECC seeks expedited review from NERC and FERC to have these standards implemented with NERC's other mandatory Reliability Standards by June 2007.

### **Standards for Approving the Regional Reliability Standards**

NERC's review of WECC's proposed regional Reliability Standards must adhere to an important statutory requirement. Section 215(d)(3) of the FPA provides:

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<sup>14</sup> Compared to the NERC standards, the lessons of 1996 blackout prompted WECC to adopt more stringent standards for the following 6 standards: PRC-STD-001-1 Certification of Protective Relay Applications and Settings; PRC-STD-003-1 Protective Relay and Remedial Action Scheme Misoperation; PRC-STD-005-1 Transmission Maintenance; TOP-STD-007-0 Operating Transfer Capability; VAR-STD-002a-1 Automatic Voltage Regulators; VAR-STD-002b-1 Power System Stabilizers). In contrast to the Eastern Interconnection TLR system, the West relies on the standards specified in IRO-STD-006-0 Qualified Path Unscheduled Flow Relief. WECC adopted more specific and stringent operating reserve requirements than NERC in BAL-STD-002-0 Operating Reserves.

The Electric Reliability Organization shall rebuttably presume that a proposal from a regional entity organized on an Interconnection-wide basis for a reliability standard or modification to a reliability standard to be applicable on an Interconnection-wide basis is just reasonable, and not unduly discriminatory or preferential, and in the public interest.<sup>15</sup>

Since WECC is a regional entity organized on an interconnection-wide basis, use of rebuttable presumption applies to NERC review of the Tier 1 proposed regional reliability standards.

NERC Rules of Procedure at Section 313.3 specify the conditions for developing an interconnection-wide regional reliability standard. Section 313.3.1 expands upon the statutory rebuttable presumption requirement and specifies the following criteria to rebut this presumption:

1. *Unfair or Closed Process.* The regional reliability standard was not developed in a fair and open process that provided an opportunity for all interested parties to participate. Although NERC-approved regional reliability standards development procedure shall be presumed to be fair and open, objections could be raised regarding the implementation of the procedure.
2. *Adverse Reliability or Commercial Impact on Other Interconnections.* The regional reliability standard would have a significant adverse impact on reliability in other interconnections.
3. *Deficient Standard.* The regional reliability standard fails to provide a level of reliability of the bulk power system within the interconnection, such that the regional reliability standard would be likely to cause a serious and substantial threat to public health, safety, welfare, or national security.
4. *Adverse Impact on Competitive Markets within the Interconnection.* The regional reliability standard would create a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.

WIRAB believes that WECC's Tier 1 standards do not trigger any of the four criteria to rebut the statutory presumption.

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<sup>15</sup> Section 215(d)(3) of the FPA.

WECC developed the Tier 1 standards in a fair and open process that provided an opportunity for all interested parties to participate. As noted above, the Tier 1 standards are part of the existing RMS standards that have been in place for many years. WECC utilized a thorough procedural process consistent with WECC's Bylaws to identify the Tier 1 standards. The Tier 1 standards were identified by the Regional Standards Task Force. They were posted for comment and the Operating Committee discussed the proposal at its October 26, 2006 meeting. That committee then conducted an e-mail ballot and adopted recommendations through established balloting procedures. WECC posted the Tier 1 standards for public comment in November for 30 days prior to scheduled Board approval. The WECC Board of Directors discussed the Tier 1 proposal at its December 7, 2006 meeting and after receiving no further comment, approved the proposal in a meeting on January 5, 2007.

WIRAB similarly finds no evidence to suggest that Tier 1 standards would violate the intent of the other three criteria. The Tier 1 standards would only apply in the West and their application there would not have a significant adverse impact on reliability in other interconnections. The Tier 1 standards would not impair reliability of the bulk power system within the Western Interconnection that might cause a serious and substantial threat to public health, safety, welfare, or national security. On the contrary, failure to adopt Tier 1 standards as mandatory regional reliability standards would mean that these higher stringency criteria (adding to the NERC standards that may be approved for enforcement in June) would continue to apply only to those who have voluntarily signed the RMS agreement rather than to all users, owners, and operators of the bulk power system in the West, which could lead to a lower level of reliability in the Western

Interconnection. Finally, the Tier 1 standards would not create a serious and substantial burden on competitive markets within the interconnection. These specific standards have been in place under the RMS system for several years without prompting concerns to the competitive markets in the Western Interconnection.

### **WIRAB Recommendation**

- 1. WIRAB finds that WECC's Tier 1 standards are necessary for the reliability of the Western Interconnection grid. WIRAB finds that WECC's Tier 1 standards are just, reasonable, not unduly discriminatory or preferential, and in the public interest.**
- 2. WIRAB recommends that the NERC Board approve WECC's Tier 1 standards as mandatory regional reliability standards applicable for the Western Interconnection under Section 215 of FPA.**
- 3. WIRAB recommends that the NERC Board approve WECC's Tier 1 standards no later than March 15 in order to allow sufficient time for (1) review and approval by the Federal Energy Regulatory Commission and (2) necessary implementation steps by WECC to ensure a smooth transition to mandatory standards under Section 215. This will allow the Tier 1 standards to be enforced beginning June 2007.**

WIRAB respectfully requests that NERC consider this recommendation in its review of WECC's proposal for mandatory regional reliability standards.

Dated this 8<sup>th</sup> day of February, 2007.

Respectfully submitted,

A handwritten signature in black ink that reads "John F. Savage". The signature is written in a cursive style with a large, sweeping initial "J" and "S".

John Savage, Chairman  
Western Interconnection Regional Advisory Body