

**SAR “Coordinate Operations,” posted March 20, 2002.**

**Discussion Paper  
May 8, 2003**

Proposing Organization(s):

North American Electric Reliability Council (NERC)

*Description and Background*

This SAR applies to NERC Reliability Authorities. Reliability Authorities (formerly “Security Coordinators”) are RTOs and regional reliability organization functions that are responsible for ensuring the reliability of the bulk transmission system within its “Security Authority Area.” Reliability Authorities oversee Balancing Authorities (aka “control areas”), transmission providers, and other entities with responsibilities for grid reliability.

The proposed Standard would establish requirements for the coordinated operation between RA’s for operational (near-term) planning, real-time operations, and maintenance of the interconnected bulk electric system.

This standard will address the following areas:

- Documenting the RAs authority to assist in resolving problems that it is causing to another system
- Developing and Sharing Unique Operating Procedures
- Analyzing Maintenance Outages
- Performing Security Analyses
- Performing Generation Resource Availability Analyses
- Sharing Results of Analyses
- Communicating with Others
- Acting with Others

*Potential business practice standards and related impacts*

The proposed standard impacts the following NAESB activities/standards:

- None identified.

The proposed standard raises the following possible business practice concerns:

- If the RA Area is identical to the RTO footprint and the RA function is performed by the RTO, business practice concerns may be minimized. Where this is not the

case, or where a single market covers multiple RTOs/ISOs, RA unique operating procedures may conflict with market practices.

- Discussion:

- The April 28, 2003 FERC Wholesale Market Platform Whitepaper strongly recognizes the need for variations in practices due to regional needs. “Regional operation is critical for both reliability and efficiency because power flows freely throughout the regional grids.” Further, FERC states, “...in the Final Rule we will allow flexibility on scope and configurations for ISOs. RTOs and ISOs are developing methods of interregional coordination that allow separate control, but a single market from the customer’s perspective.” This suggests that Reliability Authorities and RTOs need not share the same footprint. Under such circumstances, the RA operational procedures must be coordinated with the market practices of the RTOs in which it has authority over. These RA procedures must not hinder the marketplace.
  - The SRS requests comments on whether there is a need to standardize RTO practices as they relate to RA’s so that RTOs do not implement market practices that conflict with RA’s operational procedures.
  - The SRS requests submission of any known practices in place or proposed that may cause discrepancies between RA procedures and RTO practices where the RA Area and RTO do not share the same configuration.
- Business practices may need to be established or existing business practices may need to be altered to implement unique operating procedures required for reliability, especially inter-RA procedures.
    - The SRS requests comments and examples of unique operating procedures employed by a Reliability Authority/Coordinator either in place or to be implemented that may impact market practices.
  - The NERC Standard may establish obligations on owners of generators for generation availability and maintenance outages.
    - The SRS requests comments.
  - Differing degrees and types of RA authority (e.g., RTO tariff, RRO contract) over generation availability and outage timing, may impact commercial markets in various ways.
    - The SRS requests comments.
  - Possible overlaps with current and pending FERC rules on generation interconnection.

- The SRS requests comments.
- Potential confidentiality of business information associated with generation availability and maintenance outages and other information needed by an RA.
  - The SRS requests comments.