

NAESB Time and Inadvertent Management Business Practice



July 14, 2008
Terry Bilke

Introduction

- Targeted business practice to address FERC's concerns in the Standards Order
- NERC Standards Committee and Operating Committee said this is a NAESB item
- Relies on proven Time and Inadvertent management practices
- Gives Balancing Authorities tools to meet the present and future NERC BAL standards
- No impact on ERCOT or WECC unless they so choose

Supports FERC's Standards Order No. 693 Concerns

- Address number and efficiency of TECs
- Concerned with frequency excursions (nearly half of reported frequency excursions occurred during TEC)
- The FERC asks for sanctions on large Inadvertent balances
- Asks NERC to investigate alternatives to present practices

Targeted Business Practice

- Draw on past practice
 - Allow unilateral payback ([10%] of bias) when Inadvertent balance has same sign as Time Error, which will reduce # of corrections
 - Financial Settlement (MWs disclosed to NERC, terms left to BAs)
- Uses Europe's approach to TEC
 - Window widened to 20 seconds to further reduce the # of corrections
 - Shallower-longer corrections (0.01Hz for clock day)

Business Practice Summary

- Low Tech approach to achieve similar results as the WECC ATEC
- Provides BAs tools to meet FERC's concerns
- Would expect a field trial coordinated with NERC
- Drafting team to Coordinate with NERC BA Controls Standard drafting team

NERC-NAESB Coordination

- Contact already established with Balancing Area Controls (BAC) standard drafting team
- Team “cross pollination”
- Regular updates to the NERC Resources subcommittee and BAC drafting team
- Involve NERC RCWG/ORS/OC and SC if/when appropriate
- Balancing Authority and Reliability Coordinator training if/when appropriate