

Standard Authorization Request (SAR)

Complete and please email this form, with attachment(s) to: sarcomm@nerc.net

The North American Electric Reliability Corporation (NERC) welcomes suggestions to improve the reliability of the bulk power system through improved Reliability Standards.

| Requested information | | | |
|---|--|--------|--|
| SAR Title: | Standards Efficiency Review (SER) Recommendations for Retirement-Draft | | |
| Date Submitted: | | | |
| SAR Requester | | | |
| Name: | Standards Efficiency Review (SER) Team (Charles Rogers, Michael Cruz-Montes, Latroy Brumfield) | | |
| Organization: | Standards Efficiency Review (SER) Team | | |
| Telephone: | | Email: | |
| SAR Type (Check as many as apply) | | | |
| <input type="checkbox"/> New Standard | <input type="checkbox"/> Imminent Action/ Confidential Issue (SPM Section 10) | | |
| <input type="checkbox"/> Revision to Existing Standard(s) | <input type="checkbox"/> Variance development or revision | | |
| <input type="checkbox"/> Add, Modify or Retire a Glossary Term | <input type="checkbox"/> Other (Please specify) | | |
| <input checked="" type="checkbox"/> Withdraw/retire an Existing Standard | | | |
| Justification for this proposed standard development project (Check all that apply to help NERC prioritize development) | | | |
| <input type="checkbox"/> Regulatory Initiation | <input type="checkbox"/> NERC Standing Committee Identified | | |
| <input type="checkbox"/> Emerging Risk (Reliability Issues Steering Committee) Identified | <input type="checkbox"/> Enhanced Periodic Review Initiated | | |
| <input type="checkbox"/> Reliability Standard Development Plan | <input checked="" type="checkbox"/> Industry Stakeholder Identified | | |
| Industry Need (What Bulk Electric System (BES) reliability benefit does the proposed project provide?): | | | |
| Many NERC Reliability Standards have been mandatory and enforceable for over 10 years in North America, Phase 1 of the Standards Efficiency Review (SER) project seeks to identify requirements that are potential candidates for retirement because they are no longer essential for reliability. Retiring these requirements would increase efficiencies by reducing regulatory obligations and/or compliance burden. | | | |
| Purpose or Goal (How does this proposed project provide the reliability-related benefit described above?): | | | |
| Phase 1 of this project reduces the number of mandatory and enforceable requirements with which registered entities must comply. | | | |

Project Scope (Define the parameters of the proposed project):

The Standards Efficiency Review (SER) team used a risk-based approach to evaluate the reliability benefit of each requirement. Based on its analyses, the SER team is recommending the requirements listed below be retired.

- BAL-005-1 R4, R6
- COM-002-4 R2
- EOP-005-3 R8
- EOP-006-3 R7
- FAC-003-4 R5, R6, R7
- FAC-008-3 R7, R8
- FAC-013-2 R1, R2, R4, R5, R6 (All)
- INT-004-3.1 R1, R2, R3 (All)
- INT-006-4 R3.1, R4, R5
- INT-009-2.1 R2
- INT-010-2.1 R1, R2, R3 (All)
- IRO-002-5 R1, R4, R6
- IRO-006-5 R1
- IRO-008-2 R6
- IRO-014-3 R3
- MOD-001-1a R1, R2, R3, R4, R5, R6, R7, R8, R9 (All)
- MOD-001-2 R1, R2, R3, R4, R5, R6 (All)
- MOD-004-1 R1, R2, R3, R4, R5, R6, R7, R8, R9, R10, R11, R12 (All)
- MOD-008-1 R1, R2, R3, R4, R5 (All)
- MOD-020-0 R1 (All)
- MOD-028-2 R1, R2, R3, R4, R5, R6, R7, R8, R9, R10, R11 (All)
- MOD-029-2a R1, R2, R3, R4, R5, R6, R7, R8 (All)
- MOD-030-3 R1, R2, R3, R4, R5, R6, R7, R8, R9, R10 (All)
- NUC-001-3 R1
- PRC-004-5(i) R4
- PRC-015-1 R1, R2, R3 (All)
- PRC-018-1 R1, R2, R3, R4, R5, R6 (All)
- PRC-019-2 R1
- TOP-001-4 R16, R17, R19, R22
- VAR-001-4.2 R2, R3
- VAR-001-4.2 E.A.15

Detailed Description (Describe the proposed deliverable(s) with sufficient detail for a drafting team to execute the project. If you propose a new or substantially revised Reliability Standard or definition, provide: (1) a technical justification¹ which includes a discussion of the reliability-related benefits of developing a new or revised Reliability Standard or definition, and (2) a technical foundation document (e.g. research paper) to guide development of the Standard or definition):

In Phase 1 of the Standards Efficiency Review (SER) project, three SER teams [Real-time Operations (RT), Long-term Planning (LT), and Operations Planning (OP)] evaluated each requirement in the body of NERC Reliability Standards for unconditional retirement i.e. these requirements may be retired without any modifications to other standards or requirements. The observations/rationales for retiring the requirements (identified in the Project Scope above) are listed below.

[BAL-005-1 R4, R6 \(RT\)](#) 

The reliability objective of this requirement is duplicative of [TOP-010-1\(i\) R2](#).

The Balancing Authority is already required by TOP-010-1(i) R2 to have an Operating Process/Procedure to address quality of Real-time data (including Reporting ACE) which includes criteria to evaluate the data, provisions to indicate the quality of the data to the System Operator, and actions to address data quality issues with other entities.

The same logic applies for R6 since TOP-010-1(i) R2 requires an Operating Process/Procedure to include criteria to evaluate the data, provisions to indicate the quality of the data to the System Operator, and actions to address data quality issues with other entities.

[COM-002-4 R2 \(RT\)](#)

The related compliance activities are duplicative of the activities covered by the Systematic Approach to Training in Reliability Standard [PER-005-2](#).

[EOP-005-3 R8 \(OP\)](#)

The related compliance activities are duplicative of the activities covered by the Systematic Approach to Training in Reliability Standard [PER-005-2](#). System restoration is a reliability-related task and would be included in an entity's training program for its System Operators to ensure that System Operators are certified and competent to perform restoration activities.

[EOP-006-3 R7 \(OP\)](#)

The related compliance activities are duplicative of the activities covered by the Systematic Approach to Training in Reliability Standard [PER-005-2](#). System restoration is a reliability-related task and would be included in an entity's training program for its System Operators to ensure that System Operators are certified and competent to perform restoration activities.

¹ The NERC Rules of Procedure require a technical justification for new or substantially revised Reliability Standards. Please attach pertinent information to this form before submittal to NERC.

FAC-003-4 R5, R6, R7 (OP)

R5, R6, and R7 are controls and good utility practices but do not enhance BES reliability over R1 and R2. R1 and R2 fulfil the purpose of the standard through measurable actions. Also, the NERC Rules of Procedure allow consideration for extenuating circumstances relative to R5.

FAC-008-3 R7, R8 (OP)

These requirements are duplicative of the data provision standards MOD-32-1, IRO-010-2, and TOP-003-3.

In MOD-32-1 R1, the PC and TP develop modeling data requirements and reporting according to Attachment 1. In MOD-032-1 R2, the TO and GO provide power capabilities data in item 3 and facility ratings data in items 3f, 4c, 6g in the steady-state column of Attachment 1 as requested by the TP or PC.

IRO-010-2 R1 and TOP-003-3 R1 require the RC and TOP to list necessary data and information needed to perform its Operating Planning Analyses and Real-Time Assessments. This data necessarily includes facility ratings as inputs to SOL monitoring. IRO-010-2 R3 and TOP-003-3 R5 require the TO and GO to respond to the RC's and TOP's requests.

FAC-013-2 R1, R2, R4, R5, R6 (ALL) (LT)

The requirement for Planning Coordinators (PC) to have a methodology for and to perform an annual assessment of Transfer Capability for a single year in the Near-Term Transmission Planning Horizon does not benefit System reliability beyond that provided by other Reliability Standards. This Reliability Standard is primarily administrative in nature and does not require specific performance metrics or coordination among functional entities.

In general, FAC-013-2 fails to meet System reliability objectives in the following ways:

- Individual PCs develop their own methodologies that may be very disparate from each other.
- Impacted functional entities, such as Transmission Planners (TP), do not have meaningful input into the methodology or analysis.
- The standard does not specify performance metrics or define what acceptable system performance is.
- Entities that receive the methodology or assessment results are not obligated to use or even consider the information in their assessments.
- R4 only requires the assessment to be performed for one year in the Near-Term Transmission Planning Horizon. This year can be arbitrarily chosen by the PC and the analysis does not guarantee transmission service that is necessary for System reliability.
- Assessing transfer capability above the “known commitments for Firm Transmission Service and Interchange” required by TPL-001-4 (R1.1.5), serves a market function as opposed to securing System reliability.

The 2013 NERC Independent Experts Review Project identified R2 and R3 as administrative and recommended them for retirement. R3 was approved for retirement by FERC in 2014.

INT-004-3.1 R1. (RT)

This requirement is no longer enforceable as the Purchasing Selling Entity is no longer a NERC registered function. The INT Periodic Review Team completed its analysis and determined the requirement is duplicative of the NAESB WEQ Business Practice Standards, specifically covered in existing NAESB WEQ-004-1 and WEQ-004-5, and in proposed NAESB WEQ-004-1.8.

Requirement R1: (1) IERP recommended for retirement, and (2) is duplicative because (a) language leading to the submittal of all Request for Interchange, which includes Dynamic Schedules and Pseudo-Ties, is contained in existing NAESB WEQ-004-1 and WEQ-004-5; and (b) the remaining element of Requirement R1, when Pseudo-Ties may be excluded, is contained in the NAESB proposed WEQ-004-1.8.

INT-004-3.1 R2 (RT)

This requirement is no longer relevant as the Purchasing Selling Entity is no longer a NERC registered entity. The INT Periodic Review Team completed its analysis and determined the requirement is duplicative of a currently proposed revision to the NAESB WEQ Business Practice Standards. The language in R2, requiring Confirmed Interchange associated with Dynamic Schedules or Pseudo-Ties being updated for future hours when any of the three conditions cited in the requirement occur, is contained almost verbatim in the proposed NAESB WEQ-004-23. Additionally, the Independent Expert Review Team recommended the requirement be retired.

INT-004-3.1 R1, R2, R3 (ALL) (OP)

This standard may be retired since it satisfies Paragraph 81 Criteria 'B6 – Commercial or Business Practice.' Interchange scheduling and congestion are elements that impact transmission costs, rather than actual reliable management of the BES. Furthermore, the applicable entity for Requirements R1 and R2, the Purchasing-Selling Entity, has been removed from the list of NERC Functional Entities, supporting the market-based observations herein. R3 specifically refers to "Pseudo-Ties that are included in the NAESB Electric Industry Registry," reinforcing the tie to NAESB WEQ Business Practice Standards.

INT-006-4 R3.1 (RT and OP)

The INT Periodic Review Team (PRT) (Project 2017-04) conclusion supports retirement of this requirement. The INT PRT found no impact on reliability in requiring the RC being notified when a Reliability Adjustment Arranged Interchange has been denied. Additionally, RCs are notified via the electronic tag when a Reliability Adjustment Arranged Interchange is denied, as required in the NAESB e-Tagging Specifications.

INT-006-4 R4 (RT and OP)

The INT Periodic Review Team (PRT) (Project 2017-04) conclusion supports retirement of this requirement as it is duplicative of the NAESB e-Tagging Specifications Section 1.6.3.1 and Section 1.3, and is not a reliability-related task performed by a NERC registered entity.

INT-006-4 R5 (RT)

The INT Periodic Review Team (PRT) (Project 2017-04) conclusion supports retirement of this requirement as it is duplicative of the NAESB e-Tagging Specifications Section 1.6.4, and is not a reliability-related task performed by a NERC registered entity. Additionally, it is contained on the list of standards not commonly identified through an IRA process.

INT-009-2.1 R2 (RT)

This requirement can be retired under Paragraph 81 criteria, as the requirement is redundant with approved NERC Reliability Standard BAL-005-1, R7.

INT-010-2.1 R1, R3 (RT)

These requirements satisfy Paragraph 81 Criteria 'B6 – Commercial or Business Practice' and 'B7 – Redundant' because more stringent requirement(s) that meet the objectives are already included in WEQ-004-1 of the NAESB WEQ Business Practice Standards.

INT-010-2.1 R2 (RT)

This requirement satisfies Paragraph 81 Criteria 'B6 – Commercial or Business Practice' and 'B7 – Redundant' because more stringent tagging requirement(s) that meet the objectives are already included in WEQ-004-8 of the NAESB WEQ Business Practice Standards.

IRO-002-5 R1 (OP)

The requirement is a control for aiding compliance with IRO-008-2 R1 related to the performance of an Operational Planning Analysis (OPA), and it is duplicative to R3 in IRO-010-2. IRO-010-2 requires the RC to identify the data it needs to perform its OPA (R1), which entities need to provide such data (R2), and then obligates those registered entities to then supply the data (R3). For an entity to fulfill IRO-010-2 R3, it must be able to exchange data with the requesting RC. Additionally, to comply with IRO-008-2 R1, the RC must have received all of the data it needs to perform the OPA. Finally, the measure (M1) for IRO-002-5 R1 states that an entity needs to have documentation describing its data exchange capabilities with other entities, which is administrative in nature.

IRO-002-5 R4 (OP)

This requirement can be retired because it does not contribute to reliability of the BES. The authority to approve or deny outages to any equipment, whether load-carrying or not, is a fundamental attribute of the System Operator role.

IRO-002-5 R6 (RT)

This requirement to have monitoring systems is unnecessary because IRO-002-5 R5 requires the monitoring of the systems which pre-supposes the ability (tools) to do so.

IRO-006-5 R1 (ALL) (RT)

Each Interconnection has its own TLR procedure within the NERC Reliability Standards. If an entity cannot respond to the RC's request it can notify them in accordance with [IRO-001-4 R2](#). Therefore, **IRO-006-5 R1 is redundant and unnecessary.**

IRO-008-2 R6 (RT)

This requirement is administrative in nature and does not provide any reliability benefits. An Operating Plan would already include specific actions to notify.

IRO-014-3 R3 (RT)

The reliability objective of "notification" is mandated as a part of the RC having and implementing Operating Procedures, Operating Processes, or Operating Plans that include criteria and processes for notifications (R1, Part 1.1).

MOD-020-0 R1 (ALL) (LT)

This requirement is duplicative of the data provision requirements included in Reliability Standards MOD-031-2 and IRO-010-2.

MOD-020-0 R1 requires the Load-Serving Entity, Transmission Planner, and Resource Planner to provide Interruptible Demand and Direct Control Load Management upon requests by the Transmission Operators, Balancing Authorities, and Reliability Coordinators.

In [MOD-031-2 R1.4.5](#) requires the Planning Coordinator or Balancing Authority to request, as necessary, total available peak hour forecast of controllable and dispatchable Demand Side Management from the applicable entities. R2 then requires each applicable entity identified in the data request to provide the requested data to the PC or BA.

In [IRO-010-2 R1](#) requires the Reliability Coordinator to list necessary data and information needed to perform its Operating Planning Analyses and Real-Time Assessments, and R2 requires the RC to distribute its data specifications to all applicable entities. R3 then requires each applicable entity to respond to the request as specified.

NUC-001-3 R1 (LT)

The requirement is administrative in nature as R1 actions are inherent in R2 since each entity 'shall have in effect' an agreement.

PRC-004-5(j) R4 (OP)

The compliance activities associated with this requirement such as the tracking of investigative actions do not improve reliability. Entities endeavor to determine the cause of a Misoperation and doing so may take extended time if equipment outages are necessary. However, if an entity is unable to determine the cause, further investigation(s) using the same event data are unlikely to lead to identification of the cause. If additional Misoperation(s) occur, new investigation(s) using the additional event data would be triggered.

[PRC-015-1](#) R1, R2, R3 (All) (LT)

PRC-015-1 will be retired as it will be superseded by [PRC-012-2](#). R1 requires the applicable entities to maintain a list of RAS which is an administrative requirement that does not contribute to the reliability of the BES. R2 references [PRC-012-1](#) R1 which is not enforceable and will be superseded by PRC-012-2. Requirement R3 will be superseded by PRC-012-2. In support of the Independent Expert Review Panel's (IERP) justification to retire the standard: "P81 Administrative/Documentation", this is an administrative requirement. RE and NERC already have authority to request such information.

[PRC-018-1](#) R1, R2, R3, R4, R5, R6 (All) (LT)

This standard requires both the TO or GO to ensure that DME's installed per [PRC-002-1](#) and meet specific criteria. PRC-002-1 was never approved by FERC but PRC-018 was approved on the basis that each RRO would establish a DME program and that even if PRC-002-1 were not approved; PRC-018 could be enforced per the RRO program. Most RRO's have retired their programs which establish the scope of DME's for this standard. Furthermore, there are differences in the methodologies used by the RRO's to establish scope of DME's and what is mandated by requirement R1 of [PRC-002-2](#). The lists of DME's and where they are installed will differ from PRC-018-1 and PRC-002-2.

[PRC-019-2](#) R1 (LT)

Requirement R2 already requires that any change that impacts the voltage regulating coordination be performed within 90 days of changes. If this requirement is followed, the five-year coordination is an unnecessary paper exercise with no reliability benefit once the initial coordination study has been completed.

[TOP-001-4](#) R16, R17 (OP)

These requirements can be retired because the authority to approve or deny outages of any equipment, whether load carrying or not, is a fundamental attribute of the system operator role. This was recognized by NERC and FERC in Project 2007-03 where the authority language in former Standard [TOP-001-1](#) R1 was removed from the revised TOP standards approved by both NERC and FERC.

[TOP-001-4](#) R19 (OP)

The requirement is a control for aiding compliance with [TOP-002-4](#) R1 related to the performance of an Operational Planning Analysis (OPA) and it is duplicative to requirements R5 in [TOP-003-3](#). Standard TOP-003-3 requires the TOP to identify the data it needs to perform its OPA (R1), which entities need to provide such data (R3), and then obligates those registered entities to then supply the data (R5). For an entity to fulfill TOP-003-3 R5, it must be able to exchange data with the requesting TOP. Additionally, to comply with TOP-002-4 R1, the TOP must have received all of the data it needs to perform the OPA.

TOP-001-4 R22 (OP)

The requirement is a control for aiding compliance with [TOP-002-4](#) R4 related to preparing Operating Plans and it is duplicative to requirement R5 in [TOP-003-3](#). Standard TOP-003-3 requires the BA to identify the data it needs to perform its analysis functions (R2), which entities need to provide such data (R4), and then obligates those registered entities to then supply the data (R5). For an entity to fulfill TOP-003-3 R5, it must be able to exchange data with the requesting BA. Additionally, to comply with TOP-002-4 R4, the BA must have received all of the data it needs to perform its analysis functions.

VAR-001-4.2 R2 (OP)

This requirement is duplicative of other SOL requirements. R2 is related to maintaining the system within SOLs because a voltage limit is a form of SOL. [TOP-002-4](#) already requires TOPs to identify where the potential SOL exceedances might occur for next-day operations and prepare a plan to mitigate these potential SOL exceedances, including notifying entities of their role in those plans (R3). When moving into real-time operations, the requirements of [TOP-001-4](#) govern and the TOP continues to be obligated to operate within SOLs and direct the operation of the system to operate within SOLs or return to operation within SOLs (R12 and R14). R1 of TOP-001-4 requires the TOP to act and direct action to maintain reliability, including obtaining necessary reactive resources as described in VAR-001-4.2 R2.

VAR-001-4.2 R3 (OP)

This requirement is duplicative of TOP-001-4 requirements:

- [TOP-001-4](#) R1, which states that the TOP "shall act to maintain the reliability of its Transmission Operator Area via its own actions or by issuing Operating Instructions." The requirement to "act" using all available actions, whether by "its own actions" or by the actions of others via "issuing Operating Instructions" is the same as VAR-001-4.2 R3 to "operate or direct ... operation of devices to regulate ... voltage and reactive flow."
- The purpose of the actions taken under VAR-001-4.2, R3 is the same purpose accomplished by TOP-001-4 R1, R10, R12, R13 and R14 by acting to operate within limits (SOLs and IROLs) to maintain reliability of its transmission system.

VAR-001-4.2 E.A.15 (RT)

This is a Regional variance requirement applicable to WECC only. The continent-wide requirement [VAR-002-4.1](#) R2.3 addresses the same reliability objective.

Additionally, the following Standards and Requirements were consolidated into MOD-001-2 in project 2012-05, which was filed for regulatory approval on February 10, 2014, and **is still pending approval**. We recommend that NERC withdraw the February 10, 2014 petition related to MOD-001-2.

[MOD-001-1a](#) R1, R2, R3, R4, R5, R6, R7, R8, R9 (OP)

[MOD-004-1](#) R1, R2, R3, R4, R5, R6, R7, R8, R9, R10, R11, R12 (OP)

[MOD-008-1](#) R1, R2, R3, R4, R5 (OP)

[MOD-029-2a](#) R1, R2, R3, R4, R5, R6, R7, R8 (OP)

[MOD-030-3](#) R1, R2, R3, R4, R5, R6, R7, R8, R9, R10 (OP)

Flowgates, transfer capability, and congestion are all elements that impact transmission costs, rather than actual management of the BES. Transmission Operators, Balancing Authorities, and Reliability Coordinators must operate the system in such a way that it's reliable, both for current operations and for contingency conditions, and **must remain impervious (according to FERC Standards of Conduct) to cost-related issues.**

In addition, in standard [MOD-004-1](#), Requirement R3 specifically refers only to the Load Serving Entity, which has been removed from the list of NERC Functional Entities.

Project 2012-05:

- proposes retirement of [MOD-004-1](#), Requirements R4 (and subparts), R6 (and subparts), and R10.
- notes that standard [MOD-028-2](#), requirements R4.2, R6.3, R6.4, R8, R9, and R10 all address **"commercial arrangements"** and recommends retirement of these requirements.
- notes that standard [MOD-029-2a](#), requirements R2.2, R2.3, R2.6, R5, and R6 address **"business practices", "commercial arrangements" or "contractual obligations" and recommends retirement or substantial modification of these requirements.**
- notes that [MOD-030-3](#), R6 addresses **"commercial arrangements" and recommends retirement of this requirement.**

Cost Impact Assessment, if known (Provide a paragraph describing the potential cost impacts associated with the proposed project):

The team did not identify any known cost impacts.

Please describe any unique characteristics of the BES facilities that may be impacted by this proposed standard development project (*e.g.* Dispersed Generation Resources):

No unique characteristics of the BES facilities that may be impacted by this proposal were identified by the SER team.

To assist the NERC Standards Committee in appointing a drafting team with the appropriate members, please indicate to which Functional Entities the proposed standard(s) should apply (*e.g.* Transmission

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| Operator, Reliability Coordinator, etc. See the most recent version of the NERC Functional Model for definitions): |
| All. |
| Do you know of any consensus building activities ² in connection with this SAR? If so, please provide any recommendations or findings resulting from the consensus building activity. |
| SER Project Team(s) |
| Are there any related standards or SARs that should be assessed for impact as a result of this proposed project? If so which standard(s) or project number(s)? |
| None identified by the SER team. |
| Are there alternatives (e.g. guidelines, white paper, alerts, etc.) that have been considered or could meet the objectives? If so, please list the alternatives. |

| Reliability Principles | |
|---|---|
| Does this proposed standard development project support at least one of the following Reliability Principles (Reliability Interface Principles)? Please check all those that apply. | |
| <input checked="" type="checkbox"/> | 1. Interconnected bulk power systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards. |
| <input checked="" type="checkbox"/> | 2. The frequency and voltage of interconnected bulk power systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand. |
| <input checked="" type="checkbox"/> | 3. Information necessary for the planning and operation of interconnected bulk power systems shall be made available to those entities responsible for planning and operating the systems reliably. |
| <input checked="" type="checkbox"/> | 4. Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented. |
| <input checked="" type="checkbox"/> | 5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems. |
| <input checked="" type="checkbox"/> | 6. Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions. |
| <input checked="" type="checkbox"/> | 7. The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis. |
| <input checked="" type="checkbox"/> | 8. Bulk power systems shall be protected from malicious physical or cyber attacks. |

| Market Interface Principles | |
|---|----------------|
| Does the proposed standard development project comply with all of the following Market Interface Principles ? | Enter (yes/no) |
| 1. A reliability standard shall not give any market participant an unfair competitive advantage. | yes |
| 2. A reliability standard shall neither mandate nor prohibit any specific market structure. | yes |

² Consensus building activities are occasionally conducted by NERC and/or project review teams. They typically are conducted to obtain industry inputs prior to proposing any standard development project to revise, or develop a standard or definition.

| Market Interface Principles | |
|--|-----|
| 3. A reliability standard shall not preclude market solutions to achieving compliance with that standard. | yes |
| 4. A reliability standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards. | yes |

| Identified Existing or Potential Regional or Interconnection Variances | |
|--|------------------|
| Region(s)/ Interconnection | Explanation |
| <i>e.g.</i> NPCC | None identified. |

For Use by NERC Only

| SAR Status Tracking (Check off as appropriate) | |
|---|--|
| <input type="checkbox"/> Draft SAR reviewed by NERC Staff | <input type="checkbox"/> Final SAR endorsed by the SC |
| <input type="checkbox"/> Draft SAR presented to SC for acceptance | <input type="checkbox"/> SAR assigned a Standards Project by NERC |
| <input type="checkbox"/> DRAFT SAR approved for posting by the SC | <input type="checkbox"/> SAR denied or proposed as Guidance document |

Version History

| Version | Date | Owner | Change Tracking |
|---------|------------------|-----------------------------|------------------|
| 1 | June 3, 2013 | | Revised |
| 1 | August 29, 2014 | Standards Information Staff | Updated template |
| 2 | January 18, 2017 | Standards Information Staff | Revised |
| 2 | June 28, 2017 | Standards Information Staff | Updated template |