

Unofficial Comment Form

ALR Definition and Technical Document

Please **DO NOT** use this form for submitting comments. Please use the [electronic form](#) to submit comments on the draft ALR definition and its associated supporting documents. Comments must be submitted by **June 25, 2012**. If you have questions please contact Mallory Huggins at mallory.huggins@nerc.net or 202-644-8062.

Background Information:

The Adequate Level of Reliability Task Force (ALRTF) was formed in May 2011 under the auspices of the NERC Standing Committees Coordinating Group (SCCG), which comprises the chairs and vice chairs of NERC's standing committees, to address concerns expressed by the NERC Board of Trustees (BOT), the Member Representatives Committee (MRC), and stakeholders that NERC's current definition of Adequate Level of Reliability (ALR) needs reassessment to ensure that the definition supports and helps to define NERC's mission to ensure reliable operation of the bulk power system.

The ALRTF's draft scope document describes the Task Force's purpose as follows:

“Deliver, for use by the ERO enterprise, a document which includes a definition of ALR and associated characteristics with demonstrated ability to measure the relative state of ALR on an ongoing basis. The definition and associated characteristics may be identical to those previously approved or may be enhanced if necessary. Further, these measurable objectives and characteristics should focus on support for the ERO's key activities, including Reliability Standards and Compliance and Certification functions. “

The ALRTF's goal is to develop a definition of ALR that encompasses NERC's responsibility to ensure reliable planning and operation of the bulk power system and to identify and define reliability objectives and performance characteristics that drive what system planners and operators do on a day-to-day basis to ensure that the bulk power system is reliable.

The ALRTF sought to be as concise as possible in the development of these core reliability characteristics, recognizing that too little detail may leave them unexplained, while extraneous text often obscures a lack of clarity or agreement. ALR is clearly not a single value or outcome or state. Rather, ALR is the result of multiple efforts to achieve bulk power system performance outcomes that will support reliable operations.

This multi-dimensional effort is reflected in NERC's current and evolving body of reliability standards, which work together to establish a portfolio of performance outcome, risk reduction, and capability-based reliability standards that are designed to achieve a defense in depth against an inadequate level

of reliability. The ALRTF recognizes that performance outcomes and Disturbances need to be further developed, but that specific performance outcomes and Disturbances should be addressed in the standards development stage.

Other NERC programs, such as industry alerts, reliability assessments, event analysis, education, and the compliance with and enforcement of reliability standards, are designed to work in concert with reliability standards to support reliable operation. Each of these activities should be driven by the goal of consistently achieving an adequate level of reliability.

The ALRTF also agreed that the characteristics of ALR must be objective and measurable, in recognition of NERC's commitment that the ERO enterprise must be a learning organization that assesses industry performance, analyzes trends, and learns from its performance successes and failures, allowing the ERO enterprise to focus on and align its activities with specific characteristics of ALR.

The ALRTF's work reexamines the current NERC definition of ALR, which was adopted by the NERC BOT in February 2008 and filed for informational purposes with the Federal Energy Regulatory Commission in May 2008. The ALRTF has developed seven reliability objectives and associated performance outcomes that collectively describe the performance state that the design, planning, and operation of the BES will achieve when the reliability objectives are met.

The ALRTF's work has been reviewed by the standing committees (primarily the Operating Committee, Planning Committee, Standards Committee, and Critical Infrastructure Protection Committee) and approved for industry posting by the Standing Committees Coordination Group. The ALRTF looks forward to reviewing additional input from industry stakeholders.

Additional documentation is available on the [project page](#).

You do not have to answer all questions. Please use the [electronic form](#) to submit comments on the draft ALR definition and its associated supporting documents.

1. The ALRTF recognizes that there are a number of ways to define adequate level of reliability (ALR). It chose to develop the ALR definition by presenting the performance state that the design, planning, and operation of the Bulk Electric System (BES) will achieve by meeting a set of reliability objectives (#1 to #7 in the definition document). Do you agree with this approach?

If not, please explain why and suggest alternative approaches that could be pursued.

Yes

No

Comments: NESCOE does not support the inclusion of objectives 4 and 5, as presented here, in the definition of ALR. Please see NESCOE comments in response to question 3. As a general comment, NESCOE appreciates NERC's effort to translate the overriding statutory objectives of § 215 into tangible performance outcomes upon which to structure and prioritize the ERO's activities.

2. Reliability Objectives #1, #2, and #3 are aimed at maintaining BES integrity and normal operating state (voltage and frequency ranges). Do you agree with these reliability objectives and their associated performance outcomes?

If not, please explain why and suggest alternative reliability objectives or performance outcomes to ensure BES integrity and normal operating state.

Yes

No

Comments: NERC has explained that it requires a definition of ALR in order to define and support its mission of developing and enforcing standards that ensure reliable operation of the bulk power system. NESCOE agrees that Objectives 1, 2, and 3 are appropriate components of the definition because (1) they state expected operating characteristics of the system, and (2) they provide direction to the standards development process.

3. Reliability Objectives #4 and #5 are aimed at maintaining adequate BES capabilities (resource and transmission) to meet required BES demands.

- a. Do you agree with these reliability objectives and their associated performance outcomes?

If not, please explain why and suggest alternative reliability objectives or performance outcomes to ensure adequate BES capabilities (resource and transmission) are considered and provide the drivers for planning and operations assessments to meet required BES demands.

Yes

No

Comments: Unlike Objectives 1, 2, and 3, these Objectives do not describe operating characteristics of the bulk power system that can be used as guideposts for the standards setting process; rather, they focus on determining whether adequate transmission and

generation facilities are “provided.” Similarly, the wording of the question suggests that NERC must “maintain” adequate transmission and generation capabilities. However, NERC does not have any authority to set standards for resource adequacy and the provision of transmission capacity. While we recognize and appreciate that the system cannot be considered reliable without sufficient supply and transmission resources, NERC’s authority to set standards is limited only to the operations and planning of the bulk electric system and does not extend to determining the actual provision of the system. The inclusion of Objectives 4 and 5 in the ALR definition potentially veers the standards development process into matters that NERC itself recognizes do not fall within its standard-setting jurisdiction. NERC should avoid any chance of exceeding its defined authority by eliminating these two concepts from the definition of ALR.

In response to the second part of the question, NESCOE does not believe that any “alternative reliability objectives or performance outcomes to ensure adequate BES capabilities (resource and transmission)” are necessary and so does not propose alternatives to Objectives 4 and 5. NESCOE recognizes that NERC and the regional authorities have responsibility to assess and report on the adequacy of the bulk power system; this function is distinct from NERC’s role in developing standards, and the ALR definition should not confuse these two areas of responsibility. In NESCOE’s view, “the drivers for planning and operations assessments to meet required BES demands” are the standards themselves, which are the yardstick against which planning authorities measure and report on the adequacy of the bulk power system.

- b. The ALRTF has established that meeting required BES demands is the fundamental reason for ensuring BES integrity and maintaining normal operating states (voltage and frequency). In addition, adequate resource and transmission capabilities need to be provided to meet forecast demands. The ALRTF recognizes that EPA 215 does not provide FERC and NERC the authority to require or enforce provision of these capabilities. The Task Force thus proposes these reliability objectives to aid assessment of future needs but does not prescribe how or by whom the required BES capabilities will be provided.

Do you agree that this is an acceptable and preferred approach? If not, please explain and propose alternative approaches to achieve this objective.

Yes

No

Comments: For the reasons given in response to question 3(a), NESCOE suggests that Objectives 4 and 5 be removed from the ALR definition. Furthermore, NERC does not need to codify these objectives here in order to carry out assessments because it has clear authority to evaluate the adequacy of the bulk power system pursuant to FPA Section 215(g).

- c. The ALRTF considered many options for referring to transmission and resource adequacy. In this draft, it uses terms such as “required BES demands” and “meet load obligations.”

Do you believe this language is clear? If not, please suggest alternative language.

Yes No

Comments: NESCOE believes the ALR definition should avoid references to transmission and resource adequacy.

4. Reliability Objectives #6 and #7 are aimed at responding to BES events that result in a performance state that goes beyond any of those covered by meeting Objectives #1 to #5. Do you agree with these reliability objectives and their associated performance outcomes?

If not, please explain why and suggest alternative reliability objectives or performance outcomes to ensure the minimization of Adverse Reliability Impacts caused by events beyond predefined Disturbances and ensure that capability is in place to recover from major system Disturbances in a controlled manner that rebuilds BES integrity and restores supply to load.

 Yes No

Comments:

5. The Technical Report provides additional details on the performance outcomes and Disturbances, but still at a very high level. The ALRTF recognizes that performance outcomes and Disturbances need to be further developed but that specific performance outcomes and Disturbances should be addressed in the standards development stage.

Do you agree with the level of detail on performance outcomes and Disturbances presented in the Technical Report? If not, please explain and propose alternatives to address your concerns.

 Yes No

6. The Technical Document presents the four time frames for the performance outcomes. Do you agree that these time frames more fully describe each performance outcome?

If not, please explain and propose alternative time frames or other attributes that can more fully describe each performance outcome.

 Yes No

Comments:

7. In May 2008, NERC filed a definition of ALR with FERC for information (that definition is available here: http://www.nerc.com/files/Adequate_Level_of_Reliability.pdf). Keeping in mind that ALR is supposed to provide the foundation for all other ERO activities, do you believe that the definition and documents developed by the ALRTF improve upon the current definition?

If not, please explain why.

Yes

No

Comments:

8. NERC’s 8 Reliability Principles (http://www.nerc.com/files/Reliability_Principles.pdf) have been approved by NERC’s Board of Trustees and incorporated into NERC’s Standard Processes Manual, which was approved by FERC. Every new standard requirement must be tied to one or more of these principles.

Could the proposed definition of ALR and its reliability objectives replace these principles (or vice versa), or are both documents necessary?

X Yes

No

Comments: The wording of this question is ambiguous. NESCOE believes that NERC should have only one set of reliability principles to guide its standards development processes in order to avoid confusion and conflicting interpretations in an arena that is already subject to debate. NESCOE agrees that those principles may be articulated through the definition of ALR, subject to NESCOE’s previous comments on the currently proposed definition.

Should be one clear standard to guide activities

9. The ALRTF elected to use the NERC Glossary Term “Bulk Electric System” (BES) because it is widely used within NERC standards and subject to ongoing NERC standard development activity, rather than the term “bulk-power system,” which has a specific statutory definition applicable within the United States, or the term “System” that is used in the current Board-approved definition. Do you agree with this approach?

If not, please explain why and suggest alternative approaches that should be pursued.

Yes

No

Comments:

10. If you have any other comments on the Definition, Technical Report, Discussion Paper: Risk Tolerance for Widespread Bulk Electric System Outages with Significant Socio-Economic Impacts, or the Discussion Draft: Mapping of Adequate Level of Reliability for the Bulk Electric System to Standards Development Reliability Principles that you have not already provided in response to the prior questions, please provide them here. Please identify the specific document and section or page numbers addressed by your comments.

Comments on Definition:

Comments on Technical Document:

